

MEETING MINUTES, August 28, 2019

Present: Emmanuel Ajavon, Kevin Birdsey, Liz Blum, Rosemary Fifield, Victoria Fullerton, Ed Howes, Benoit Roisin, Ann Shriver Sargent (participated by phone before arriving at 6:40 p.m.) and Allene Swienckowski
Jessica Saturley-Hall participated by phone until 8:00 p.m.

Absent: Tom Battles, Jessica Giordani

Staff: Amanda Charland (Director of Cooperative Engagement), Ed Fox (General Manager), April Harkness (Board Administrator), Lori Hildbrand (Director of Administrative Operations), Mark Langlois (Director of Finance)

Members: Terry Appleby, Charlie Goldenshire

Rosemary Fifield called the meeting to order at 6:00 p.m. at the Co-op Resource Center, White River Jct., VT.

Participation by Phone

MOTION: Benoit Roisin moved to allow Ann Shriver Sargent to participate and vote by phone. Allene Swienckowski seconded the motion.

VOTED: 10 in favor, 0 opposed. The motion passed.

Rosemary reminded the board that C.E. Pugh, CEO of National Co-op Grocers, will be attending the September board meeting and to please send along any questions or topics you'd like him to discuss.

Consent Agenda: July 24, 2019, Meeting Minutes and July 2019 Share Redemption Requests

MOTION: Ed Howes moved to accept the July 24, 2019, Meeting Minutes and the July 2019 Share Redemption Requests. Liz Blum seconded the motion.

VOTED: 10 in favor. 0 opposed. The motion passed.

Election of Secretary

Jessica Giordani is unable to serve as Board Secretary so the table opened for nominations.

MOTION: Liz Blum nominated Victoria Fullerton for Board Secretary.

MOTION: Allene Swienckowski nominated Emmanuel Ajavon for Board Secretary.

DISCUSSION: Victoria Fullerton read an email from the Board President asking whether she felt able to fulfill the duties of Secretary. The Board President also sent an email to Emmanuel Ajavon asking the same question. A preference was not indicated. It was decided that board members would be allowed to vote for either Victoria or Emmanuel or both.

Victoria Fullerton asked to have the record show that regardless of the opinion of the Board President, any non-employee board member may be elected to an Officer position and that there was an apology from the Board President (please see Appendix A for the full transcript of the email exchange).

VOTED: 4 in favor (Liz Blum, Benoit Roisin, Victoria Fullerton and Allene Swienckowski). 0 opposed. 5 abstained (Emmanuel Ajavon, Kevin Birdsey, Ed Howes, Rosemary Fifield, and Jessica Saturley-Hall) of Victoria Fullerton for Board Secretary.

VOTED: 5 in favor (Liz Blum, Benoit Roisin, Ed Howes, Kevin Birdsey and Allene Swienckowski). 0 opposed. 4 abstained (Emmanuel Ajavon, Victoria Fullerton, Rosemary Fifield, and Jessica Saturley-Hall) of Emmanuel Ajavon for Board Secretary.

With the vote of 5 votes in favor to 4, Emmanuel Ajavon will serve as Board Secretary.

Member Comments

There were no comments from the members present.

Monitoring

Monitoring Report EL 5 – Employee Experience

MOTION: Benoit Roisin moved to assess EL 5 – Employee Experience report as demonstrating compliance. Liz Blum seconded the motion.

DISCUSSION: Jessica Saturley-Hall commended the General Manager on the new format for the monitoring report. Liz Blum asked to note that workplace sexual harassment can be very difficult to report and that she wished for enhanced procedures for those experiencing this type of harassment.

The recent closed employee survey garnered 148 participants, up from 130 last year. The Director of Administrative Operations will be scheduling presentations to the board and at each location in the coming months. The question was asked if we know why employees are not responding to the survey. The answer is that we don't. The surveys are anonymous; as such individual employees are not asked if they participated.

It was noted that the total number of terminations seemed high (81 in the last year) and the GM reported that the Co-op loses about a quarter of the work force every year. This is not an uncommon trend in the grocery industry.

