



## APPROVED

### Council meeting minutes, May 21, 2024

#### Present:

Council: Carl Etnier, Eva Schectman, Erich Zeichner, Jeff Roberts, Ashley Muscarella, Catherine Lowther, Dvora Jonas, Lauren Antler

Staff Rep.: Rick Pereira

Staff: Mary Mullally, Alison Goyette, Andrea Mills, Annie Coughlin, Dean Vaillancourt, Elly Wood, Grace Gilbert, Jess Knapp, Kendra Mills, Rowan Sherwood, Tim Wingate

Guests: Diane Stark, Ken Russell, Kristi Smith, Laurie Veatch, Mary Hoyne, Sarah S, Scott Hess, Stephani Kononan

**Facilitator:** Carl Etnier

**Note taker:** Alison Goyette

#### **1. Welcome: Meeting Ground Rules, Agenda Review (5:33pm/00:00:21)**

**Motion:** Eva moved to add the following to the agenda: accept Elizabeth Jesdale's resignation from the council, discuss the appointment of a new council member and the application process, executive session to discuss the GM search process, Staff Rep. report. Dvora seconded.

**Vote:** Catherine voted yes; Erich voted yes; Lauren voted yes; Jeff voted yes; Dvora voted yes; Eva voted yes; Ashley was not yet present. Motion passed.

Carl proposed accepting the resignation as part of the consent agenda, inserting the new council member discussion and Staff Rep. report between items 7 and 8 (Meeting Facilitation and Governance Budget), and the executive session between items 11 and 12 (Update on Committees and Wrap-Up). No objections.

#### **2. Cooperative Community Comments (5:38pm/00:06:15)**

Comments were contributed by Scott, Annie, Laurie, Ken and Grace.

### **3. Consent Agenda: Minutes (3/7, 3/12, April 9), Equity Refund Requests** **(5:49pm/00:16:26)**

**Motion:** Eva moved to accept the consent agenda. Catherine seconded.

Dvora said the consent agenda should not be accepted until the minutes contain a summary of each community comment.

**Motion:** Dvora moved to revise the minutes from 3/7, 3/12 and 4/9. No second.

**Vote to accept consent agenda:** Catherine voted yes; Erich voted yes; Jeff voted yes; Lauren voted yes; Dvora voted no; Eva voted yes; Ashley was not yet present. Motion passed.

### **4. Proposal for GFC recruitment for Finance Manager (enter executive session)** **(5:51pm/00:18:45)**

**Motion:** Eva moved to enter executive session. Catherine seconded.

**Vote:** Catherine voted yes; Jeff voted yes; Erich voted yes; Lauren voted yes; Dvora voted yes; Eva voted yes; Ashley was not yet present. Motion passed.

Executive session ended at 6:05pm.

**Motion:** Eva moved to hire Gallagher Flynn for a 60-day project to recruit a new finance manager at a cost of \$4,000 - \$7,000 per month (\$8,000 - \$14,000 total). Dvora seconded.

**Vote:** Erich voted yes; Jeff voted yes; Catherine voted yes; Ashley voted yes; Lauren voted yes; Dvora voted yes; Eva voted yes. Motion passed.

### **5. Employee Survey Presentation (6:06pm/00:22:31)**

Elly presented the results of the Employee Survey. The process was more interactive this year than in the past and began in late February/early March when Mary, Dean and Elly began discussing the main questions that were to be included. The draft was sent to union leadership to look over and provide feedback. Management incorporated the suggestions into a second draft which was also reviewed by the union. The final survey consisted of questions asking for various statements to be ranked based on how strongly the employee agrees or disagrees, as well as questions soliciting a narrative response. Staff had two weeks to complete the survey and management heavily promoted and encouraged participation. Seventy-three responses were received.

The ranked questions did not change much from the previous year and the responses were accordingly similar. The highest-rated statement was "I have a good working relationship with my manager" with an average of 4.13 out of 5, and the lowest was "I recommend working at the Co-op to friends" at 3.36 out of 5. Also ranking on the low side was the statement "The Co-op treats each person with respect and does not discriminate against those protected by state or federal law" (3.5/5) which was similar to the previous year and indicates that the Co-op still has work to do on this front.

## **6. Monitoring Report: L2 Treatment of Employees (6:15pm/00:31:04)**

Mary highlighted that the Co-op continues to improve its safety record and the workers' comp insurance risk assessment dropped again over the past year, bringing the Co-op to within .03 points of the industry average for businesses of comparable size.

Due to the average response of 3.5 to the Employee Survey ranked statement "The Co-op treats each person with respect and does not discriminate against those protected by state or federal law," Mary reported noncompliance with L2.1. For most survey questions, a rating of 3.5 is considered the minimum score needed to pass, however, on questions of major import (such as discrimination), the threshold has been set by the Co-op at 3.75 and this year's score did not meet that. Mary explained that in an effort to shorten the survey in 2023, the questions about respect and discrimination were combined. It is her understanding that management had intended to separate them again for 2024, but this was unfortunately lost in the shuffle of turnover among key senior managers last year. The narrative responses to this question were fairly evenly split between people commenting exclusively about respect and those commenting about discrimination, which further illustrates the need to separate these statements in the future to get a more accurate read. Management also attributes this year's low score to concerns about sexual harassment that arose last summer. Mary suggested conducting another survey in approximately six months with the two statements separated to see if there is any significant change in the response.

