

**Oneota Community Co-op
Minutes for Regular Board Meeting
August 25, 2015 5:30 PM
Kitchen Classroom, 308 W. Water St.**

Board Members Present: Deneb Woods, Brita Nelson, Carl Peterson, Steve McCargar, Alicia Trout, Maren Beard, Mike Bollinger

Board Members Absent:

GM Present: David Lester

Co-op Staff : Nate Furler, Marketing and Outreach Manager

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

Community Contact:

1. Call to Order

Brita Nelson called the meeting to order at 5:30 p.m.

2. Board Learning - Plan for the rest of the 'year' (through April 2016)

Board acknowledges Board Member Steve McCargar's depth of knowledge and experience with cooperative principles, policy governance, our specific policies, ends and coop history. With McCargar's term as a board member coming to an end, Board wants to ensure all other board members have the background needed to move forward without McCargar's knowledge and experience to draw from during meetings. With this in mind, Board would like to spend time covering these items during Board Learning in coming board meetings. Bylaws should also be looked at to make sure our practices and bylaws are consistent.

Board would also like to spend time learning about financial reports, terms, NCG benchmarks and formulas and how to interpret/what to do with this financial data when it is presented. Additionally, Board would like to go over the Member Survey with the GM to learn what information it contains and how it steers GM's decision making.

Board will create a calendar showing upcoming Board Learning subjects in order to share the agenda with members in case they want to attend a board meeting.

Board Learning will be transcribed and kept easily accessible in Board Docs.

3. Member Comments - none

4. Disposition of Member Comments - no member comments

5. Agenda Review

Motion: Trout moved and Peterson seconded to **Amend Agenda: Delete 9.1 Strategic Planning and Replace with Board Election Calendar.** Motion passed with a vote of 7 aye, 0 nay.

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

6. Approve Minutes from July

Motion: Peterson moved and Woods seconded to **Approve Minutes from July with correction.** Motion **passed** by a vote of 6 aye, 0 nay. Trout abstained because wasn't in attendance at last meeting.

Correction: 8.3 Peterson's abstention was not because he wasn't in attendance. It was because but didn't get a chance to read the report.

7. Consent Agenda - None

8. Reports

8.1 GM Report

Financial Snapshot: Sales growth is still down, but we're still on track for putting savings away as planned. This year, every week except two were lower in number of transactions than last year, but transactions themselves are higher in dollar amount. Other local businesses are not seeing this same problem and we are not sure why it is happening. The last few weeks, sales have been higher than last year. August is up 5-6%, so maybe we are bouncing back. Although sales are down, we are controlling expenses well. We are down 3.3% in total labor and came out under budget with labor. We are not happy that our NCG risk matrix score went down; this happens when sales growth goes down, but isn't representational of our actual risk because it doesn't weigh in the fact that we're managing our net income well.

Community/Outreach/Other Store Happenings: Some of our top 100 shoppers are shopping elsewhere. We would like to do a marketing campaign to remind owner/members why it is good to shop here. Raises just went out. Employees are happy. We're watching the minimum wage and salaried overtime Department of Labor discussions. If these new regulations come into play, it will affect the Co-op. There are already cities in Iowa that have created a multi-year step to a \$15 minimum wage.

Physical Store Update: Gas usage is way down. We're looking at the cost of putting another solar array up on the new building. There are no more rebates, but prices have gone down and there is a 30% federal tax incentive. Iowa has an 18% tax incentive, but it isn't guaranteed. It is better to do it soon because Iowa has a pool of funds set aside for the tax credits and once it is gone, it is gone. We'll have someone assess whether the roof can handle a solar array.

