

**Oneota Community Co-op  
Minutes for Regular Board Meeting  
March 24, 2015 5:30 PM  
Kitchen Classroom, 308 W. Water St.**

**Board Members Present:** Brita Nelson, Steve McCargar, Mike Bollinger, Deneb Woods, Lora Friest, Alicia Trout, Anne Dykstra

**Board Members Absent:**

**GM Present:** David Lester

**Co-op Staff :** Nate Furler

**Member/Owners Present:** Carl Peterson, Jeanine Scheffert (Bd Admin Asst)

***1. Call to Order***

Steve McCargar called the meeting to order at 5:31 p.m.

***2. Board Learning***

Summary: Board discussed the upcoming year's agenda. Board will schedule strategic planning sessions, review of Bylaws, role of volunteers, and Articles of Incorporation. The discussion of the Articles needs to include membership and should include the possibility of increasing the number of shares Coop has to offer.

Trout will assemble old Board Notes. Woods and Nelson will join her to create a new system for document storage before new board members are seated.

Board may also add a Board Member Training on the basics of policy governance, including why we have this model and why we use it. We may bring someone in to help lead this training.

***3. Member Comments:***

none

***4. Disposition of Member Comments:***

no member comments

***5. Agenda Review***

**Motion:** Nelson moved and Dykstra seconded to **Amend Agenda to Change #6 “January” to “February” and to add 10. Final Approval of Board Procedures Manual.** Motion passed with a vote of 7 aye, 0 nay.

**Motion:** Woods moved and Trout seconded to **Further Amend Agenda to add 11.2 Seedling Discussion.** Motion passed with a vote of 7 aye, 0 nay.

**Motion:** Nelson moved and Woods seconded to **Approve Amended Agenda.** Motion **passed** with a vote of 7 aye, 0 nay.

## **6. Approve Minutes from February**

**Motion:** Friest moved and Bollinger seconded to **Approve Minutes from February.**

**Motion:** Friest moved and Dykstra seconded to **Amend February Minutes to include the following sentence under Financial Statements for Audit:** *“The board had a full audit completed by Hacker, Nelson & Co. [In their] opinion, the financial statements referred to above present fairly in all material respects the financial position of Oneota Community Coop as of December 31, 2014 and the results of its operations and its cash flows for the year then ended in accordance with U.S. generally accepted principles.”* Motion **passed** by a vote of 7 aye, 0 nay.

**Motion:** Trout moved and Nelson seconded to **Amend February Minutes by deleting “Trout presented” and substituting “There was a list of ideas.”** Motion **passed** by a vote of 7 aye, 0 nay.

**Motion:** Friest moved and Dykstra seconded to **Approve Amended Minutes.** Motion **passed** by a vote of 5 aye, 0 nay. Dykstra and Trout abstained because they were not at the February meeting.

## **7. Consent Agenda**

**Motion:** Friest moved and Bollinger seconded to **Approve Consent Agenda.** Motion **passed** by a vote of 7 aye, 0 nay.

There was partial noncompliance in Vice President’s role. All other roles were compliant.

## **8. Reports**

### **8.1 GM Report**

**Financial Snapshot:** Sales have slowed in the past 2-3 months. It is not yet considered a long term trend, but we are monitoring it. Labor is still below budget and sales are still above budget. We had to adjust our labor to reflect lower sales.

**Community/Outreach/Other Store Happenings:** Member drive was very successful. We signed up 89 members in one week and were up to 113 by the middle of last week. This is more than last year’s 93.

### **8.2 Ends**

**Motion:** Nelson moved and Friest seconded to **Approve Ends Report.** Motion **passed** with a vote of 7 aye, 0 nay.

Summary: This is one of the most important reports because Coop staff makes a lot of decisions driven by the Ends.

*End #1: A retail source for food and other products that, to the greatest extent possible, are organic, sustainably produced, local grown and/or processed, and affordable. A business that encourages the expansion of sustainably grown local food sources.*

We have increased local sales to over the million dollar mark, increasing it by about \$135,000 this past year. We're very excited about this. Our total local sales in dollars is increasing at a 14% rate. This is exciting especially at a time when other stores are beginning to offer organics. The focus on local sets the Coop apart. We had \$2.3 million going out to local vendors and employees. About half of our sales are truly staying in our local community. We're trying to talk more about it. We've had a strong bump in our organic sales as well. These are both great indicators that we are doing what we set out to do.

Keeping our products affordable is a challenge. We have an expensive product, but need it to be affordable. One way to track this is EBT sales. Our EBT sales went up 22% this year. (Our products are not covered with WIC, only EBT). Member discounts are also rising at a good rate. It is important to keep discounts under control, but give members a good rate.

