

MEETING MINUTES, January 22, 2020

Present: Emmanuel Ajavon, Kevin Birdsey, Liz Blum, Rosemary Fifield, Victoria Fullerton, Jessica Giordani, Ed Howes, Benoit Roisin, Jessica Saturley-Hall, Ann Shriver Sargent and Allene Swienckowski

Absent: Tom Battles

Employees: Amanda Charland (Director of Cooperative Engagement) Ed Fox (General Manager), April Harkness (Governance & Community Engagement), Paul Guidone (Strategic Advisor to the General Manager), Lori Hildbrand (Director of Administrative Operations), Mark Langlois (Director of Finance)

Members: Anna Harris

Rosemary Fifield called the meeting to order at 6:00 p.m. at the Co-op Resource Center, White River Jct., VT. She reminded all that the meeting was being recorded.

Agenda Approval

MOTION: Liz Blum moved to approve the agenda as written. Allene Swienckowski seconded the motion.

VOTED: 9 in favor. 0 opposed. The motion passed.

Action Items Review

- Ann provided feedback to Rosemary regarding GP 5 – President’s Role
- Jessica Giordani is bringing the GP 2 – Board Deliverables monitoring report to the meeting
- Allene submitted the GP 10 and GP 11 – Board Committees monitoring reports
- Ed Fox sent the special meeting materials and 7 board members were in attendance on Saturday, January 11th. Benoit was provided an early presentation as he was unable to attend
- Allene will give an update on the Election Committee
- Liz will give an update on the Diversity, Equity and Inclusion Committee
- There will be an online Q & A session with Governance Coach on Member Linkage on Jan. 28th at 11 a.m.

Consent Agenda: December 18, 2019, Meeting Minutes and December 2019 Share Redemption Requests

MOTION: Benoit Roisin moved to accept the December 18, 2019, Meeting Minutes and the December 2019 Share Redemption Requests. Allene Swienckowski seconded the motion.

VOTED: 9 in favor. 0 opposed. The motion passed.

Member Comments

Benoit noted that the discontinuation of plastic bags at the checkout will mean that paper bags will be offered and that they are more damaging to the environment than plastic and should be discontinued as well.

Member Anna Harris recommended that plastic water bottles also be removed from the stores.

Monitoring

Monitoring Report EL 12 – Board Logistical Support

MOTION: Benoit Roisin moved to find EL 12 – Board Logistical Support as providing a reasonable interpretation of the policy and sufficient evidence of compliance. Liz Blum seconded the motion.

Discussion: Liz noted that the board packet is distributed one week in advance of the board meeting, rather than two, and that the board members no longer have physical mailboxes for correspondence. Victoria offered to provide edits to EL 12 policy in order to assist the board further in its efforts to connect with the membership.

VOTED: 7 in favor. 1 opposed (Victoria Fullerton). 1 abstained (Liz Blum). The motion passed. Victoria opposed the motion as she believes there is a lack of a conduit for the board to communicate with the members.

Jessica Giordani and Ann Shriver Sargent arrived at 6:36 p.m.

Monitoring GP 10/11 – Board Committees

Allene noted that the board was not very responsive to monitoring questions posed by fellow board members. Jessica Saturley-Hall offered to assist board members with surveys as a tool to monitor policies.

Benoit, Chair of the Ends Committee noted that Jessica Saturley-Hall has resigned from the committee.

Monitoring GP 2 – Board Deliverables

Jessica Giordani distributed her monitoring report for GP 2. (See Addenda)

Ends

Future Monitoring Report on Ends

The board was polled on how the General Manager should report on the Ends for 2019, as they were changed half-way through the monitoring year.

MOTION: Benoit Roisin moved to authorize the General Manager to report on the previous Ends. Liz Blum seconded the motion.

VOTED: 10 in favor. 1 absent (Allene Swienckowski). The motion passed.

The board recommended that the Ends report should acknowledge the Ends adopted in June, 2019, while noting that the current report is based on the Ends in place when the business plan for 2019 was submitted.

Board Education re: Ends Development

The board was polled on whether or not they would like to have an education component to each meeting on topics such as changing demographics and trends in retail. Board members are in support of this initiative.

Bylaws Committee

Subscriber Status: Potential Bylaw Change

The board discussed the bylaws article outlining subscriber requirements, including the 3-year deadline for accruing ten shares. Suggestions were offered regarding ways to assist subscribers in reaching member status.

Governance Process

Governance Action Plan Review

- Victoria will submit proposed revisions for EL 12 – Board Logistical Support in February
- Governance Committee will submit proposed revisions for GP 3 – Governance Development in February
- Emmanuel will provide a monitoring report for GP 4 – Board Members’ Code of Conduct in February
- Ann will provide a monitoring report for B-GM 2 – Accountability of the GM in February
- Victoria will provide a monitoring report for B-GM 3 – Delegation to the GM in February

General Manager Report

Rosemary Fifield prefaced Ed Fox’s report with a thank-you to Ed and his management team for another successful year for the Co-op.

Ed Fox directed the board to the revised sales chart (see Addenda).

He then informed the board several items including the recent purchase of a Customer Relations Management platform, Salesforce; completion of a SWOT (strengths, weaknesses, opportunities and threats) analysis and a 6-year strategic plan; conducting an employee experience project; realignment of the senior management team; and excelling in the budgeting process.

