Oneota Community Co-op Minutes for Regular Board Meeting January 28, 2014 5:30 PM Luther College Campus, Valders Hall, Room 367

Board Members Present: Anne Dykstra, Steve McCargar, Brita Nelson, Gary Hensley, Mike Bollinger, Lora Friest arrived 5: 41, Deneb Woods arrived 5:48 GM Present: David Lester Member/Owners Present: Jeanine Scheffert (Bd Admin Asst)

1. Call to Order

Steve McCargar called the meeting to order at 5:34 PM

2. Board Learning - Patronage Dividends

Summary:

We discussed the implications of declaring patronage dividends this year. We had enough of a profit this year that it would be possible to declare it a patronage dividend year. 78% of our 2013 net income represents member sales. If the board declares it a patronage dividend year, the Coop is not taxed on the member sales and 20% of these member sales are available to become patronage dividends, the remaining 80% being retained for capital investment and business costs. If we do declare it a patronage dividend this year, the largest member check would be approximately \$68 and only eight would be over \$50. Any member who is allotted a dividend and has not paid their membership in full must use the dividend towards their membership payment. Dividends of \$4 and under will be retained by the coop. The board decided to put the question of patronage dividends on the February agenda so that members can come to the meeting and speak their opinion. Board wants to be sure they are representing the interests of the membership when making this decision. Board plans to publicize the fact that this question will be on the February agenda. Regardless of whether 2013 is declared a patronage dividend year, we hope to be coming up on patronage dividend years consistently in the near future. We will start encouraging people to pay their full share and give them a heads up for new day of profitability and patronage dividend potential.

3. Member Comments: none

4. Disposition of Member Comments:

No disposition required - No comments

5. Agenda Review

Motion: Dykstra moved and Bollinger seconded to amend agenda by moving 7.1 G2 Board Job Description into Action Items. Motion passed by a vote of 7 aye, 0 nay.

Motion: Nelson moved and Hensley seconded to approve amended agenda. Motion passed by a vote of 7 aye, 0 nay.

6. Approve Minutes from December

Motion: Hensley motioned and Nelson seconded to approve December minutes. Motion passed by vote of 6 aye, 1 abstention.

Abstaining: Lora Friest. She was absent from the December meeting

7. Consent Agenda

Motion: Hensley moved and Woods seconded to approve the Consent Agenda as presented. Motion passed by a vote of 7 aye, 0 nay.

7.1 L8 Communication and Counsel to the Board

Good report.

8. Reports

8.1 GM Report -

Financial Snapshot: We are waiting on auditors for exact financial data, but we know we had a good year. With our Alliant rebate, we will be somewhere in the range of \$120,000 net income. We're managing margin really well.

Community/Outreach/Other Store Happenings: We're excited about the amount of new members still joining. We had 344 new members this year!

Staff Updates: The staff has been great. We're managing labor really well.

Marketing/Special Projects: Classes and projects have been a focus for us. We are reaching out to many new groups in Decorah. For example, we brought CSA shares to Rockwell Collins. These projects help extend our reach into the community, raising awareness of the Coop. Our #1 product is education. We had a lot of classes, including a lot of kid-related classes. This is mostly Johanna - she is doing great work. If we have any expansion of staff in the coming year, it will be in this area in order to help her out.

9. Action Items

9.1 [7.1 G2 Board Job Description]

McCargar reported that we were partially compliant therefore, non-compliant specifically on G2. Stated being non-compliant is OK.

Motion: Hensley moved and Bollinger seconded to (approve G2). Motion passed 7 aye, 0 nay.

10. New Business

10.1 2014 Board Calendar

Changes to the 2014 Board Calendar will include the following:

- Treasurer/Board Budget delete from January, move to February
 December Treasurer Board Budget Proposal for Upcoming Year add
 January Treasurer Report delete
- February Treasurer Year End Report add
- February mail ballot with candidate statements add March election balance counted add
- April recognition of outgoing board members add April Schedule New Board Member Training add
- Oct Verbal GM evaluation add

Hensley will make these changes and send them to Lester.

Motion: Hensley moved, Woods seconded to accept changes in calendar. Motion approved, 7 aye, 0 nay.

10.2 Report from the Nominating Committee

Hensley has been working to recruit board candidates. Woods will be running for another term. Hensley will not be running for another term. There are no other candidates at this time. In order to make the election viable, we need at least two more candidates to run for the two seats. All board members are asked to put the word out and work to recruit more candidates. Board will submit names to McCargar by Friday to ensure one potential candidate is not asked by multiple board members. Candidate statements should be submitted by February 5th or 6th and at least by February 14th. Nelson will write something for the bog Imagine Northeast lowa, submitting it to McCargar for approval before posting. Lester will post a call for candidates on Facebook. Election Ballots will be stuffed February 22nd. McCargar and Nelson will help with this.

11. Next Monitoring

[11.1 L9 GM Succession Planning - Lester]

[11.2 L5 Financial Condition Quarterly Report, End of Year Financials - Brita Nelson and Steve McCargar] [11.3 D Global Governance - Management Connection - Brita Nelson and Steve McCargar Executive Session under "Personnel Matters"]

12. Next Meeting

Next meeting Monday, February 24th, 2014 @ 5:30pm (Nelson will be acting Secretary)

13. Adjourn

Motion: Nelson moved and Hensley seconded to adjourn the meeting. Motion passed, 7 aye, 0 nay.

Meeting adjourned at 7:03 PM

Respectfully submitted, Anne Dykstra, Oneota Coop Board Secretary