

**Oneota Community Co-op
Minutes for Regular Board Meeting
July 28, 2015 5:30 PM
Kitchen Classroom, 308 W. Water St.**

Board Members Present: Deneb Woods, Brita Nelson, Mike Bollinger, Steve McCargar, 5:57
Carl Peterson arrived

Board Members Absent: Alicia Trout, Maren Beard

GM Present: David Lester

Co-op Staff :

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

Community Contact: Don Baade (and wife)

1. Call to Order

Brita Nelson called the meeting to order at 5:31 p.m.

2. Board Learning - none

3. Member Comments - Don Baade commented that he is looking for a place to process his vegetables and get paid a reasonable price for them. He'd like to have a system that works for everyone involved. He's worried about agricultural chemicals, processed foods, and the negative impact they are having on our country and the people living here.

4. Disposition of Member Comments - Board directed Baade to contact Nick McCann with the Iowa Food Hub. Coop has been supportive of that process because of the need for local food to be more available and accessible throughout the area. Another contact could be Teresa Weimerslage with ISU Extension. She has resources that could help local growers and does a good job of exploring regional needs and helping farmers to find a larger home & avenue for their produce. Coop is definitely on board with selling local produce. In fact, in this past month, 22% of everything the Coop sold came from local growers.

5. Agenda Review

Motion: McCargar moved and Bollinger seconded to **Amend Agenda: Delete 10.2 Board Member Linkage Discussion and move to August meeting.** Motion **passed** with a vote of 4 aye, 0 nay.

Motion: McCargar moved and Woods seconded to **Approve Amended Agenda.** Motion **passed** with a vote of 4 aye, 0 nay.

6. Approve Minutes from June

Motion: Bollinger moved and Woods seconded to **Approve Minutes from June.** Motion **passed** by a vote of 4 aye, 0 nay.

7. Consent Agenda - None

8. Reports

8.1 GM Report

Financial Snapshot: Sales are down. We're still managing well. Sales growth was negative (1/2%) for the first time this month. There has been increased competition & people are going to restaurants more. We'll focus more on our deli and cafe. We are still increasing cash and getting closer to paying off loans. 1 or 2 will be paid off this year, a majority in 2017.

Community/Outreach/Other Store Happenings: Members are still joining. Labor looks good. Deli audit went well. New ideas came from the audit: we'll have more grab and go options, cut fruit, add a smoothie bar, new sandwich menu, and made-to-order breakfasts without pre-wrapped burritos. *360 Reviews* are going well.

Physical Store Update: We've saved energy with electric. Gas is down 25%. Last year we were burning gas to get rid of humidity, but we've made some adjustments to overnight settings that have corrected this problem.

Marketing/Special Projects: Mailing campaigns are bringing new people to the store. Classes are slow as everyone takes their last minute vacations before school.

8.2 D2: Accountability of the GM

Motion: Peterson moved and Bollinger seconded to **Approve D2: Accountability of the GM.** Motion **passed** by a vote of 5 aye, 0 nay.

8.3 D3: Delegation to the GM

Motion: Woods moved and McCargar seconded to **Approve D3: Delegation to the GM.** Motion **passed** by a vote of 4 aye, 0 nay. 1 abstention by Peterson (he had not read the report).

Everything in the document seemed relevant. No changes necessary.

8.4 L5: Financial Condition

Motion: Bollinger moved and Woods seconded to **Approve L5: Financial Condition.** Motion **passed** by a vote of 5 aye, 0 nay.

Our sales growth is down compared to last year, but above our budget. This was not an easy quarter to manage, but it was managed well, as indicated by the fact that inventory is down by \$20,000. Many coops are late to decrease their inventory when sales growth is less than expected, but our GM has responded quickly and that is important. We can't count on always having a 10% sales growth.

We have implemented a new system for inventory in packaged grocery, wine and beer, and will also implement it in wellness. It will include a "par system" and ordering inventory as needed rather than keeping a large stock of inventory on the floor. Wellness has also rearranged their

items and has greatly increased sales by doing so. Especially in Wellness, people will be encouraged to make special orders on items that sell irregularly.

The new POS system will help keep track of this inventory by integrating the inventory into the POS system. The new system will pay for itself within a year.

Fixed costs have remained steady.

At the end of the year, we will have repaid the remaining \$60,000 taken out for the kitchen classroom and we'll only have \$80-90,000 in debt. We're not in a hurry to do the new expansion project. We want to build cash, get a strategic plan, and do it smartly.

8.5 Treasurer's Report

Treasurer's Report was presentation of Q2 with data provided by Larry. There were no questions.

9. Action Items

9.1 Strategic Planning

Nelson will set up a Doodle Pole to find a date for the final strategic planning session.

10. New Business

Scoop deadline coming up August 1 - Nelson & McCargar will work together to write Board article.

11. Next Monitoring & Other

11.1 [G5: Board Committee Principles - Peterson, McCargar]

11.2 Second quarter financials in COMM POST - This was on calendar, but hasn't happened in past. Board decided not to start doing this.

11.3 Announce upcoming board elections and call for candidates

12. Next meeting: Tuesday, August 25th, 5:30 p.m.

13. Executive Session - none

14. Self-Evaluations - done via internet

16. Adjourn

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

Meeting adjourned at 6:42 p.m.