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<b>BREAK 5 minutes</b>	
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Board of Directors Meeting Minutes – December 19, 2016

Location: St. Andrew’s Church, Division Street

Attendance

Board Members: Gaia Kile (board member), Ann Sprunger (president), Leah Hagamen (vice president), Jaime Magiera (board member), Persephone Hernandez-Vogt (board member), Keegan Rodgers (secretary), Bruce Curtis (treasurer)

Christine Laing, Finance Manager

Lori Crall, Interim General Manager, Wellness Manager, Front End Manager

Susan Landauer, Human Resources Director

David Hall, Outreach Coordinator

Justin Godfrey, employee and member-owner

Ed Vincent, member-owner

Call to order – Ann called the meeting to order at 6:35.

Agenda Review – Ann added Staff Party for five minutes, added CDS contract for two minutes. Bruce added an item for Finance Committee report for five minutes. Motions that were passed online were added to the Consent Agenda.

Member Comments – Justin read a statement apologizing to the board for the “blindsiding” of the union announcement. It was based upon management’s reaction and no reflection on the board. He apologized for the way the matter was handled on the organization’s Facebook page. Regardless of statements put out by the committee, everyone did not agree with statements that were made. Overall, the group never believed that the board was anything but neutral, felt the GM was mistaken to hire that particular lawyer but that the board acted quickly and properly in discharging that attorney, the board acted neutrally and did not engage in union-busting. One of Justin’s top priorities is to paint a clear picture of his true character both in the union and at work, which will be addressed framed in policies and bylaws. Further, his wish is to engage more community members in our policies and bylaws, and looks forward to more conversations in the future.

Ann thanked Justin for his statement. She suggested that he and someone from the board meet to discuss future plans and see how the board can be involved. She reiterated that anyone from the group can come to a meeting at any time and can ask for time on the agenda in the future. Gaia clarified what it means when we say that the board speaks with one voice.

Announcements, Info-Sharing, Future Scanning, President’s Remarks – Patti will be speaking at the Pittsfield Grange in February on the history of co-ops. The board welcomed Lori as the interim GM.

Consent Agenda – The minutes, with the correction that Phil Bianco made a statement (not Phil Carroll), and a motion to approve the post-election union language in the announcement that was sent out was voted online and via telephone, voted in favor by everyone but Keegan who voted no. These were the only two items on the Consent Agenda, which passed 7-0.

Interim GM Report – Lori read over her report, highlighting that a lot of the losses matched up with what the co-op would have made on a typical Wednesday. We were closed on Wednesday, November 30 due to flooding issues. The kitchen and prep foods were heavily affected by the flood.

We used Mark’s Carts space to bake additional pies for Thanksgiving, which went well. He donated the space to the co-op! A thank you will be sent.

Lori submitted a sales report as part of her report. Alcohol sales were up, likely thanks to the holiday. Produce sales were off target from what was budgeted. Bruce inquired why this might be; partially attributed to the lost day as well as it being a work in progress. The bulk foods section has been redone, especially the back wall.

Lori thanked and praised the creative, intelligent staff surrounding her.

Finance Committee Report – Bruce reported that October was a good month. Much of the meeting was spent getting Lori acclimated to the financial situation. The group created a calendar of statements and reports that the committee wants each month, along with the date of the finance committee. A contract with the Wegner CPA firm was signed. This is the same firm used in previous years. They will review financial statements and do taxes, will not be a full audit.

Financial Reports/3<sup>rd</sup> Quarter Report – Christine went over the reports; a profit of \$28,000 was made in October. This does not include adjustments for inventory, so the end of the year number might be lower. Sales were up slightly compared to October of 2015. Discounts were smaller, due to new discount structure. Personnel costs were down slightly as compared to October of 2015. Operating expenses were up; no major repairs necessary in October. Cash on hand is still quite positive, with about \$600,000 (some of this is restricted cash, such as member shares). Christine is unable to make a prediction about November because she is waiting to hear how much insurance money will be received for the losses relating to the flood. Attorney bills are also pending regarding the union issues.

At this time last year, co-op was down \$96,000; currently down about \$56,000. This is not an end of the year projection because the flooding, insurance, and attorney fees have to be taken into account.

Ends Policy Reboot – The information sent out should be reviewed this month and the formal vote will be in January. Email Keegan with comments, thoughts, suggestions.

Gaia opined that the reboots should be put on hold given the need to hire a new GM, working with a new union and other issues. He suggested just tightening up the language for now, and to hold off on having a full discussion on Ends. No substantive changes were made for this proposal, was mostly just language clean up and the board should vote that in next month instead of doing a full reboot.

Discussion:

- we would not have halted the syntheses if we were still going that route
- concern about getting too sidetracked and will create more issues
- we've already done quite a bit of work this year

- the new GM and the new union will affect policy (especially L.2 Treatment of Staff) and we should therefore wait

Gaia moved that the board wrap up the Ends reboot without any substantive changes and put the whole reboot process on hold pending GM search, Jaime seconded. Discussion included concern that this will sidetrack from the work of the board if we delay.

In light of this concern, Bruce offered a friendly amendment stating that the board revisit this in March. Accepted by Gaia. The motion carried 6-0-1 with Keegan abstaining. Patti added it to the calendar.

