

**Rising Tide Board
Meeting Minutes APPROVED
Thursday, July 21, 2016
5:00 pm, Skidompha Library, Damariscotta**

Before the meeting was called to order, Deb introduced Michael Alderson and Stephanie Nelson, two people who are potentially interested in joining the board. Deb also suggested posting a sign about member engagement with the board, having board members set up office hours to discuss Rising Tide with its members, what they want to see in the co-op, and promote discussion on their likes and dislikes.

Mary Ellen called the meeting to order at 5:16pm. In attendance were Mary Ellen Barnes (president), Jessie Trafton (vice president), Dana Wilson (secretary), Deb Poor, Kevin Posman, Kent Whittaker, and Michael Walter.

Mary Ellen opened the floor for a Member-Owner Comment Period. Dwight was highly in favor of Deb's idea of office hours for members. He noted that RT's purpose and function is to serve the community and he believes that in order to do that the board should find out what members want and need.

Michael presented his store report. June sales are up 1.91% with an overall increase of 5.5% for the year. Rising Tide is up to 3,600 member-owners. He provided a staff update, which includes Amy Leshure as the new finance manager. The staff survey on Policy Compliance has been extended until July 26th instead of the original deadline of July 22nd to allow more staff to complete it. The results from this survey will inform Michael's October report. He also reported that the Maine Harvest Bucks program has been successful thus far, with eight people currently signed up, all new to RT. It was also suggested that the store resolve the issue of members not receiving the e-newsletter.

Michael reported that construction on the parking lot will begin on September 1st and is expected to last three weeks. Members will receive plenty of notice of the construction including signage around the store and e-newsletters documenting the progress. These notifications will also include details on where the funding came from for this project.

Kent presented the Finance Committee report and made a recommendation to implement a Patronage Dividend benefit. He noted that since Rising Tide moved to its new location, this benefit has not been an option. The board is permitted to present this benefit as per Article 9 of the bylaws but it is required that a modest amount (.05%) must be distributed to an educational program. Based on information provided on the 2015 tax return by our accountants, PFBF CPAs in Bath, net income available based on non-taxable sales is \$132,000. He recommended that 20% of the net income (\$26,400) be provided as a patronage benefit to member-owners and that \$528 be donated to FARMS. The goal is for the benefit to be distributed by mid-September and used by the end of December. Kent reminded the board that this is a common benefit of being a member of a co-op but is dependent on the amount each

member spends at the co-op, which means each member's benefit will be different. Kent and Mary Ellen clarified that this represents a small portion of the store's income, so these funds are not needed to cover bigger priorities (i.e. health insurance and cost-of-living increases). Store management will need to decide how best to distribute the credit to members. It is presumed that the dividend will be distributed prior to September 15 and the redemption period will be open until the end of the fiscal year, December 31, 2016. Deb moved to accept the Finance Committee's recommendation. Dana seconded. All voted in favor.

Dana provided a short report on the CCMA Conference she attended with Michael and Dwight in June at UMass Amherst. She will send board members any interesting resources or helpful information that applies to Rising Tide.

The Annual Meeting will take place on Saturday, October 15th. Deb will chair a committee to plan the meeting. It was decided that the meeting will not take place at Rising Tide due to the parking lot construction as it may not be completed. Dana will assist Deb with planning. Jessie and Michael will meet to finalize the nominating deadline and ballot schedule and will report back so that dates can be added to the calendar and sent in an e-newsletter to members.

Mary Ellen proposed an additional member discussion on Wednesday, September 7th at 5pm in Porter Hall at Skidompha Library to cover bylaws and finances with members. The meeting will be in a Q&A format with the hopes to hear new ideas and comments from member-owners.

