

MEETING MINUTES, November 28, 2018

- Present:** Tom Battles, Kevin Birdsey, Bill Craig, Rosemary Fifield, Victoria Fullerton, Jessica Giordani, Dana Cook Grossman, Ed Howes, Benoit Roisin, and Jessica Saturley-Hall
- Absent:** Liz Blum, Ann Shriver Sargent
- Staff:** Mark Langlois (Director of Finance), April Harkness (Board Administrator), Lori Hildbrand (Director of Human Resources), Amanda Charland (Director of Member Services & Outreach), Ed Fox (General Manager)
- Members:** Terry Appleby
- Guests:** Prudence Pease and Elizabeth Craib (Granite United Way)

Bill Craig called the meeting to order at 6:00 p.m. in the Board Room at the Hanover, NH, store.

Consent Agenda: October 24, 2018, Meeting Minutes (Appendix A) and October 2018 Share Redemption Requests

MOTION: Dana Cook Grossman moved to accept the October 24, 2018, Meeting Minutes and the October 2018 Share Redemption Requests.

Ed Howes seconded the motion.

VOTED: 9 in favor, 0 opposed, Tom Battles abstained. The motion passed.

Board Resolution

MOTION: Tom Battles moved to authorize the Secretary to sign the HCCS Board of Directors Resolution to remove Paul Guidone as Legal Signer for an HCCS Credit Card Account and appoint Mark Langlois as Legal Signer, effective November 29, 2018.

Benoit Roisin seconded the motion.

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

GP 5 – President’s Role

MOTION: Benoit Roisin moved to enter into Executive Session at 6:08 p.m. for the purpose of discussing the monitoring report on GP 5 – President’s Role — not including the board president in the executive session, but including the employee members of the board plus, at the outset, the General Manager and the Board Administrator.

Ed Howes seconded the motion.

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

MOTION: Kevin Birdsey moved to come out of Executive Session at 7:25 p.m.

Tom Battles seconded the motion.

VOTED: 9 in favor; Rosemary Fifield was temporarily out of the room. The motion passed.

MOTION: Tom Battles moved to find the Board not in compliance with GP 5 and to engage a governance consultant to help the board improve its processes and performance.

Jessica Saturley-Hall seconded the motion.

VOTED: 10 in favor. The motion passed.

MOTION: Dana Grossman moved to ask the Governance Committee to undertake two revisions in GP 5 — the removal of the requirement that the president submit an annual report and the addition of a stipulation that the president is not authorized to do anything beyond what is specified in the policy.

Tom Battles seconded the motion.

VOTED: 10 in favor. The motion passed.

Board Congratulatory Letter

MOTION: Kevin Birdsey moved to authorize a letter from the HCCS Board of Directors formally acknowledging and congratulating long-term former General Manager Terry Appleby on his induction into the *Cooperative Hall of Fame*.

Dana Cook Grossman seconded the motion.

VOTED: 9 in favor, 0 opposed, Victoria Fullerton abstained. The motion passed.

Granite United Way – Bridges Out of Poverty

Presenters Prudence Pease and Elizabeth Craib described the Bridges Out of Poverty program, which operates in 50 states and 14 countries. Originally formed to help students from pre-school through college, it has now expanded into a comprehensive approach to understanding poverty. It provides concrete tools and strategies for a community to begin to alleviate poverty. The program also offers training to employers, community organizations, and social service agencies.

The board was introduced to the theory of *mental models* and was asked to consider the question “Why do you think what you think?” They considered different categories of poverty (generational and situational), of the middle class (which encompasses a huge variation in income levels), and of wealth (which may be generational). And they learned that those who live in generational poverty value relationships and typically operate in survival mode, while those in the upper middle class value achievement and typically operate in “future” mode.

The board members participated in an interactive and thought-provoking discussion and were asked to consider how, as a major employer in the region, some of the Co-op’s employees may be operating in the survival mode of poverty and thus it behooves supervisors, management, and even the board to understand that lens of looking at the world.