The board asked if there are other ways to get employee feedback. The Co-op does have employee facilitated focus groups as part of the Employee Experience Project. This portion of the project is an employee undertaking, consisting of an ongoing project at each location and is not overseen by management. Employees at every location are invited to participate. There is also an employee driven committee on diversity and inclusion called the Lighthouse Project.

Lastly, a board member asked what we learned from the employee survey and what actions, if any, are next. As results are still being reviewed, these questions will be addressed in the upcoming presentations.

VOTED: 9 in favor. 0 opposed. 1 abstained (Victoria Fullerton). The motion passed.

Monitoring Report EL 6 – Compensation and Benefits

MOTION: Ed Howes moved to assess EL 6 – Compensation and Benefits report as demonstrating compliance. Benoit Roisin seconded the motion.

DISCUSSION: Liz Blum commented that she believes merit pay does not work well as a compensation tool. It was also clarified that the 2% wage increase represented on p. 15 of the packet is not across the board, but rather by business unit. Liz also asked about the timeline for the plan to reach a \$15 starting and minimum wage at the Co-op. Kevin Birdsey and Allene Swienckowski echoed these concerns and their hope for a rapid timeline. Ann Shriver Sargent asked how such a wage could be mandated without understanding where that money might come from. Jessica Saturley-Hall urged the board to help work on this plan.

VOTED: 8 in favor. 0 opposed. 2 abstained (Liz Blum and Victoria Fullerton). The motion passed.

Governance Process

Ends Committee Update

The Ends Committee Charter has been submitted to the Governance Committee for review. There was discussion on choosing individual committee members. Benoit Roisin, Chair of the Ends Committee, submitted a list of potential committee members, including 4 member-owners and 4 employees. It was decided that all those that expressed interest in serving on the committee would be invited to participate.

The recommendation to change the wording of the July board meeting motion to create the committee and specifically the purpose of the committee from “study new ends and recommend changes” to glean “the opinions of the member-owners to inform the ends” was withdrawn.

Bylaws Committee Charter/Members

MOTION: Kevin Birdsey moved to accept the Bylaws Committee Charter with the following amendment in italics. Allene Swienckowski seconded the motion.

Committee Products:

2.1 *Working with legal counsel*, the committee ensures that proposed revisions are consistent with current legislation and the Co-op’s Certificate of Organization before presenting them to the board.

DISCUSSION: When asked why the bylaws needed to be changed, Rosemary provided examples including referring to members as member-owners, clarifying board officer succession, language around subscribers and inconsistencies with state statutes. She also described avenues to inform the member-owners of such changes via triptychs, board member tabling, handouts and a detailed mailing sent to all member-owners. The bylaw changes may occur over a year or two.

VOTED: 10 in favor, 0 opposed. The motion passed.

Election Committee Charter/Members

MOTION: Benoit Roisin moved to accept the Election Committee Charter. Ann Shriver Sargent seconded the motion.

VOTED: 10 in favor, 0 opposed. The motion passed.

GP 6 – Board Process for Recruitment and Continuity (revision)

It was decided that GP 6 – Board Process for Recruitment and Continuity revision needs more work and was returned to Governance Committee.

EL 1 – Financial Performance (revision)

MOTION: Ed Howes moved to accept EL 1 – Financial Performance revisions with the following amendment in italics. Allene Swienckowski seconded the motion.

EL 1.6 Do not provide the amount determined annually by the Board so that it may fulfill all of its governance duties *as specified in GP 3.1*.

VOTED: 8 in favor. 0 opposed. 2 abstained (Ann Shriver Sargent and Jessica Saturley-Hall). The motion passed.

EL 4 – Member Shopper Experience (revision)

MOTION: Ed Howes moved to accept EL 4 – Member Shopper Experience revisions as written. Allene Swienckowski seconded the motion.

VOTED: 9 in favor. 0 opposed. Jessica Saturley-Hall abstained. The motion passed.

EL Monitoring Timeline (proposal)

Ann Shriver Sargent presented a revised timeline for Executive Limitation monitoring allowing more time to receive the report, ask questions, participate in board member dialogue and vote to accept the report at the following month's board meeting. Many board members spoke in favor of the proposal, but Ann will provide further clarification on how non-compliance will be addressed and other questions at the September board meeting.