Data Management -- The 2015 Annual Report was never posted to the website. Jaime moved that Lori instruct the webmaster to post that report, Persephone seconded. The motion carried 7-0.

Jaime moved that the board instruct the appropriate parties to have the finalized agenda posted in PDF form on the PFC website, and if practicable, the link sent via the Small Bites emailing. Persephone seconded. The motion carried 7-0.

The exhibits are not included in the posted minutes. Jaime moved that the board instruct the appropriate parties to modify the posted meeting minutes as follows: Include the agenda either at the top or weaved through the document, Include any non-private exhibits as determined at the board meetings, Collate the information into a single PDF.

Discussion:

- what is “non private”?
- what if not designated private/non private at the meeting, does it default to private?
- want to be more transparent and open
- agree with the notion but concerned that discussion over determination of “non-private” might be cumbersome

For now, we will print out extra copies of packets for visitors and readdress this motion in two months.

Jaime moved that the board instruct the appropriate party to include the agenda either at the top or weaved through the approved minutes and posted in PDF form to the website. Bruce seconded.

Discussion:

- Lori: the GM should decide what is private vs. nonprivate because he or she is responsible for the well-being of the co-op. It therefore should be his or her job.
- Some of the miscommunication of the past month was from lack of financial and other information.
- Big misunderstandings of policy governance and what the board does not because of lack of disclosure but because of policy governance.

The motion carried 5-0-2 with Keegan and Gaia abstaining.

Staff Party – scheduled for January 12<sup>th</sup> at the aut bar, info needs to get to the staff, Keegan and Ann are working on the menu, volunteers needed to work on the door prizes. Jaime and Persephone agreed to work on door prizes.

Board Budget/CDS Contract – the contract needs to be signed or rejected. This is the annual renew for the CDS package. The total cost is a little over \$7,000. Persephone moved to sign the contract, Jaime seconded.

Discussion:

- pros/cons of the contract—necessary during a GM search, good to have Jade as an outside opinion, helpful during the union negotiations.

The motion to approve the contract carried 7-0.

Christine said that the budget previously submitted included a reduction in costs, but she does not think it is not valid anymore. It included revenue raising projects that are not going to happen. The board might want to consider asking the Finance Committee for a new board budget.

Annual Meeting — Lori will not be here on April 27<sup>th</sup> as there is a mandatory GM conference from April 25-28. The date was changed to April 20<sup>th</sup>.

Nomination Committee – Met and agreed to look for people. One person contacted, has not gotten back to Persephone. Keegan will spearhead the election packet and ballot counting.

GM Search Committee – GM Evaluation Committee met to discuss beginning the search. A search committee must be created. To this end, Leah moved that the board create an ad hoc committee to oversee the search process of the hiring of GM, and that the powers of the committee would be to propose and manage the hiring budget, create subcommittees, to add or remove members from the committees or sub, engage and hire consultants, to engage staff and member owners to a reasonable degree and will maintain clear communication to the board include monthly written updates. Keegan seconded. The motion carried 7-0.

The first GM Search Committee meeting was set for December 29<sup>th</sup> at Ann's house at 6:30pm.

Susan suggested engaging Anne Evans, HR consultant, to manage the process including drafting the description, screening candidates, arranging interviews, and so on. She gets a percentage of the GM salary for payment. No formal decision was made.

Looking Ahead – Next month, Lori will report on Ends and L.8, vote on the language changes in the Ends policy.

Task List – Patti will put together a list of which committees met when, Ann and Justin will meet, send a thank you card/gift to Mark's Carts (Ann?), Patti send minutes/agenda to graphics, Lori will have the 2015 Annual Report posted to the website, staff party is on January 12 (Jaime and Persephone working on door prizes), need location for annual meeting, Lori will ask Lesley what if anything has been done regarding the annual meeting, Keegan will get the ballot ready by January, Patti will re-send bylaw changes to Keegan to send along for inclusion on the website, GM search committee must meet.

Future Meetings— The next meeting is January 18<sup>th</sup>.

Meeting Recap—

- Got a lot done
- Things take a long time
- Thanked Jaime for his motions
- Good motions, good ideas
- Good meeting, lots of hard work, appreciates everyone
- Covered a lot, impressed that we covered so much
- Dynamic has gotten much better, very cooperative meeting
- Delighted with Lori, impressed by her leadership
- Nice big to do list that will get done
- Trying to be optimistic but is kind of discouraged
- Lori has a lot on her plate, staff and managers are supportive
- Board needs to support her as well
- Jaime's motions were much appreciated, would like to see financials to better understand the co-op's situation
- Very helpful to sit in on a meeting, learn some of the language
- Maybe make a goal for more members to attend board meetings
- Glad to be back, missed last month's meeting
- Thankful for the collective experience
- Get a lot done, wants to make sure we don't overstep our boundaries
- We do work well together regardless of topic, need to keep doing the board's work and not delving into areas outside the purview of the board

- Very much appreciation expressed for Lori – skillset, communication with the board is very impressive
- Glad to have Patti back

Adjournment – Ann adjourned the board meeting at 9:25pm

Respectfully submitted,

Keegan Rodgers, Board Secretary