Dana began a discussion on Board meeting minutes from February to June 2016. It was brought to the board's attention that they did not have a quorum and therefore all minutes and votes during that period must be re-voted on. Mary Ellen explained that the board will be reviewing the quality of the GM reports during the upcoming GM annual review process. Member Paul Gagnon expressed concern that new board members should not "rubber stamp" what's been voted on the last few months. Dana remarked that a great deal of hard work has been done by the board over the past seven months and we are moving forward. The actions to be re-voted are:

- February 2016: Sarah Matel's resignation; approval of January minutes; B1 and B2 policy reports
- March 2016: Approval of February minutes; B8 policy report
- April 2016: Approval of March minutes; B9, C1, and C2 policy reports
- May 2016: Approval of April minutes; B1 and C5 policy reports; Kevin to fill Peter's seat (for the next 1.5 years); Deb to fill an empty seat (until the fall election); policy monitoring calendar changes
- June 2016: Approval of May minutes; B7, B10, C3, and C4 policy reports

Dana made a motion to approve the listed votes from February to June. Jessie seconded. Deb abstained. All other members voted in favor.

Jessie and Deb reported on the Nominating Committee's progress with finding new candidates for the board. Deb has a number of people who may be interested. Jessie noted that it is necessary we have someone with finance experience on the board as Kent is serving

temporarily. Deb suggested the possibility of having couples serve on the board-- two people but only one vote. Mary Ellen and Jessie will review the bylaws.

Jessie proposed a change to the Rising Tide Nominating Committee Charter. The proposed revisions focused on the Committee's purpose to nominate new board members for their ability to participate constructively in the process of governing. Dana made a motion to approve the revised charter. Kent seconded. All voted in favor.

Jessie discussed a draft nomination packet to give to interested board candidates. The packet includes the role of board members, information about Rising Tide, desired qualifications, responsibilities, and a questionnaire to be used to complete the bio on the election ballot. Jessie will find out if there is a legal requirement for whether or not a convicted felon can serve on the board, and then distribute a final draft to the board. Members will vote via e-mail on whether or not to approve this packet.

Mary Ellen began a discussion of the staff seat on the board and noted that decisions need to be made before the upcoming election. She feels this seat would be positive for the board, this person would bring different perspectives and experiences which will help with planning the store's future. Deb is also in favor, she feels that the wider perspective is important. Kevin noted that staff representation on the board at Bigelow Laboratory for Ocean Sciences has worked. He also noted though that he is not sure adding this seat would open existing channels for communication because of the level of transparency that already exists at board meetings. Jessie noted that the concerns she has heard from staff all have to do with operations and it would be very easy for the staff person on the board to share what is discussed in board meetings with other staff. She is concerned with the timing of the request for this seat. Kim explained that the staff has been asking for this seat for years but that it is brought up each time there are new members on the board. Dana spoke with several other board members, staff, and GMs of other coops during the CCMA conference about staff serving on the board. She supports a staff seat idea but at a later date; she does not think it will benefit the new GM at this point when they are trying to support him in his role and help him lead. She noted that while this person could bring a valuable perspective, she expects staff to bring their concerns to Michael or to their managers, and that Michael should then feed that information to the board. Kent is generally open to the idea of a staff seat but feels that he has not had enough time to think about it, though he is concerned about the conflict of interest. There was a general consensus that if the seat is approved, there are certain executive sessions that this person would not be permitted to attend, depending on the topic. Jessie informed the group that the coop's CDS consultants do not think a staff seat is a good idea for Rising Tide.

Jessie discussed the draft markup of the C5, which states, "Board of director cannot be an employee of the co-op" and would be changed to, "only one employee of the co-op may serve on the Board at any given time". Should the board vote to approve this change, they would also have to update the note on confidentiality and the note that any board member who applies to work at RT would have to resign from the board. Dana reiterated that, while she wants to support the staff who are so crucial to the co-op, she wants to give Michael more time to grow and succeed in his role as General Manager.

Deb made a motion to approve the changes to the C5 policy that would permit a staff person to run for a seat on the board of directors. Mary Ellen seconded. The Board voted as follows: In favor, Deb and Mary Ellen; opposed, Dana and Jessie; and Kent and Kevin abstained.

The meeting adjourned at 7:06pm and the Board went into executive session to discuss personnel/HR reports.

Respectfully submitted by Harley Bartles, Board reporter.

These minutes were voted on and approved by the Board of Directors on August 10, 2016.