Marketing/Special Projects: We had an increase of local sales from 22 to 23%. Our local producers offer consistent and high quality produce. The latest Scoop had two articles about why organic costs more and what people get when they shop at the Co-op. Will do more articles explaining how much of your dollar stays in our community in hopes of bringing core customers back. We also have two new value lines with competitive pricing, one of which is mostly organic: Field Day & Natural Value. With our UNFI contract, we can't buy UNFI brands from anyone but UNFI even when there is an Out-of-Stock. UNFI also made it difficult to have our

own value lines, but now we are able to. We will buy products these value brands directly from the companies rather than through UNFI. Once these new lines are in the store, we'll do a marketing blitz on them. We have local shrimp with heads on, which is hard to find. We are still looking into expanding the meat section. First we will expand the refrigeration case. Once we get our own fresh meat counter, we would also like to purchase a grinder, sausage maker and saw. Classes are slow in August but will pick up again in September. We'll also be focusing on samples this fall.

8.2 G5: Board Committee Principles

Motion: McCargar moved and Peterson seconded to **Amend G5: Board Committee Principles to Add Sentence to G5 "Comments and discussion between General Manager and Board Member should be a part of G4 Monitoring Report (rather than G5 Board Committee Principles)** Motion **passed** by a vote of 7 aye, 0 nay.

Motion: Woods moved and Bollinger seconded to **Approve Amended G5: Board Committee Principles** Motion **passed** by a vote of 7 aye, 0 nay.

The comments and discussion between GM and Board Member will be removed from G5 Board Committee Principles and added as an addendum to G4 Monitoring Report. Peterson will make these changes.

9. Action Items

9.1 Board Election Calendar

The Board Election Calendar will be as follows:

Sept 22: Appoint ad hoc board nominating committee, to include VP, two Board Development Committee members & two Co-op Member/Owners
Jan 8: Candidate application due for board nominated applicants
Jan 11-22: Board interviews candidates
Jan 26: Board votes on board nominated applicants
Jan 29: Candidate statements due
Feb 10: Self-nominated candidate deadline
Feb 15: Self nominated statements due
March 1: Mail ballots
March 5-10: (optional) Candidate forum/meet & greet
April 2-4: Ballots counted

The Meet & Greet/Candidate Forum will be held after voting has started. We will publicize the Meet & Greet/Forum on the ballot and statements that get mailed out.

10. New Business

10.1 Board Member Linkage Discussion

Board will review Draft 8/25/15 of Member Linkage document and email McCargar suggestions. Next meeting will include GM's presentation of Member Survey, which will help inform board regarding the approval of this document.

Board will make itself available for Co-op events and as requested by GM. Nate Furler will create an event calendar so board members can sign up to volunteer for events. Furler also invited board members to write articles for the Scoop and CommPost.

10.2 Strategic planning wrap up

Strategic planning wrap up is scheduled for September 8 at 5pm.

10.3 GM Sabbatical 2016

As part of the GM's contract, he is award a 2 month sabbatical in his third year as the GM. This will happen next summer. Next summer will be good timing for the Co-op because we won't be in the middle of planning anything big for the expansion yet. Nate Furler will be the back-up GM during this time. GM David Lester will have a sabbatical focused on continuing his education and furthering his knowledge as a GM for a Cooperative. He is looking into visiting a cooperative in the Galapagos that grows vegetables for the entire island instead of importing food, a coffee cooperative in Columbia, and some cutting edge cooperative projects in the US. GM is looking to fund his flights through grants. He asks the Board to think about Board expectations and dreams for him during the sabbatical and present them during the GM Evaluation in October.

McCargar notes that it is a reflection of our Co-op's maturity to be able to provide this opportunity for our GM and it will be good for our Co-op to have our GM delve into these cooperative subjects for this length of time. It is how we solidify our big picture connection.

11. Next Monitoring & Other

No Board Reports at next meeting. GM will present Staff Treatment and Staff Benefits.

12. Next meeting: Tuesday, September 29th, 5:30 p.m.

13. Executive Session - none

14. Self-Evaluations - done via internet

16. Adjourn

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

Meeting adjourned at 6:55 p.m.