Dvora asked if the Co-op will be addressing another survey statement that was ranked on the low end, "I get fair pay and benefits for the work I do," and Mary said there are no plans to discuss wages until next year when it is time to negotiate the next contract.

Mary listed some of the steps that have been taken to improve staff satisfaction: updating the sexual harassment policy, conducting an HR audit, listening sessions with HR and the council, listening sessions with Mosaic and Outright VT, multiple in-store visits from the EAP (Employee Assistance Program), sexual harassment training for managers, union leadership and staff (staff training will occur in June), storewide analysis of staffing issues, daily staff meetings (recently reduced to two per week due to low attendance) and written updates.

Ashley asked Mary to give some insight as to how the new GM will be onboarded and made aware of these issues. Mary said she will report back next month.

A council member asked in writing how omitting certain safety questions this year would increase the response rate to the survey. Mary responded that this made the survey shorter and easier for staff to complete.

Another council member asked in writing how the Co-op ranks compared to other grocery stores in the area when it comes to wages and benefits. Mary said that we do not have any information about private chains such as Shaw's and Price Chopper, but the Co-op consistently ranks in a very high percentile among other co-ops this size. Mary also mentioned that the Co-op successfully negotiated a 5% increase for health insurance this coming year, which is the magic number to keep 100% of premiums paid for by the Co-op for all full-time employees. Full-time employees will not need to contribute to health insurance premiums for FY2025.

Dvora asked how the Co-op is making sure that the employee who does not speak English is kept abreast of everything going on in the store. Elly said that she has reached out to other co-ops to see how they have handled this. She and Mary said that management is excited to have this opportunity to put systems in place to make it easier for non-English speakers to work here and the staff working with this person has also been enthusiastically proactive trying to learn key phrases in Spanish and using Google Translate.

**Motion:** Eva moved to accept the monitoring report and Catherine seconded.

**Vote:** Jeff voted yes; Ashley voted yes; Catherine voted yes; Erich voted yes; Lauren voted yes; Dvora voted yes; Eva voted yes. Motion passed.

**Break (6:32pm)**

## **7. Meeting Facilitation (6:40pm/00:48:00)**

In response to stakeholders asking for someone other than the council president to facilitate council meetings, the council asked Nathan Suter to submit a proposal to provide his services for a trial period of two months (June and July meetings) as a neutral facilitator. Nathan has worked with the council on previous occasions including this year's retreat and Dinner & Discussion, so he is familiar with the territory.

Discussion of the definition of neutrality, impartiality and how the effectiveness of the facilitation will be evaluated.

Tim asked the council to be mindful of the fact that facilitation is not free, and the governance budget has increased exponentially over the last couple of years.

Dvora said that Natham should not be the facilitator, but rather the council should hire someone who has experience with people with disabilities, particularly brain injuries, and a suitable facilitator has already been identified and is willing to do it.

**Motion:** Dvora moved to remand this topic to the executive committee so they can explore other options for a facilitator who has experience with brain injuries. No second.

Further discussion of neutrality, bias and impartiality. Rick expressed concern that Nathan would be coached by members of the executive committee about desired outcomes and therefore would not be impartial. Ashley and Jeff reminded everyone that this is a two-month trial with an experienced facilitator and any bias that emerges in the process would be evident and actionable.

**Motion:** Eva moved to accept Nathan's proposal to provide facilitation services for the June and July council meetings. Jeff seconded.

**Vote:** Jeff voted yes; Catherine voted yes; Erich voted yes; Ashley voted yes; Lauren voted yes; Dvora voted no; Eva voted yes. Motion passed.

### **Additional Agenda Item: Appointing a New Council Member (6:58pm/01:08:14)**

Eva suggested allotting ten minutes to this topic. No objections. Carl said that the next council meeting, scheduled for June 11, might be too soon to expect to appoint someone. He proposed setting the application deadline for June 11 with a special meeting the following week on June 18 to make the appointment.

Discussion. Jeff expressed concern that the demands of hiring the new GM might strain any timeline the council tries to set for making a new appointment. He suggested they hold off on scheduling a special meeting. Rick said that seating the council committees should be prioritized over appointing a new member.

**Motion:** Jeff moved to publicize the council vacancy and accept applications through June 11. Dvora seconded.

**Vote:** Ashley voted yes; Jeff voted yes; Erich voted yes; Catherine voted yes; Lauren voted yes; Dvora voted yes; Eva voted yes. Motion passed.

