

**Oneota Community Co-op
Minutes for Regular Board Meeting
December 22, 2015 5:30 PM
Kitchen Classroom, 308 W. Water St.**

Board Members Present: Brita Nelson, Alicia Trout, Maren Beard, Carl Peterson, Steve McCargar, Deneb Woods (via phone)

Board Members Absent: Mike Bollinger

GM Present: David Lester

Co-op Staff : Nate Fuller

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

1. Call to Order

Brita Nelson called the meeting to order at 5:34 p.m.

2. Board Learning - None

3. Member Comments - None

4. Disposition of Member Comments - no member comments

5. Agenda Review

Motion: Trout moved and Peterson seconded to **Approve Agenda**. Motion **passed** by a vote of 6 aye, 0 nay.

6. Approve Main Meeting Minutes from November 22, 2015

Motion: Trout moved and Peterson seconded to **Approve Minutes from November with noted revisions**. Motion **passed** by a vote of 5 aye, 0 nay. McCargar abstained because he was not present at the Nov. meeting.

Will approve Executive Session meeting during Executive Session in January.

7. Consent Agenda - None

8. Reports

8.1 GM Report

Financial Snapshot: We'll be ending the year on a high note. Cash is good. We'll be close to our expected 1% net income. We're monitoring expenses and labor well. We're doing better than average in our corridor. Both coasts are seeing an upswing. We are watching other co-ops closely to see how they are doing.

Community/Outreach/Other Store Happenings: Member sales are up. Each sale on average is

lower in dollars, but we are getting more people in the store.

Physical Store Update: Saved 50% on gas usage compared to this time last year, which is probably due to warmer weather.

Marketing/Special Projects: The recent Community Appreciation Day was a record setting day and it also brought new customers into the store. 7-8% of sales were non-member sales. There is still a perception of intimidation surrounding the co-op and we need to do more work to alleviate that.

Class attendance is still good.

GM's sabbatical is delayed. He will be going to Cuba. GMs from other co-ops went to Cuba in early 2015. There is a strong cooperative movement in Cuba and it is a very sustainable island.

8.2 G3: Agenda Planning

Motion: Trout moved and Beard seconded to **Approve G3: Agenda Planning.** Motion **passed** by a vote of 6 aye, 0 nay.

8.3 L6: 2016 Budgeting/Financial Planning

Motion: McCargar moved and Peterson seconded to **Approve D4: Budgeting/Financial Planning.**

L6 was not sent as part of the Board Documents, so approval was tabled until next meeting.

Motion: Trout moved and Beard seconded to **Table Approval of D4 until January Board Meeting.**

Motion **passed** by a vote of 6 aye, 0 nay.

GM presented the 2016 business plan. The business plan and supporting documents show a balance sheet, cash flow and actual budget by month. We will have to work harder for sales in 2016 than we have in recent past. We're planning for 4%+ in sales growth, but we don't expect to see it until the last two quarters. This year, we had planned on almost 6% and are only seeing about 2.5%. If something similar happens in 2016, we know how to manage it and we have contingency planning in place.

We are keeping regular tabs on our competitors as well as following the happenings of the entire natural foods market from the NCG. This will help inform pricing and strategy. One of the big unknowns is the online market.

Section Three of the business plan refers to the Ends. Each End is listed and cross referenced with each strategic focus area and some overall tactics and marketing plan are listed.

Marketing goals and objectives are listed, including a weekly ad in the Decorah Newspaper listing 3-4 items that are an incredibly good deal, along with information about what a co-op is and how so much of the money spent at the co-op stays in our community. We want to guarantee that the advertised items have the lowest prices in town. Part of the marketing plan is to talk about

cooperatives and local producers & suppliers.

We will be expanding our meat department and creating a meat department that will be unique in Decorah, focusing on organic and local.

We'd like to grow our cafe margin. The cafe contribution is huge and 1% over goal would allow packaged grocery and produce to lower their margins, which is exciting to think about. We're strategizing for more takeaway options and ready-made meals. We need to do more pricing strategy. We may get a printer that allows people to order by phone or computer and have their order ready when they come in. We're also excited to purchase a high speed convection oven, greatly reducing cooking time without microwaving, for items such as pizza, flatbreads, salmon fillets. It has no teflon or anything "non-stick"; it is a steel rack. If all goes well, it will be arriving in January or February. We'll market it to businesses as an option for people grabbing things over lunch to take back to the office.

All things over \$500 come from the capital budget. The first things in January will be to remove the 4 kiosks in Wellness. They are beautiful maple structures, but are not ideal for our purposes. It is hard to find things and easy to steal from. We'll get a slat board that will open the space up. On the end, we'll put a 4 foot cooler to chill dairy and meat. We will replace the open-faced meat cooler with an attractive 5 ft meat cooler for fresh meat.

We have potential for sustainable seafood and would like to get in bigger cuts of meat.

We would like checkout poles with a light to indicate which registers are open.

We may purchase a new display for produce with a longer run & bigger island.

We need to freshen our look and we have the cash to spend on it. The Co-op is doing well & we're investing in our business. We want to show this to customers.

We are discussing the possibilities of a health plan for 2017.

We would like managers to have "on-the-spot" reward at their disposal. We'd also like to have a local producer meeting. Nick Mabe, manager of the Food Hub, was thinking about the same thing. It would be good to combine resources. They have an extensive list of interested producers. We're excited to be a part of the panel and talk about our standards and the process to becoming a vendor at the co-op. Food Hub could help growers find their niche. The forum can help all involved see what others are doing and therefore where there are gaps and overlap.

Reducing our carbon footprint and sustainability in general is lower on the list for the strategic plan, but we want to talk more about the idea of being a zero waste facility.

We are trying to figure out what to do with our bulk department. People shop it most on member sales days. It is an older demographic. We need to re-educate heavily on what bulk means and how to do it. When Lester started as GM, the bulk department was #2, now it is #4. Packaged goods is #1, then produce, then deli, then bulk. Perhaps we will have a bulk bake-off and more sampling.

The bulk liquids are awkward and need to be reconfigured.

9. Action Items - None

10. New Business

10.1 GM Sabbatical

We await further details before discussion.

10.2 2016 Board Calendar

Nelson will share a GoogleDoc Board Calendar with board members. The Board Calendar will be the proposed schedule for 2016.

10.3 Nominations Committee Update

The Board Nominating Committee has been working diligently to find nominees for the upcoming election. There will be four seats available, three of which will be for full terms (three years?), one for the remainder of Woods' term (one year). Board would like to have 4-6 people running so the race is contested.

The next step in the process will be interviewing the candidates, then the Nominating Committee presents candidates to the board for approval. Board will also decide if there will be a candidate forum or meet & greet.

Candidates will be announced and provide candidate statements in the spring Scoop.

11. Next Monitoring & Other

11.1 [G2: Board Job Description - Peterson]

11.2 [L8: Communication and Counsel to the Board - GM]

12. Next meeting: Tuesday, January 26 5:30 p.m.

13. Executive Session - None

14. Self-Evaluations - done via internet

15. Adjourn

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

Meeting adjourned at 7:15 p.m.