

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

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

Board Members Absent: Steve McCargar

GM Present: David Lester

Co-op Staff :

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

Community Contact:

1. Call to Order

Brita Nelson called the meeting to order at 5:32 p.m.

2. Board Learning - Staff Guide Final

Lester presented the new Staff Guide to the board. Creating the guide has been a 6 month project for current Co-op staff. The guide includes fun graphics and is intended to help new staff learn important things about the Co-op, including what the Co-op is and how to handle certain situations in the store.

The Staff Guide has 8 chapters. It starts with a letter from the GM to employees explaining what the GM and Managers do and asks new employees to use all training tools provided. From there, it goes on to explain what a cooperative is, gives a short history of co-ops and talks about different kinds of co-ops, including agricultural co-ops, worker co-ops and consumer co-ops. Next is a short history of our co-op specifically and information about how someone becomes a member and what it means to be a member.

Chapter 3 starts by explaining big-vision co-operative principals, strategic visions, mission, and organizational ends.

Chapter 4 includes understanding finances and triple bottom line. Often, people who love the coop don't understand why it is for profit. This chapter explains why profit is important, as are people and planet. We want everyone in the organization from all pay grades to know how were doing financially, at least in basic terms in their department.

On page 14, the guide talks about some of the experiences they'll have on a daily basis at work. It discusses local products, how to answer the question "why is the co-op so expensive," marketing perspectives, member sales, customer service, and samplings. We are working on doing more sampling in the future in a way no other stores do and we think it will be great.

We are starting a system where staff can nominate someone for being awesome with *Awesome Sauce* and we'll give away Center Stage tickets and Chamber Dollars, so it "pays to be awesome."

Chapter 8 explains acronym jargon such as PPM, UNFI, SPINS, etc. so new staff can look them up when they hear it.

Staff Guide includes a passport of things to do within the first few weeks, 30 days and 90 days. Things to check off the passport list include such things as watching *How I Fell in Love with a Fish*, setting up a sampling with Ruth, meet with the GM, etc.

The guide was created in large part to help new employees come into the Co-op fold in hopes it will help with staff retention. Co-op will track comparative retention rate.

There was a staff meeting to go through the staff guide. It included a discussion of our strategic vision and the part staff members have in helping managers get to the vision.

3. Member Comments - none

4. Disposition of Member Comments - no member comments

5. Agenda Review

Motion: Peterson moved and Beard seconded to **Approve Amended Agenda, Adding item 10.2 Board Election Questions & 10.3 Timeliness of Reports & 10.4 Board Budget Review** Motion passed by a vote of 6 aye, 0 nay.

6. Approve Minutes from October, 2015

Motion: Bollinger moved and Peterson seconded to **Approve Minutes from October with revision 8.2 "We experienced negative sales growth for our September monthly sales.** Motion passed by a vote of 4 aye, 0 nay. Peterson & Bollinger abstained because not present.

7. Consent Agenda - None

8. Reports

8.1 GM Report

Financial Snapshot: For the second month in a row, we've seen negative sales growth compared to last year, although we were barely negative. As of today, we are up 2.5% for November, showing more growth, which is nice. Our MAD sale was just a little above last year, yesterday was \$4000 above last year. Maybe there is a bounce back happening. Sales for the whole year are up 2.4%, but we budgeted for more. Larry and GM are going through the

budgeting process now and trying to keep growth within 3-4% for next year and still do everything we want to do. It's really hard. Sales growth in the East and West corridors is still up for year, but Central is not. Things on the coast happen sooner. Now, it seems the coastal markets are saturated and they've adjusted to the additional competition, which is what we're doing now. Some stores have had negative 20 % growth. We're in the middle of big competition now. Our total labor is down 2.2% and we're down 3.3% in sales, but we're managing it well.

