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Council Meeting Minutes

November 6, 2017

Time: 5:30 - 8:35

Facilitator: Carl Etnier

Note Taker: Michael Dougherty

ATTENDEES

Council: Scott Hess, Steven Farnham, Carl Etnier, Mark Simakaski, Bertil Agell, José Aguayo, Patrice Siergiey, Eric Jacobson, Ashley Hill (arr. 6:05)

Staff: Kari Bradley, Tim Wingate, Lydia Busler (arr. 6:13, dep. 7:58)

Guests: Jean Hamilton (Plainfield Co-op), Peter Kelman, Bruce Meyer (by phone for #6)

Recording of Part 1 - Time in parentheses indicates time elapsed from beginning of recording.

1. Welcome and introductions 5:31pm (0:00:04)- Scott is keeping time for this meeting.
2. Agenda review 5:39pm (0:08:04)- Carl suggested extending Annual Meeting review to 20 minutes. Carl suggested adding 5 minutes to report on their Co-op Cafe session. Kari noted that the audit report would include the Co-op's accountant by phone and the Council may want to enter executive session.
3. Co-op community comments 5:42pm (0:10:53) - Scott said some members have communicated that they are disappointed by changes to the discount system. Many said they did not attend informational sessions.
5. Consent agenda 5:45pm (0:14:01) (out of order from printed agenda) - **Mark moved to approve the consent agenda. Bertil seconded. Kari clarified procedures for reviewing these reports and meeting minutes. Motion approved.**
6. Audit report 5:48pm (0:17:01)- Bruce Meyer of Wegner & Associates joined by phone. Bruce said the audit did not turn up any procedural issues. The Co-op's balance sheet shows a 2:1 current assets-to-current liabilities ratio, which is more liquid than most co-ops. Liabilities-to-equity ratio is less than 1:1, which is very good. Income statement shows flat sales, which Bruce said is not uncommon around the country. Gross margin was up in 2017. Personnel percentage is "on the high side." Net income is small but positive. Overall Bruce said there are no red flags to highlight.

José asked to compare the personnel percentage to the east coast average. Bruce said 25-26% is a more typical percentage. Doing more food prep drives that figure up. To a question from Bertil,

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Tim clarified that sales tax is recorded under current liabilities, but is not recognized as income. The group decided not to go into executive session and Bruce disconnected.

4. Council voting procedure amendment 6:08 pm (0:37:57)- Ashley facilitated this portion so Carl could present. Carl clarified that to bring our moderator voting procedure in line with Robert's Rules of Order, the facilitator should be able to vote to break a tie OR to create a tie, for example in a 4-3 vote. Scott said we should adopt the language Carl suggested.

Steven moved to add to G4.6 the underlying language. Carl seconded. Motion approved.

7. Annual Meeting recap 6:15 pm (0:44:24)- Mark said the nuance of the subject matter didn't make it to the discussion and noted issues with the moderating. Pat said the room was noisy. Scott said the council should better keep the audience in mind. Kari suggested we think about how we use the Annual Meeting and the council may want to find ways to listen more. Eric said the council should ask: what can we do to serve you better? Ashley noted there was "palpable distrust" for what the council does. Steven said he feels like we should have had more realistic expectations and suggested scheduling community outreach meetings ahead of time. José said the Co-op needs to focus more on communications. Carl said despite setbacks, having an outside facilitator was important. Bertil suggested using a questionnaire to talk to members more.

Scott suggested putting the 2018 Annual Meeting on the agenda for the retreat. Eric asked what is the discrepancy between what members wanted to talk about and what the council was expecting? Ashley noted the average age of audience and feels as though we should be doing more to make sure younger members are heard. Steven said the audience felt betrayed - more outreach could have given them a better idea of what the council was doing. José suggested providing advance materials directly with those who have registered.

Lydia said staff felt like they were heard, but also felt the breakdown in communication. José suggested bringing staff into the planning of the meeting. Steven said to be careful not to let the discussion of next year's meeting dominate the retreat agenda. Ashley clarified that the topic should be generally how the council communicates with members.

