

APPROVED



Council meeting minutes, June 11, 2024

Present:

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

Staff: Mary Mullally, Alison Goyette, Elizabeth Jesdale, Jess Knapp, Kendra Mills, Rowan Sherwood, Tim Wingate

Guests: Elena Spensley, Jan Waterman, John Ludlow, Kristi Smith, Laurie Veatch, Martin Bromirski, Mary Hoyne, Nathan Suter

Facilitator: Carl Etnier

Note taker: Alison Goyette

1. Welcome: meeting ground rules, agenda review (5:32pm/00:00:18)

Motion: Eva moved to add the acceptance of the Staff Rep. resignation to the consent agenda. Dvora seconded.

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

2. Cooperative Community Comments (5:35pm/00:02:41)

Comments were contributed by Jan, Laurie, Elizabeth and Kendra.

3. Consent Agenda: Minutes, Equity Refund Requests (5:45pm/00:13:52)

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

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

4. Executive Session: GM decision/offer (5:46pm/00:14:43)

Motion: Eva moved to enter executive session. Dvora seconded.

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

Executive session ended at 7:17pm.

Motion: Eva moved to continue the GM search process in the way upon which it was agreed. Dvora seconded.

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

5. Update on Council vacancy applications (7:18pm/00:18:11)

The council received four applications by the June 11th deadline and the body is now considering next steps regarding interviews. Please stay tuned for more information as the council has other priorities ahead of filling the vacancy.

6. Annual meeting dates/location (7:20pm/00:19:44)

The proposed date for the Annual Meeting is Thursday, 11/7 (the first week in November). Rowan will look into venues.

Motion: Dvora moved to hold the Annual Meeting on November 7th and Eva seconded.

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

7. Group agreements/chat discussion (7:23pm/00:22:43)

There has been some concern from council members that the meeting ground rules are not being followed by participants in the Zoom Chat, and having that function enabled is distracting to council members who are trying to conduct council business. Others on the council advocated for transparent and open communication, saying that council members who find the Chat distracting have the option of ignoring it. Carl said he would like to see open communication among members yet he does not want anyone to feel disrespected or unwelcome, and acknowledged that the council does not have the resources to monitor or moderate the Chat.

Motion: Eva moved to eliminate Chat as an option for members on Zoom during council meetings. Ashley seconded and amended the motion to specify that Chat would not be available during open session (whenever council business is taking place).

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

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8. Staff Rep. Report (7:38pm/00:37:47)

The Staff Representative resigned one day prior to the council meeting. Carl recommended an executive session to discuss the Staff Rep. job description.

Motion: Eva moved to enter executive session and Jeff seconded.

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

Executive session ended at 7:54pm.

9. Financial Report: Q3 Statements (7:54pm/00:42:04)

Tim reported that the balance sheet (a snapshot in time that reports assets and liabilities) is strong as of the end of the third quarter, 2024 (3/31/24). The current debt to equity ratio is 3.18, meaning that we currently have about three times more assets than liabilities; 2.0 is a good number and it's not unusual for retail grocery be at 1:1. By contrast, when the building was opened in 1996, the Co-op had about six times more debt than equity, so this has indeed improved over time.

Mary presented the income statement and reported that the Co-op's gross margin is at 74.4% of the total projected for the year as of the end of the third quarter. We would hope to be at around 75% so we are right on target. Employee compensation came in slightly lower at 73.3%, indicating that the Co-op spent around 27 cents of every sales dollar in the third quarter on employee compensation. A mild winter helped the Co-op save on heating costs. The council expenses are currently 125% over budget and we would expect to see them 25% under budget three quarters of the way through the year. In all, the quarter was profitable by \$111,000.

10. Monitoring Reports: L5/L7 Financial/Assets (8:15pm/01:03:09)

Mary reported on L5 Financial Condition and L7 Asset Protection. The Co-op is in solid financial condition and is not in violation of any terms of its loans, tax liabilities or other contractual obligations. There will be an audit this year.

Asset protection includes insurance for inventory, equipment, the building and liability. It also encompasses security and a summary of the Co-op's deposits and investments. Mary did report a noncompliance related to data security. This is not new information; the Co-op has reported failure to protect data within the past year and it is being reported again now as part of the scheduled monitoring of L7. Steps have been put into place to prevent future breaches, including asking Managers On Duty (MODs) to ensure the HR personnel file cabinets are locked as part of their closing tasks and training and requiring all managers to use Secure Print, guaranteeing that confidential documents cannot be intercepted at the printer.

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Dvora asked whether the Co-op has sufficient liability insurance given the possibility of legal action stemming from the events of last summer. Mary confirmed that she has been assured that the Co-op is sufficiently covered.

Motion: Dvora moved to approve the monitoring report for L5 and L7. Jeff seconded.

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

11. L2 Treatment of Staff update (8:21pm/01:09:39)

Mary outlined a plan to address the noncompliance regarding respect and discrimination. The new GM will be made fully aware of the need to separate these into two different questions on the next staff survey, which will be conducted approximately five to six months from now. Dvora asked if the Co-op is doing anything to make staff happier. Mary said that she has started conversations and will leave it to the new GM to do a deeper dive.

12. Meeting Evaluation (8:25pm/01:13:02)

Dvora said the meeting went pretty smoothly.

13. Wrap-Up: Action Items, Calendar, Future Agenda Items (8:25pm/01:13:24)

Action	Who	Notes
Update chat ground rules	Carl/Eva	
Update dates in June Monitoring report	Mary	

The next regular council meeting is July 9th. No future agenda items.

Motion: Eva moved to adjourn and Dvora seconded.

Vote: By hand. Motion passed.

Adjourned at 8:27pm.