Community/Outreach/Other Store Happenings: Local sales are increasing and doing better in growth than our whole sales growth. We're really paying attention to local sales growth and knowing it is unique. 24% is a good place for us. Class attendance was very high in October.

Physical Store Update: Gas usage is down 117% from last year. We were using a lot of gas last year. This year is warmer and we figured out the tunnel heat since then. We weren't using the tunnel heat efficiently last year.

Marketing/Special Projects: We had slightly fewer new members this year than last year. We'll have about 250 for the year. We will be selling a few Johnson's Christmas trees for the first time this year. Betsy is always looking for new local products. In our business plan, we are looking to really grow the meat department. We'll have an in-store community appreciation day coming up and board will come throughout the day to help.

8.2 L7: Asset Protection

Motion: Bollinger moved and Beard seconded to **Approve L7: Asset Protection.** Motion **passed** by a vote of 6 aye, 0 nay.

L7 Asset Protection shows the board how protected the Co-op is. This includes cash handling, written procedures, training, audits, POS compliance, insurance, employment practices, maintenance schedule, etc. Our POS system is old and slow, but very secure. We will set up for chip readers in the near future.

The question of inventory services came up. According to GM, the costs would be about the same as our current system. However, when we get the new POS system, we will only have to do inventory once a year because the POS will keep the inventory active.

8.3 D4: Monitoring GM Performance

Motion: Peterson moved and Bollinger seconded to **Approve D4: Monitoring GM Performance.** Motion **passed** by a vote of 6 aye, 0 nay.

9. Action Items

9.1 Holiday Thank You for Employees

Motion: Trout moved and Peterson seconded to **Give a \$25 Gift Card to all Employees as a Holiday Thank You from Board.** Motion **passed** by a vote of 6 aye, 0 nay.

Board has done this for the past two years and would like to continue doing so. It has been well received. It costs the board a total of approximately \$1250. Board members will hand write cards to go with the gift cards and both will be handed out with paychecks.

10. New Business

10.1 GM Sabbatical 2016

Board will revisit the GM Sabbatical 2016 when we look at overall budget next month.

10.2 Board Election Questions

Board has asked 11 people if they are interested on running for the board. A few have said yes and a few are still thinking about it. Board is hoping to have 7 people running for 4 positions.

Board discussed whether to appoint someone to fill in for the remainder of Woods' term or have it be an election. If possible, Board would prefer to have Woods' position filled by its own ballot item and have another ballot item for the candidates running for the full 3-year positions.

10.3 Timeliness of Reports

Board has agreed to get reports to Secretary by Thursday so Secretary can consolidate and send out Friday. This will give board members time to read the report before Tuesday's meeting.

10.4 Board Budget Review

Treasurer Bollinger reviewed the Board Budget. Items on the budget includes Strategic Planning meetings, food, insurance, Board Learning, Administrative Assistant, printing, postage, speaker, consultant, professional fees and employee gifts. Board would also like to contribute to GM Sabbatical. 2016 budget will look similar to 2015. Board budget is allowed to be up to 1/2 of 1% of sales, which is about \$30,000. However, a budget over \$16,000 would be difficult for Co-op to support. Board has been within budget every year. Larry and GM will review proposal and meet with Bollinger. Budget will likely be right at \$14,000.

11. Next Monitoring & Other

11.1 [G3: Agenda Planning - Nelson]

11.2 [L6: Budgeting/Financial Planning - GM]

11.3 [Present 2014 Business Plan - GM]

12. Next meeting: Tuesday, December 22 at 5:30 p.m.

13. Executive Session - GM Evaluation

Motion: Trout moved and Bollinger seconded to **Adjourn to Executive Session.** Motion **passed** by a vote of 6 aye, 0 nay.

14. Self-Evaluations - done via internet

15. Adjourn

Motion: Beard moved and Peterson seconded to **Adjourn Meeting.** Motion **passed** with a vote of 6 aye, 0 nay.

Meeting adjourned at 7:40 p.m.