### **Additional Agenda Item: Staff Rep. Report (7:09pm/01:17:36)**

Rick said that chronic understaffing continues to be a concern and there appears to be no consistent measure to determine adequate staffing levels. Staff also continues to express concerns about the leadership culture and the need for a long-term plan to improve the quality of collaboration between management, the council and staff. He also pointed out that there was an item in the 2023 Employee Survey that did not receive a passing score and it appears that this was never addressed. He provided a link to his report:

[https://docs.google.com/document/d/1tpl\\_zX0hx4nBQjSjSHPDjwZmPaID0wsqns-fl2N7Hcc/edit](https://docs.google.com/document/d/1tpl_zX0hx4nBQjSjSHPDjwZmPaID0wsqns-fl2N7Hcc/edit)

Some staff had not been aware that the results of the HR audit conducted in the fall of 2023 are available to employees and posted in the store. Mary pointed this out and resent a copy to Rick and included the council.

Mary said the only departments with open shifts at the moment are the front end and food services. The front end is in the process of hiring and the shortage of labor in food services is industry-wide. The Co-op is not getting applicants for these positions.

Eva said that regarding the 2023 survey, there had been a plan in place to address the noncompliance which was unfortunately derailed as a result of the events of last summer and key resignations that followed. From a council member perspective, everyone is operating a little lighter until the new GM is brought onboard.

## **8. Governance Budget (7:19pm/01:27:48)**

Jeff presented the governance budget. He began by noting that there is a sizeable difference between the budget that was proposed for FY2024 and the projected actual, which is about 30% higher. This is largely due to legal fees and the search for a new General Manager, which were

unexpected and therefore not part of the original budget. As advised by Mary and Tim, the proposed budget for FY2025 assumes the Co-op and the council will be in roughly the same position a year from now as we are currently at the end of FY2024. The high allocation for professional services in FY2025 is largely for legal services that the Co-op anticipates will continue to be needed and accounting services to complete a scheduled audit.

**Motion:** Jeff moved that the council approve the FY2025 budget. Eva seconded.

**Vote:** Catherine voted yes; Jeff voted yes; Erich voted yes; Ashley voted yes; Dvora voted yes; Eva voted yes; Lauren had left the meeting. Motion passed.

## **9. Dinner and Discussion Overview (7:29pm/01:37:12)**

Eva reported that just over 100 people attended Dinner & Discussion on May 17. There were great presentations, wonderful food, lively discussions and some great ideas generated about how the Co-op can weave the resiliency fabric. Staff will now work on compiling those ideas and the council and senior management will make a plan to share them along with information gathered from the exit survey. Look for this in a couple of months.

## **10. HMCCF Charter Update (7:34pm/01:42:33)**

The HMCCF charter has been slightly updated, including replacing the names of specific members with their roles and shifting some administrative responsibilities to the committee chair. The HMCCF Committee is also seeking confirmation for three new members (Jen Porrier, Rowan Sherwood and Dvora Jonas) and all members who were appointed earlier in the year and named in the charter.

**Motion:** Eva moved to approve the updated charter and Dvora seconded.

**Vote:** Catherine voted yes; Jeff voted yes; Erich voted yes; Ashley voted yes; Dvora voted yes; Eva voted yes; Lauren had left the meeting. Motion passed.

**Motion:** Eva moved to confirm the three new committee members as well as those who were named in the charter. Dvora seconded.

**Vote:** Catherine voted yes; Jeff voted yes; Erich voted yes; Ashley voted yes; Dvora voted yes; Eva voted yes; Lauren had left the meeting. Motion passed.

## **11. Update on Committees (7:38pm/01:46:27)**

As of this meeting only four council members have signed up for committees. Carl will send another email to encourage the rest to do so.

**Additional Agenda Item: GM Search Process (enter executive session)**

**(7:40pm/01:48:27)**

**Motion:** Jeff moved to enter executive session and Dvora seconded.

**Vote:** Catherine voted yes; Jeff voted yes; Erich voted yes; Ashley voted yes; Dvora voted yes; Eva voted yes; Lauren had left the meeting. Motion passed.

**12. Wrap-Up: Action Items, Calendar, Future Agenda Items (8:20pm/01:53:52)**

The council will conduct in-person interviews with the two GM finalists, one on June 3 and the other on June 4. Co-op employees and members of the community will have an opportunity to meet them and ask questions. There will be no virtual options for the public – it is in-person only.

The next regular council meeting is June 11.

Action	Who	Notes
Share plan with Council at June meeting for how to update new GM on L2 report and 6 month staff survey	Mary	
Begin publishing Council application for open seat and deadline for applying	Mary	Done
Send HR audit results to Rick/Council	Mary	
Staff to provide info from Dinner and Discussion to Council within next few months	Mary	
Council members to share interest and/or sign up for Council committees. Carl to resend email	Council/ Carl	
Send out GM candidates meet and greet schedule to Council	Carl	
Send doodle poll for 5 days after 2 <sup>nd</sup> candidate meet and greet as a backup possibility for a meeting if needed	Carl	

**Motion:** Dvora moved to adjourn and Jeff seconded.

**Vote:** By hand. Motion passed.

**Adjourned at 8:24pm.**