He will begin to include the National Co-op Grocers metrics in comparison to other cooperatives in the EL 2 – Financial Condition and Performance monitoring.

Election Committee Update

Committee Chair Allene Swienkowski encouraged all board members to help with board candidacy outreach and tabling. The deadline for declaration is January 31st.

Diversity, Inclusion and Equity Committee Update

Committee Chair Liz Blum said that the recent event at the Norwich Library on January 9th with author Teresa Mares was a success and well-attended. There is also an exhibit at the Quechee Library at 11:00 a.m. on Saturday, January 25th called "I am Vermont Too" that the board is encouraged to attend.

Executive Session

MOTION: Liz Blum moved to enter into Executive Session at 8:40 p.m. to discuss a financial matter and to include the employee board members and the senior management team. Allene Swienckowski seconded the motion.

VOTED: 11 in favor. 0 opposed. The motion passed.

MOTION: Allene Swienckowski moved to come out of Executive Session at 8:50 p.m. Liz Blum seconded the motion.

VOTED: 11 in favor. 0 opposed. The motion passed.

MOTION: Rosemary Fifield moved that the board approve Growth Option #3 as presented by the GM during Executive Session. Allene Swienckowski seconded the motion.

VOTED: 11 in favor. 0 opposed. The motion passed.

With the approval of these minutes the board acknowledges receipt of the GM's Business Plan for 2020, the 2020 Operating Budget, and the 2020-2025 Strategic Planning Document.

Adjournment

Motion to adjourn at 8:55 p.m.

Respectfully submitted,

April Harkness

Board Administrator

Emmanuel Ajavon

Board Secretary

Addenda

Submitted via email January 24, 2020

I wish to express that I support Growth Option #3 as presented to the board by the General Manager at the January 22nd meeting. I understand that the motion (was) made after an executive session and that I can't actually vote on this motion, however, I would like it to be known that I do endorse this action and that the board is speaking with one voice concerning this matter.

Best Regards,

Tom Battles

Monitoring Report for GP 2 - Board

Deliverables Submitted by Jessica Giordani

As an informed agent of the member-ownership, the Board's specific products are those that ensure appropriate organizational performance.

Accordingly, the Board has direct responsibility to produce:

GP 2.1 *Board decisions that reflect member-owners 'values and needs.*

GP 2.2 *Written governing policies that, at the broadest levels, address each category of organizational decision:*

***Ends:** Organizational products, effects, benefits, outcomes for intended recipients, and their relative worth (what good for which recipients at what cost).*

***Executive Limitations:** Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place. **Governance Process:** Specification of how the Board conceives, carries out, and monitors its own task.*

***Board-GM Linkage:** How power is delegated and its proper use monitored; the GM role, authority, and accountability.*

GP 2.3 *Assurance of organizational performance on Ends and Executive Limitations.*

***GP 2.3.1** Continuity of GM function*

***GP 2.3.2** Structured monitoring of the GM outlined in Board-Management Delegation policies.*

GP 2.4 *Operational decisions that the Board has prohibited the GM from making by its Executive Limitations policies.*

Board Deliverables are a work in progress. As the Board is constantly assessing the work being done to meet the responsibilities established in GP 2, new work is ever present. With regard to GP 2.1 the Board continues to have conversations and about how to address member-owners' values and needs, and make connections while remaining a policy board and not overstepping into the realm of Operations. We see these actions in a variety of ways including the formation of the Diversity, Equity and Inclusion Committee, and Member Linkage efforts. The Board engages with written governing policies (outlined in GP 2.1) as living documents, and is intentional and thoughtful in addressing the ongoing need for revision and refining of the Ends, and regular monitoring (and when necessary, editing) of policies so that we are able to act in best interests of the Co-op, support the GM, and reflect the values of the member-owners. Likewise this process is what allows the Board to meet the expectations of 23 and 24.

Hanover Consumer Cooperative Society, Inc.
Amended Sales Chart
January 22, 2020 Board Package

Data Through December 2019	Consolidated Food Stores					Service Center	Hanover Gas	Hanover Repairs	Norwich Repairs
	Hanover	Lebanon	CCM	WRJ					
Actual Sales: % Change Current Month to 12 Months ago	4.20%	4.39%	2.59%	0.55%	8.94%	26.79%	-5.00%	1.98%	100.00%
Actual Sales: % Change YTD through Current Month to YTD 12 Months ago	3.06%	2.37%	2.11%	2.54%	7.07%	4.02%	-13.29%	-38.54%	100.00%
Actual YTD Sales	\$ 72,666,961	\$ 25,073,679	\$ 32,614,754	\$ 2,225,656	\$ 12,676,231	\$ 4,310,392	\$ 2,940,382	\$ 462,612	\$ 907,398
Actual YTD Budgeted Sales	71,242,057	24,662,712	32,336,628	2,272,693	11,901,024	4,807,536	2,951,000	484,735	1,371,801
Actual Variance in sales	\$1,424,904	\$410,967	\$278,126	(\$47,037)	\$775,207	(\$497,144)	(\$10,618)	(\$22,123)	(\$464,403)
Potential Margin Impact	\$465,944	\$134,386	\$91,782	(\$15,790)	\$241,089	(\$302,336)	(\$690)	(\$13,716)	(\$287,930)