

**Oneota Community Co-op
Minutes for Regular Board Meeting
September 30, 2014 5:30 PM
Basement, 312 W. Water St.**

Board Members Present: Steve McCargar, Deneb Woods, Brita Nelson, Alicia Trout, Mike Bollinger

Board Members Absent: Anne Dykstra, Lora Friest

GM Present: David Lester

Co-op Staff: Deb Rilling from 6:31 p.m. to 7:05 p.m. (to talk about L2 and L3) **Member/Owners Present:** Jeanine Scheffert (Bd Admin Asst)

1. Call to Order

Steve McCargar called the meeting to order at 5:37 p.m.

2. Board Learning - Procedures Manual

Discussed the section on *Board Transitions: Code of Ethics*.

3. Member Comments:

None

4. Disposition of Member Comments:

No member comments

5. Agenda Review

Motion: Nelson moved and Trout seconded to **Amend Agenda to add #9 GM Report**. Motion **passed** with a vote of 4 aye, 0 nay. (Woods not present for vote-stepped out of the room to use the restroom)

Motion: Trout moved and Bolinger seconded to **Approve Amended Agenda**. Motion **passed** with a vote of 4 aye, 0 nay. (Woods not present for vote)

6. Approve Minutes from August

Motion: Nelson moved and Trout seconded to **Approve August Minutes**. Motion **passed** by a vote of 5 aye, 0 nay.

7. Approve Minutes from July Special Meeting

Motion: Trout moved and Nelson seconded to **Approve Executive Session Minutes for Special Meeting July 10**.

Motion **passed** by a vote of 5 aye, 0 nay.

Motion: Nelson moved and Trout seconded to **Approve Regular Minutes for Special Public Meeting July 10.** Motion **passed** with a vote of 5 aye, 0 nay.

8. Consent Agenda

9. Reports

9.1 GM report

Financial Snapshot: Sales have been strong. We're one of the few natural, organic coops in the nation doing this well. There is a lot of competition in this market. We are watching labor wages. There will be a drop-off in training costs after new people are trained in.

Community/Outreach/Other Store Happenings: Membership numbers are good, although not as outstanding as last year. We will be doing a two-week membership drive campaign.

Our executive chef is leaving. We have new employees coming in. It costs money to lose employees and hire new ones. We had a staff survey and addressed all non-compliance issues and gave raises on a performance-based system.

Physical Store Update:

Fuel expenses are up slightly, but we have dropped usage from 62% ccf's to 19%. We are more concerned with conservation than the slight increase in cost. The increase itself is mostly due to the cafe cooking more and the store using gas to burn off excessive humidity, which has worked really well.

Marketing/Special Projects: We will hire consultants mid-late next year before we begin work on the new space. We want to build up our cash flow so we are in good shape to begin a new project.

L2: Staff Treatment

Motion: Woods moves, Bollinger seconds to **Approve Staff Treatment Report.** Motion **passed** with a vote of 5 aye, 0 nay.

Summary:

How we treat our employees is what creates good financials. We put a lot of thought, time, and resources into the L2 and L3 Reports. Our advisor's work is not cheap, but it is great and the board requires it every other year. Overall, the survey results were good and employees are very happy. Employees report feeling a part of something that feeds them and is a positive experience. We also rate pretty well in workplace injuries and hazardous conditions. We are working hard to achieve more staff retention and we are giving management better tools help make this happen.

L3: Compensation and Benefits

Motion: Nelson moves and Woods seconds to **Approve L3: Compensation and Benefits.** Motion **passes** with a vote of 5 aye, 0 nay.

Summary:

The L3 reports on how staff perceive wages and benefits we offer. Only 4 questions had a score under 4 and the lowest score was #32: *My pay increases reflect the quality of my performance and the level of my responsibilities.* In follow-up interviews, we learned that staff didn't always know raises are performance based. We need to educate staff regarding this system.

In past years, we built in a wage increase of 2-3%. This year we are doing really well, so we can go up to 5%, depending on performance.

There is a smaller gap between low pay grades and high pay grades than many places have. This may be perceived positively or negatively, depending on a person's pay grade. This year, we wanted to raise the lower pay grade to the point where employees can buy our food and feel they can stay working here. Next year we'll focus more on upper pay grades.

We're one of the only Coops that have benefits for PT workers.

There was confusion about the new system of bonuses we put in place instead of insurance benefits since the Affordable Care Act was implemented. Now that people have figured it out, employees are happy with the bonuses because it allows them to choose what to do with the money. We'll probably stick with this system for next year.

10. Action Items

Board Procedures Manual - Election Policies

Motion: Trout moved and Bollinger seconded to **Approve Board Procedures Manual Election Policies and Board Transition.** Motion **passed** with a vote of 5 aye, 0 nay.

11. New Business

11.1 NCF Board Training Opportunity Saturday, October 11

No one is able to go to this. We need to look at another training possibility. GM and Board President will discuss.

11.2 Board Candidate Recruitment Process

Board needs to establish a nominating committee consisting of two board members and two non-board members. Nelson and Bollinger volunteered. Dykstra and Friest's seats are up. The President will meet with the nominating committee in the next couple of weeks.

12. Next Monitoring

G6: Governance Investment - Trout
L5: Financial Conditions - Lester
GM self-evaluation due - Lester

13. Next Meeting - October 28, 2014

14. Executive Session - None

15. Self-Evaluation - online

16. Adjourn

Motion: Bollinger moved and Nelson seconded to **Adjourn Meeting**. Motion **passed** with a vote of 5 aye, 0 nay.

Meeting adjourned at 7:29 p.m.