8. Monitoring report 6:4pm (1:14:50)- Kari clarified the process for reviewing monitoring reports. **Scott moved to approve the L8 report. Steven seconded. Eric asked about the council's role in helping management be more strategic. Motion approved.**

9. GM report 7:00 pm (1:29:40)- Kari said gift cards are holding up the switch to a new credit card processing vendor which will allow us to process eWIC benefits. The prospective vendor is considering a workaround. Kari is bringing in a trainer from Champlain College using grant funds from NCG and will offer seats to interested Council members. Manager on Duty Mike Hauser is leaving to become the GM for the Morrisville Food Co-op. Ashley expressed frustration that the new CC vendor waited until this point to convey this obstacle.

10. Staff rep report 7:09 pm (1:38:41)- Lydia said a staff member would like to be added to the agenda for next meeting. Five staff members have asked Lydia about how transgressions are treated differently for management versus staff. Kari said management does have specific

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disciplinary policies, but disciplinary action towards any employee is never discussed publicly. Steven encouraged the executive committee to give time to the staff member who wants to speak.

BREAK - 7:18pm (1:48:45) Timer stopped at 1:47:24 (1:21 before end of audio)

Recording of Part 2 - Time in parentheses indicates time elapsed from beginning of recording.

11. Discussion of council officers 7:28 pm (0:00:10)- Ashley and Scott explained the general roles of each council officer and encouraged anyone interested in a position to express their interest now or email Kari within two weeks (soft deadline).

Ashley intends to run for president. Scott would still like to serve in a position. Mark is interested in secretary. Carl is interested in serving as vice president or secretary. Steven is interested in president, vice president, or secretary. José is interested in learning more about the treasurer position.

12. Initial council retreat discussion 7:43pm (0:13:40)- Ashley asked the group about retreat scheduling, which includes a social event and time to conduct business. Steven said the group tried to do too much in the allotted time at last year's retreat. Ashley said that after this year's Annual Meeting, some discussion of how to address current member concerns should be represented in addition to long-term visioning.

Eric suggested meeting somewhere outside Montpelier. Most of the group would prefer a one-day session rather than two half-days. Eric, Scott, Pat, Ashley, and Steven will form a committee to begin planning.

13. CBLD re-enrollment 7:59pm (0:29:48)- CBLD has provided consulting services to the Council for many years. Ashley and Kari both said they have found this program to make a difference. **Scott moved to re-enroll the Co-op. Ashley seconded. The group discussed the overall cost. Steven noted that members do raise questions about these costs. Motion approved.**

14. Co-op Cafe 8:08 pm (0:39:28)- Carl and Steven attended the Co-op Café (a CBLD event) on November 4. The theme was impact and participation. Carl said one takeaway was to meet more with staff. The group agreed that they could use clarity on the council's relationship with staff.

15. Wrap-up 8:19 pm (0:50:33)- Kari listed action items for the next meeting. Carl requested the executive committee think about the voting procedures for executives. Carl asked for evaluative feedback on this meeting. Mark noted that if the staff member wants to speak at the next meeting, the group should offer the option to go into executive session.

16. Community comments 8:25 pm (0:56:24)- Peter commended Carl's facilitating and emphasized that strong facilitation is key for these meetings. Peter said communication issues are not unique to the Co-op - people feel disempowered more generally. He suggests the council

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focus on overall communication across all constituents of the Co-op, and working toward a governance system that increases member participation.

17. Other business 8:30 pm (1:03:41)- Steven said he no longer needs a paper copy of the packet and suggested moving to an electronic packet by default. Some other Council members agreed.

Mark moved to adjourn. Steven seconded. Meeting adjourned at 8:35. (1:07:15).

Timer stopped at 1:06:22 (0:53 before end of audio).

Action Items:

- Kari request Indian food and coffee for December meeting
- Kari add conflict of interest statements to December agenda, report on personnel expense and number of employees who have requested equity refunds
- Kari update governance policies and send out
- Kari contact Lisa Rochelle about being on December Council agenda, invite to Executive Committee meeting
- Kari send employee handbook to new members
- All Council members declare interest in running for officer position by 11/20 (soft deadline)
- Kari send in CBLD re-enrollment
- Kari set up Finance, Executive and Retreat committee meetings and communicate schedule to Council
- Kari develop report on staff-management processes for future Council meeting, discussion of how staff and Council interact