*End #2: A community that is educated about food and other products that are healthy for people and the environment.*

We have made huge progress to this end with the new kitchen space. The number of classes offered is up 62% and number of participants is up 48%. Bulk sales helps monitor how educated people are because of packaging issues. Bulk did rise a little bit, but not the same as years past. Produce saw 17% sales growth. We've trained staff to explain why our produce is so "expensive." 90-94% of our produce sales are organic. Both sales and organic percentage of sales have increased in the produce department. These are all strong indicators that we are doing well with this End.

*End#3: A business that promotes the development of cooperation and cooperative enterprise.*

The basic metric is sales and we're growing. The number of new members is rising for the second year in a row. We have \$850,000 of equity now, which is a strong picture. We've done business with other cooperatives such as Ace Kitchen, which has been great to us. Equipping our kitchen classroom. We've also worked with East Wind Nut Butters and the Dubuque Coop.

Ends #4 has to do financial responsibility. Our gas usage has gone up, so we're not accomplishing that end. More people coming in means using more gas used. We use it partially for our cooling system and we'd rather use more gas than have a cooler or freezer go down and not have product for customers. We are reducing our kwh per customer. We are looking to change the lighting system with our expansion. The new system will cut florescent tubes in half and add inviting spotlights. Our last few years have been very profitable and above budget.

End #5 has to do with employee retention. We didn't make great progress on this. It will be a

focus for our work this year. We are creating a fun and exciting staff guide for new staff members that includes educating staff about what makes our store different, why it costs more than other stores, basic customer service, “what to do if” scenarios that help make them feel part of a team. It will also include a history and passport stamps with a timeline of achievements. One of the biggest struggles we face is making sure everyone feels like they are part of one big group. We’re also getting better at interviewing and identifying people who are more likely to stay. We’re at the norm for the industry as far as turnover, but we’d like to be better.

Policy 5.3: We’ve signed on to a Mystery Shopper Program. Once a month, we have a mystery shopper. Their comments are really helpful and thorough, including notes on each department and who helped them, what they saw. We have fun discussing these notes at our meetings.

End #6 looks at our donations to the community. We’re down this year compared to last because last year we had such a great income. We also had our 40<sup>th</sup> anniversary budget that allowed us to spend less elsewhere. However, we’re doing a good job over all.

## ***10. Action Items***

### **10.1 Final Version of Board Procedures Manual.**

**Motion:** Dykstra moved and Friest seconded to **Approve March 23 Iteration of Board Procedures Manual.** Motion **passed** by a vote of 7 aye, 0 nay

## ***11. New Business***

### **11.1 Annual Meeting**

Annual meeting will be on April 16, 7:00 p.m. at Good Shepherd Lutheran Church. Will include snacks and a rap.

### **11.2 Seedling Discussion**

**Motion:** Trout moved and Dykstra seconded to **Authorize expenditure from Board Budget of up to \$400 for gifts to Coop staff for up to 2 seedlings each before May 1.** Motion **passed** with a vote of 6 aye, 0 nay. Bollinger abstained due to conflict of interest.

Board decided to give a May Day/Earth Day gift to all Coop staff of up to 2 seedlings each.

### **11.3 Scoop Deadline May 1**

Board election update will be included in Scoop.

### **11.4 Schedule New Board Member Training**

Board discussed training of new board members, including education on Articles, Bylaws, audit, and business plan. Scheduling details will be completed with new board members and will take place in April or early May. McCargar will organize and facilitate the training.

## **11.5 Board Strategic Planning Dates**

Board will meet with Jeff Schott from the University of Iowa for Strategic Planning on April 14, 6:00 p.m. Board will schedule 2-3 more sessions after that.

## ***12 Next Monitoring and Other***

**12.1 Global Governance Commitment - Trout**

**12.2 L5: Financial Condition (quarterly report) - GM**

**12.3 Yearly signing of code of ethics – newly installed board session for everyone. Bring 7 copies of the code.**

**12.4 Next meeting April 28<sup>th</sup> (maybe pushing time back). Board members come, approve minutes and leave.**

**12.4 Board Officer Elections**

**12.5 Treasurer Quarterly Report** – Friest will leave in packet for meeting even though won't be in attendance.

***13. Executive Session*** - none

***14. Self Evaluation*** - done via internet

***15. Adjourn***

**Motion:** Friest moved and Bollinger seconded to **Adjourn Meeting**. Motion **passed** with a vote of 7 aye, 0 nay.

Meeting adjourned at 6:59 p.m.