

**Oneota Community Co-op  
Minutes for Regular Board Meeting  
March 22, 2016 5:30 PM  
Kitchen Classroom, 308 W. Water St.**

**Board Members Present:** Mike Bollinger, Alicia Trout, Maren Beard, Carl Peterson, Steve McCargar, Deneb Woods (via phone)

**Board Members Absent:** Brita Nelson

**GM Present:** David Lester

**Co-op Staff:** Nate Furler

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

***1. Call to Order***

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

***2. Board Learning - none***

***3. Member Comments - none***

***4. Disposition of Member Comments - no member comments***

***5. Agenda Review***

**Motion:** McCargar moved and Peterson seconded to **Approve Agenda.**

**Motion:** Peterson moved to **Amend Agenda to Add 10.3 New Business: Feasibility of Electronic Balloting.**

McCargar suspended his motion.

**Motion:** Peterson moved to **Approve Agenda subject to amendments.**

Further amendment: Add 10.4 Discuss Annual Meeting

McCargar seconded the motion.

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

***6. Approve Main Meeting Minutes from February, 2016***

**Motion:** McCargar moved and Bollinger seconded to **Approve Main Meeting Minutes from February.** Motion **passed** by a vote of 6 aye, 0 nay.

***7. Consent Agenda - none***

***8. Reports***

**8.1 GM Report**

**Financial Snapshot:** We're predicting a very good first quarter. Sales should be in line with budget at 3% and we've controlled expenses to be 7% less than budget.

**Community/Outreach/Other Store Happenings:** Member drive was not as big as last year - we didn't hit the goal - possibly because our new front end cashiers have not yet been fully trained. We still have openings for produce stocker, grocery stocker, and education & outreach coordinator.

We are having more people (4200-4700) come through the store each week and may see a shift in membership sales as a lower percentage of overall sales.

The local producer forum was great - it was packed and there were many new people we had never seen before. The forum gave a realistic picture of the process and what it takes to be a vendor for the Co-op as well as at the Farmer's Market and the Food Hub. It gave a good picture of what is available in the area. New products in the area may include lamb, pork and vegetables. We encourage producers to be innovative and unique. There is an example of a heritage pork producer who started selling with us and we are now his smallest client.

**Physical Store Update:**

We are excited about two pieces of equipment coming in: a meat case and an oven for the cafe. They will be coming in the next 2-3 weeks. Both should help increase sales. The Wellness Department rearrangement has brought a 15-20% increase in sales.

Larry and Lester are looking towards late 2017-2018 as the best time to expand. At some point later this year, they'll start the process of looking for a consultant to help through process. Many coops are currently expanding and we're watching to see how they do it. Our expansion will be very small comparatively and our debt to equity ratio should be in good shape. We'll expand the deli; not a huge, complete redo of the store. We'll stay open throughout the whole thing, although the deli may be compromised a bit. Remodeling and second stores have been pushed forward because of a great deal of market competition. Lester understands the process of such projects from past work at Luther.

**Marketing/Special Projects:** MAD sale was a success at \$5000 higher in sales than last year. New classes are coming up - we're working to schedule them.

**8.2 E1: Ends - Global Ends**

**Motion:** McCargar moved and Peterson seconded to **Approve E1: Ends - Global Ends.**

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

This is a data and metric heavy report that compares the previous year with our Ends Policies.

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

- Oneota Food Co-op is a retail source of food and other products. We focus on organics and local sales. We did increase our local sales almost as much as our total sales for the year - organic sales are up.
- Affordability is tracked partially by EBT sales, which are slightly up from last year. We've been focusing on affordability in last two years

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

- Class participation way up. There is so much more we can do with our classroom - we're only using the space a bit.

- Bulk sales is a way to measure how educated our community is about healthy products and a healthy environment. The bulk department is a unique department to us - other stores in town don't have bulk departments. Education in packaging and bulk is still stagnant. It seems especially young people aren't bringing containers in to use in our bulk department. We've done sales on bulk items where we put the item in a baggie next to the bin and then they sell better. We may need to shift more of our bulk product that way. Our hope of packaging it ourselves is to bring more awareness of the product we have in bulk.
- Produce sales are stagnant compared to last year. There is definitely more competition now - every store now has some organic and some local, although it isn't as good as ours. Farmer's Market had great growth last year - they are our competitive partner - but 80% of their growth is attributable to their food pantry coupon program. We do a lot of education to help CSAs although they are a competitor partner. There are more sources for local and organic produce out there.

*Sub-Policy 3: A business that promotes the development of cooperation and cooperative enterprise.*

- We're monitoring total sales and we're delivering on the cooperative part of our business (purchasing from and supporting other cooperatives).
- We're in a town of 8000 and have 4700 members - when is it saturated? Decorah is transient, so there are opportunities for growth, but not indefinitely.
- The total member equity continues to grow at a decent rate and we're seeing more members to pay whole \$140 at once instead of choosing a payment plan. (Peterson noted that if we make note of how many ballots are sent out at elections, we would have a better knowledge of how many active and paid-up members we have.)

*Sub-Policy 4: A business that promotes environmental and financial sustainability.*

- We did a new report showing us cubic feet and kWh used per customer. Last year we saw sales growth go up and we saw energy usage go up. This report shows us that per customer, our energy usage actually went down. "Customer" is measured in transactions.
- We're replacing many of our open faced coolers. A glass door cooler can be can double the size of an open-faced cooler and still and be way less in energy usage. They also look great and increase sales. We'll eventually shift the deli cooler to glass doors, but may wait until the store expansion.
- Produce coolers need to be open. Produce needs to stay at 35 degrees. There is a pull-curtain to cover the open produce coolers when the store is not open.
- Net income is the best metric to measure financial responsibility. For four years in a row, we have been above budgeted net income.

