

MINUTES May 20, 2009

Present: Margaret Drye, Tricia Groff, Paul Hoffman, Donald Kreis, Kay Litten, Corrie Martin, Janet Saint Germain, Richard Schramm, Mike Yacavone

Absent: No one was absent

Staff: Terry Appleby, Eugenia Braasch, Rosemary Fifield, Tony White

Guests: Mark Goehring (CDS)

Welcome and Introductory Remarks

Donald Kreis called the meeting to order at 5:30 p.m. Introductions were made around the table.

Approval of April 15, 2009 Minutes

MOTION: Tricia Groff moved to accept the April 15, 2009 minutes as amended.

Michael Yacavone seconded the motion.

VOTED: To accept the April 15, 2009 minutes as amended.

9 in favor, 0 opposed, 0 abstained, 0 absent. The motion passed unanimously.

The April 15, 2009 minutes were amended to read:

"Policy Drafting

Ends Global Monitoring Report

MOTION: Mike Yacavone moved to revise the Ends Global monitoring policy. Kay Litten seconded the motion.

VOTED: To revise the Ends Global monitoring policy.

8 in favor, 0 opposed, 0 abstained, 0 absent.

The motion passed unanimously.

The revisions to the policy are indicated by **bold** text for additions and [bracketed] text for deletions:

Because of the Hanover Consumer Cooperative Society:

3. Customers **and staff** will be better educated about food and consumer issues and, as a result, make healthier choices [than those who shop elsewhere].

*This policy will be monitored annually in [January]**March** by Management report.*

An eighth End statement was proposed, but there was not sufficient consensus to add it. The proposed text was:

8. The region served by the cooperative will have, to the maximum extent practicable, a "local first" economy that minimizes 'leakage' of wealth outside the community.

The Board's discussion centered on the merits of adding an eighth Ends statement because the other revisions to the policy had been discussed and agreed to at prior meetings. While everyone supported the concept of 'local first', opinions varied about whether, and how best, to codify the idea. After considering the ways in which the goal relates to the other Ends statements, and reviewing some of the ways that the Co-op currently pursues the objective of supporting the local economy through its operations, the Board decided that creating an additional Ends statement was not necessary. The GM noted that the Cooperative Principle of Concern for Community provides ethical guidance and that this objective is practiced at a high operational level already."

Prior Month Action Items Review

1. Propose a process for addressing Hanover Co-op capitalization planning next steps. (Don, Terry)
2. Make arrangements for appreciation dinner for Bob Hayes, Board members, Senior management team. (Genie)
3. Propose a revision to GP 4.5 policy. (Don)
4. Identify new data measures to track EL 3.7 Good Will. (Terry)
5. Outline a process for complying with policy GP 7.4. (Nominating Committee)
6. Discuss and plan member linkage efforts. (GP 2.1 Board Deliverables) (Board)
7. Discuss Co-op Service Station as part of 3-5 yr. Strategic plan. (Board)
8. Discuss the proposal for changing the fiscal year, with management response.
9. Confirm retreat date, location, and goals.

Election of Board Officers

The Board elected the following people to serve as officers during the upcoming year.

MOTION: Michael Yacavone moved to elect Kay Litten as President.

Richard Schramm seconded the motion.

VOTED: To elect Kay Litten as President.

9 in favor, 0 opposed, 0 abstained, 0 absent. The motion passed unanimously.

MOTION: Richard Schramm moved to elect Margaret Drye as Vice President.

Michael Yacavone seconded the motion.

VOTED: To elect Margaret Drye as Vice President.

9 in favor, 0 opposed, 0 abstained, 0 absent. The motion passed unanimously.

MOTION: Donald Kreis moved to elect Michael Yacavone as Treasurer.

Margaret Drye seconded the motion.

VOTED: To elect Michael Yacavone as Treasurer.

9 in favor, 0 opposed, 0 abstained, 0 absent. The motion passed unanimously.

MOTION: Michael Yacavone moved to elect Donald Kreis as Secretary.

Corrie Martin seconded the motion.

MOTION: Margaret Drye moved to elect Tricia Groff as Secretary.

Richard Schramm seconded the motion.

VOTED (by paper ballot): To elect Tricia Groff as Secretary.

5 in favor, 4 opposed, 0 abstained, 0 absent. The motion passed.

Kay Litten presided over the rest of the meeting.

Agenda Review & Changes

A resolution from management about the 401K Progress Sharing Plan and Trust was added to the agenda.

An update from Richard Schramm about the Local First Alliance was added to the agenda.

Richard Schramm read the poem “Bugs in a Bowl”, *Poems of a Mountain Recluse*, by David Budbill.

The meeting broke for dinner at 6:10 p.m.

The meeting resumed at 6:45 p.m.