Governance Action Plan Review

The board reviewed tasks on the Governance Action Plan and made the following notes:

- EL 2 – Kevin and Ann will provide a progress report in September
- GP 6 – Governance Committee will review
- EL 1 – complete
- EL Monitoring Timeline – Ann will provide more information in September

- EL 5 – Governance Committee will review
- EL 6 – Governance Committee will review
- Ends Committee Charter – Governance Committee will review and submit for September

GM Monthly Update

Ed Fox said the Co-op received national recognition for our ECRS-Catapult work – *Success Navigator of the Year Award for 2019*, a distinction that recognizes our progress in putting ECRS to use. He also reminded the board of the completion of an Upper Valley marketing study the Co-op undertook with a consultant. He'll be sharing that report with the board.

He was asked some clarifying questions about the Norwich repairs not reaching the target numbers and the plan to address the issues. He was also asked his thoughts on why transaction numbers are down, though sales are up. It appears to indicate fewer trips to the store, but buying more at each trip.

Ed reminded the board that he is away the week of September 16th for the General Managers' National Co-op Grocers conference.

He informed the board of recent inquiries to several financial institutions as the Co-op looks at refinancing (consolidating, getting better rates and better efficiencies).

He encourage board members to review the recycling diversion report in the board packet and commended the Green Teams' work at all locations (an employee driven plan to reduce and eliminate the use of plastic bags). Also, Manager of Member Education, Emily Rogers, is meeting with Marc Morgan (Director of Lebanon Solid Waste) and the Reuse Initiative Working Group tonight at the Culinary Learning Center.

Ed told the board that Allan Reetz and Rebecca White (Produce Manager in Hanover) are going to Washington D.C. the week of September 9th for the National Farmers Union meeting. While there, they will be going to the House and Senate. In addition, the New Hampshire Cooperative Business Leaders are trying to put together a presidential candidate forum as part of their cooperative business forum series.

Lastly, Ed asked to recognize his senior team for their hard work.

Adjournment

Motion to adjourn at 8:35 p.m.

Respectfully submitted,

April Harkness
Board Administrator

Emmanuel Ajavon
Board Secretary

Appendix A

From: Rosemary Fifield <RosemaryFifield@board.coopfoodstore.com>

Sent: Thursday, August 1, 2019 4:31 PM

To: Victoria Fullerton

Subject: RE: Board Secretary position

Hi Victoria,

Thank you for offering to do this. We have another board member who is also interested in being the secretary, so I want to make sure that this is something you feel you can do well. I realize that your recovery from the concussion can sometimes cause you problems with being able to attend a meeting and your ability to stay for an entire meeting. The secretary needs to be present and fully engaged.

The vote for the position will take place at the August board meeting, so you have time to think about this.

Thank you again, and thanks for helping out with the July meeting minutes.

Rosemary

From: Victoria Fullerton <victoria.c.fullerton@gmail.com>

Sent: Tuesday, July 30, 2019 10:59 AM

To: Rosemary Fifield <RosemaryFifield@board.coopfoodstore.com>

Cc: Board <bod@board.coopfoodstore.com>; April Harkness <AprilHarkness@coopfoodstore.com>

Subject: Re: Board Secretary position

Dear Rosemary,

If you can stand having an artist for your secretary, I can take over this position.

I may need to ask for a little help from my friends. Perhaps we could alternate in writing the summary, but I can bring this up at the meeting.

Otherwise I will send my notes as acting secretary to April for the July meeting today.

-Victoria

Sent from my iPhone

On Jul 29, 2019, at 3:37 PM, Rosemary Fifield <RosemaryFifield@board.coopfoodstore.com> wrote:

Board colleagues,

Jessica Giordani would like to step down as Board Secretary. Therefore we need to elect a new Secretary at the August meeting.

The duties of the Secretary include backing up April's notes during a meeting on critical things like motion and votes (we now have audio recording for other details), editing/proofing/ signing off on the minutes before they go into the board packet, and writing a recap of the board meeting within a few days to be posted on the board's webpage. Additional responsibility includes participating in a meeting of the Executive Committee, should one be called.

Please consider performing this duty. This is a position mandated in the bylaws and must be filled.

Thank you!

Rosemary