*Sub-Policy 5: Employment in a work place that provides the personal satisfaction of collaborative work directed toward common goals and provides extraordinary customer service.*

- One metric with which to measure employment and workplace satisfaction is employee loss rate. We are not reporting compliance with this particular heading. It is a priority for this year. It is also a hard metric to measure. Front end cashiers are difficult to retain. It is an important but complicated metric. Decorah is a transient place, the job market is really good... so people get experience here and then get offered other opportunity for better

pay. Our manager retention has been very good. Key positions that take a lot of time and resources to manage tend to stay around a long time.

- We need to figure out how to make front end jobs feel like a part of something special. It is a challenge and front end work isn't easy work. When we do expand, we can't over-hire like other co-ops have done, but there should be opportunities for middle management jobs, which could help with retention.
- In regards to Customer Service, our store is maintaining an 85%. Most co-ops are seeing a 90% score. It is difficult to get someone new to our store, so that may be a factor. In this first quarter, however, we scored 94%. These scores are obtained from a Mystery Shopper service. We may change our return policy of "14 days no questions" to simply "money back, no questions." We're looking into it.

Beard suggested a potential all-staff training on white privilege. Lester agreed that as a co-op culture, we often feel like we're "with it" on all issues, but we can overlook certain things. We are getting a more diverse customer base and this may be an important topic to cover.

*Sub-Policy 6: A diverse, local community whose fabric is strengthened through caring, and sharing gifts of time, energy and resources.*

- This is measured through our donations and contributions. We made more donations last year to outside groups than previous years.

### **8.3 G9: Treasurer's Role**

**Motion:** Beard moved and McCargar seconded to **Approve G9: Treasurer's Role.** Motion **passed** by a vote of 6 aye, 0 nay.

Adding one thing this year: It is best practice for new Treasurer to contact Larry Neuzil right away to make sure both are on the same page and the numbers in use are correct.

### **8.3 G10: Secretary's Role**

**Motion:** Beard moved and Peterson seconded to **Approve G10: Secretary's Role.** Motion **passed** by a vote of 6 aye, 0 nay.

Reported "no data" for 10.2 because could not recall certified election results.

Certification of Election Results will happen at the April meeting by the newly seated Secretary. Results of the election will be announced, the first item on the April agenda will be seating of new officers. Once new officers are seated, the new Secretary will certify the board election results. This should be on the April agenda every year.

Board thanks Woods for excellent job as Secretary.

### **8.4 G7: Board President's Role**

**Motion:** McCargar moved and Bollinger seconded to **Approve G7: Board President's Role.** Motion **passed** by a vote of 6 aye, 0 nay.

### **8.5 G8: Vice President's Role**

**Motion:** McCargar moved and Peterson seconded to **Approve G8: Vice President's Role.**  
Motion **passed** by a vote of 6 aye, 0 nay.

Last paragraph says VP and Pres were absent at April 2016 meeting - should be April 2015.

## **9. Action Items**

### **9.1 Review Revision to Board Code of Conduct**

**Motion:** McCargar moved and Beard seconded to **Revise Board Code of Conduct #7 as Submitted.**

Dispose of first motion.

Peterson further amended motion to include space for board member to disclose known conflicts of interest on form above signature line.

Suggested wording: If have known conflicts of interest exist identify them in writing in the space provided.

Can't anticipate all conflicts - can own up to them as they appear. Code of Conduct is signed annually.

Seconded by McCargar.

Approved 6 aye, 0 nay

## **10. New Business**

### **10.1 Election Update - Ballot Counting**

Monday, April 4<sup>th</sup> at 10:00 a.m., Trout, along with Jim & Barb Dale will count board election ballots. Unsigned ballots will not be counted. Board members are invited to join. Board expresses thanks to Jim and Barb for counting ballots.

### **10.2 Store Safety Discussion**

A few months ago there was an incident where a customer brought a gun into the store. Conversations are being had around the community about gun control and this specific instance brought the issue to light for the Co-op. Discussions on the subject will continue.

Board notes that the Decorah Bank and Trust has a sign saying firearms are prohibited, as does the recycling center.

Lester will discuss the question with Chad Bird, Decorah City Administrator.

Luther is a no tobacco and no gun campus.

Board is glad this is being discussed

### **10.3 Explore Electronic Voting**

Board discussed feasibility of electronic voting. When last it was researched, electronic voting was more expensive than using a paper ballot (with paper ballot voting costing the Co-op \$1750 and electronic voting \$1900). Peterson will do a little research to see if this has changed within the past few years. If at some point electronic voting becomes less expensive, Board would need to look at bylaws before moving forward with it.

### **10.4 Annual Meeting**

Board reviewed Annual Report, which will be sent out before the Annual Meeting. There will also be copies at register. Board bylaws don't require an annual report, but we've been doing one since 2011.

At the Annual Meeting, Nelson will give President's Report. GM will print out minutes from 2015 Annual Meeting to be approved at this year's meeting. Nelson will appoint an Acting Secretary for the meeting.

Annual Meeting will be April 19, one week before the next regular board meeting.

## ***11. Next Monitoring & Other***

### **11.1 [Global Governance Commitment - Beard]**

### **11.2 [L5: Financial Condition - GM]**

## ***12. Next meeting: Tuesday, April 26 5:30 p.m.***

Board will be seating new officers at next meeting.

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

## ***14. Self-Evaluations - done via internet***

## ***15. Adjourn***

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

Meeting adjourned at 6:59 p.m.