Resolution on the 401K Progress Sharing Plan

MOTION: Michael Yacavone moved to adopt the resolution.

Margaret Drye seconded the motion.

VOTED: To adopt the resolution.

9 in favor, 0 opposed, 0 abstained, 0 absent.

The motion passed unanimously.

This revision to the progress-sharing plan will allow Co-op employees to direct investments made by the Co-op on their behalf. The GM told the Board that management recommends the change, employees are in favor of it, and a financial consultant is available to educate and support staff decision-making.

Policy Monitoring

EL 2 Financial Condition and Performance

MOTION: Michael Yacavone moved to accept the EL 2 monitoring report as in compliance.

Margaret Drye seconded the motion.

VOTED: To accept the EL 2 monitoring report as in compliance.

8 in favor, 1 opposed, 0 abstained, 0 absent. The motion passed.

The GM reported that indicators in the broader economy are boosting consumer confidence, leading to his assessment that the worst is over with the economic downturn in this region.

Board members discussed the first quarter decline in sales.

In response to the recent patronage refund check mailing, several members have expressed their displeasure about the lower refund this year. A brief discussion ensued about having dialogue with these members concerning the Co-op's strategic goals and need for retained earnings.

GP 2 Board Deliverables

MOTION: Kay Litten moved not to accept the GP 2 monitoring report.

Corrie Martin seconded the motion.

VOTED: Not to accept the GP 2 monitoring report.

9 in favor, 0 opposed, 0 abstained, 0 absent. The motion passed unanimously.

The structure and content of the GP 2 monitoring report was discussed. The decision was made to revise the monitoring report and present it at the June meeting.

Suggested Priority Areas for the Upcoming Year and Board Retreat

Each board member offered suggestions for priorities during the next year.

This matrix was created:

Topic	Actions
Social Justice ‘Cooperative commerce for the greater good of our members and community’	Achieve clarity about the social justice imperative of the Co-op (non-wealthy member needs / services)
Continued work towards Co-op economy / local ownership	Local First Alliance Neighboring Food Coop Alliance (align / connect w. each member board)
Interconnections with other types of Co-ops	Joint efforts w. financial (local credit union), communications sectors
Long-term Capital	Strategic planning Identify needs Support for broader services & activities Links to Capital Providers (i.e., CFNE)
Long-term Board stability / success	Standardize processes Monitoring schedule Monitoring report templates
Member Linkage	Clarity on policy interpretations & goals Data on members needs / goals New ways of communicating with members
New Co-ops	Development & support Case study of Littleton Co-op (is it a model?) Tuck School of Business, St. Mary’s Risks Shared services across regional co-ops as next form of Co-op development
Governance Process	Term Limit question
ByLaws	Revisit, possibly a total rewrite

Policy Drafting**GP 10 Board Committees**

MOTION: Margaret Drye moved to adopt the GP 10 policy.

Paul Hoffman seconded the motion.

VOTED: To adopt the GP 10 policy.

9 in favor, 0 opposed, 0 abstained, 0 absent. The motion passed unanimously.

The Committee policy and an associated Audit Committee charter were discussed. It was pointed out that John Carver advises against a committee structure because it can lead to lack of board involvement and

unity. Communication issues are not necessarily improved through committee structure. Yet board members recognized the need to conduct board work outside of board meetings (in particular, the nominating process), and some guidelines for committee work were desired. Mark Goehring recommended revising the by-laws to clarify the treasurer's role and remove references to committees, then draft policy to outline committee charters. The audit committee charter was tabled.

Nominating Committee

Tricia Groff, Don Kreis, Kay Litten, and Janet Saint Germain agreed to serve on the nominating committee during the upcoming year. They will meet in July.

Board Retreat

Several venues were discussed; the Loch Lyme Lodge and Camp Ohana will be explored as possibilities. September 26 and 27 are the potential dates.

Meeting Adjournment

MOTION: Corrie Martin moved to adjourn the meeting at 9:03 p.m.

Michael Yacavone seconded the motion.

VOTED: To adjourn the meeting.

9 in favor, 0 opposed, 0 abstained, 0 absent.

The motion passed.

Respectfully submitted,

Eugenia F. Braasch
Board Administrator

Tricia Groff
Secretary

Action Items:

Prior Month Action Items Review

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June Monitoring Reports

GP Global – Governance Process Commitment (Margaret, Janet)

GP 1 – Governing Style (Tricia, Corrie)

GP 2 Board Deliverables (Margaret, Kay, Richard, Corrie, Mike)

GP 3 Governance Development (Margaret)

GP 7 Monitoring Board Performance (Kay)

GP 8 HCCF (Kay)

B-GM 1 Unity of Control (Richard)

GP 6 Board Member Nominating Process (Kay, July meeting)