Member Comments

Victoria shared a product purchased at the Co-op that includes a religious verse on the tag. As the board works on diversity and inclusion, input from members and shoppers on this topic may be useful. The point was turned over to General Manager Ed Fox to consider.

Bill read a letter from a Five Colleges Book Sale organizer thanking the Co-op for their community involvement in the event, through the placement of book-collection bins in stores, and offering a check to the Co-op Community Fund in the amount of \$200.

Tom Battles left at 8:20 p.m.

General Manager Report

Ed Fox shared some highlights with the board, including continued strong sales as the Co-op heads into the busy season. The zoning permits are being finalized for the new service center location in Norwich, and interviewing is taking place to fill the new mechanic and technician positions.

Work continues on the 2019 Business Plan, incorporating feedback from the board. The Plan will have three components: a “blueprint” for operations, metrics to gauge success; and future strategic considerations. Ed hopes the board will take the lead on the last section of the plan, perhaps using some of his ideas as prompts for future efforts. The final Plan will be submitted in the December board packet.

Ed also mentioned that he’s been contacted by individuals seeking information about starting a Co-op or inquiring about further expansion of this Co-op into nearby underserved communities. Those towns include Plainfield, downtown Lebanon, and Claremont, N.H., and and St. Johnsbury, Vt.

Ed will look into answering a board member question regarding factors that are contributing to eroding profit margins, such as Member Appreciation Days, Flash Sales, and the rising cost of goods — and where the threshold is at which Management would feel concern about such erosion.

Policy Monitoring

Monitoring Report: EL 2 – Financial Condition & Performance

MOTION: Kevin Birdsey moved to accept the General Manager’s report on EL 2 – Financial Condition & Performance.

Dana Cook Grossman seconded the motion.

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

Monitoring Report: EL 10 –Appropriate Architecture and Design

MOTION: Dana Cook Grossman moved to accept the General Manager’s report on EL 10 – Appropriate Architecture and Design.

Kevin Birdsey seconded the motion.

DISCUSSION: A brief conversation ensued about whether or not this policy includes enough parameters. Board members were encouraged to submit proposals in writing as a way to solicit board feedback on the adequacy of policy monitoring measurements.

VOTED: 8 in favor, 0 opposed, Victoria Fullerton abstained. The motion passed.

Committee Updates

Election Committee

Victoria gave an update on Liz's behalf and encouraged all board members to sign up for in-store tabling over the next few weeks and to recruit potential board candidates in other ways as well.

Governance Committee

Kevin provided an update on the Committee's work on the Board Handbook, which will include board process items, such as the proposed *Board Correspondence Protocol* included in this month's board packet. Board members are encouraged to provide feedback to the Governance Committee within the next week and a half. A final version of the Handbook will be done in time for new board members in May.

New Business/Action Items

Confidentiality and Fiduciary Responsibility

Jessica Saturley-Hall updated the board on her research into secure storage sites and education for the board on confidentiality and fiduciary responsibility. She has a short list of three attorneys who came well recommended in this arena whom we might approach to help inform the board on these issues.

MOTION: Dana Cook Grossman moved to authorize Jessica Saturley-Hall to approach her attorney of choice, inquire about his fee for conducting an informational session for the board, and determine a timeframe for such a session.

Ed Howes seconded the motion.

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

Consultant Survey and Next Steps

MOTION: Jessica Saturley-Hall moved to authorize the Board President to engage with the Governance Coach.

DISCUSSION: Bill will work with the Governance Coach to determine a date for a board education retreat as soon as possible, to describe their introductory offerings and other services, and to include a cost estimate.

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

Adjournment

MOTION: Jessica Saturley-Hall moved to adjourn at 9:21 p.m.

Dana Cook Grossman seconded the motion.

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

Respectfully submitted,

April Harkness
Board Administrator

Dana Cook Grossman
Board Secretary