

**Oneota Community Co-op**  
**Minutes for Regular Board Meeting**  
**September 27, 2016 6:00 PM**  
**Kitchen Classroom, 308 W. Water St.**

**Board Members Present:** Brita Nelson, Maren Beard, Flannery Cerbin-Bohach, Scott Hawthorn, Bryan Stuart, Carl Peterson, Alicia Trout arrived at 6:12 p.m.

**Board Members Absent:**

**GM Present:** David Lester

**Co-op Staff :**

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

***1. Call to Order***

Nelson called the meeting to order at 6:02 p.m.

***2. Board Learning - Co-operative Principles Review***

Board re-familiarized themselves with the co-op principles in order to keep them in mind during the expansion discussion. These principles can be found under the "about" tab on the co-op's website. They are also printed in every edition of the Scoop and have been printed on table tents in the seating area, talked about during annual meetings, and have shown up in the annual business plan. The NCG conference will be focused on cooperative principles and why it is different from other national stores. We'll have pieces throughout the store explaining this to members/customers.

There are seven cooperative principles, developed in England in 1844. Regardless of the kind of cooperative a business is (rural electric, credit union, taxi service, etc.), these seven principles guide the cooperative work and are the same across the world. The store mission resides under the cooperative principles, the ends reside under the mission, and the focus areas for the next five years reside under the ends. As we discuss expansion, we will discuss it in terms of how expansion grows each of these seven principles. (Expansion will help to get more members, more opportunity for new members, education, training, etc.)

**1. Voluntary and Open Ownership**

One member = one vote.

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of ownership, without gender, social, racial, political or religious discrimination.

**2. Democratic Owner Control**

Anyone who is a member of the co-op can run for the board.

Cooperatives are democratic organizations controlled by their owners, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the ownership. Owners have equal voting rights – one owner, one vote.

### **3. Owner Economic Participation**

If board declares a patronage dividend, profit can be returned in part to members.

Owners contribute equitably to, and democratically control, the capital of the cooperative. The economic benefits of a cooperative operation are return to the owners, reinvested in the co-op, or used to provide owner services. You control the capital.

### **4. Autonomy and Independence**

We're not tied to any government organization. If we have a big project, we have to get member votes.

Cooperatives are autonomous, self-help organizations controlled by their owners. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their owners and maintain their cooperative autonomy.

### **5. Education, Training, and Information**

Education, training, and information is important - we have the kitchen classroom.

Cooperatives provide education and training for their owners, elected representatives, managers and employees so they can contribute effectively to the development of their cooperatives. They inform the general public about the nature and benefits of cooperatives.

### **6. Cooperation Among Cooperatives**

We help other stores, they help us. We help other cooperatives all the time.

Cooperatives serve their owners most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.

### **7. Concern for Community**

We talk about this in our marketing pieces from time to time. Right now, marketing is focused on pricing and value, but we're going to start talking about cooperative principles.

While focusing on owner needs, cooperatives work to improve the quality of life in the areas they serve.

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

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

### ***5. Agenda Review***

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

**Motion:** Trout moved and Stuart seconded to **Add 8.1 GM Report Agenda and add 10.1**

**Election Date.**

Approval of Amended Agenda **passed** by a vote of 7 aye, 0 nay.

## ***6. Approve Minutes***

### **6.1 Approve Main Meeting Minutes from August, 2016**

**Motion:** Trout moved and Hawthorn seconded to **Approve Main Meeting Minutes from August**. Motion **passed** by a vote of 6 aye, 0 nay, 1 abstention. Peterson abstained because he was not at meeting.

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

## ***8. Reports***

### **8.1 GM Report**

**Financial Snapshot:** Sales slowed in August. We're only up 1.2%, but we're still positive. Average in the Central Corridor is -3.5%. We're scaling back on hours a bit. We're okay with that – we've had to do it before.

**Community/Outreach/Other Store Happenings:** We're working with managers to get to a 40 hour work week - most everyone is below 45 hours a week now, so that is good. After December 1<sup>st</sup>, if a manager can't get under 40, we'll bump someone at a lower pay grade to more hours. We'll need more employee cross training.

City co-ops are discussing mergers. The competition is incredibly fierce there right now & combining their balance sheets will help them be more efficient. We will watch their reports to learn the benefits of their mergers.

Our deli, front end, and produce departments have many new faces. Lauren had the brilliant idea of putting up a new board with a picture and info about each new employee.

There is still a lot of employee turnover. There are many reasons for this – sometimes it is an imperfect fit, but often it is for reasons such as leaving for school, etc. The average turnover rate for co-ops has gone way up lately. Co-op employees in bigger markets are head-hunted. Competitors come to town and steal your employees. Co-ops told NCG to stop taking our GMs because they were taking the best ones. Now they are hiring more experts from Krogers, etc.

**Physical Store Update:** Bulk department is by far our biggest concern. We'll be rearranging and the bulk department will lose linear footage, but not number of products. Some bulk products in bins are not selling and will be going away, some slow sellers will be repacked. We'll monitor sales. We need to create more buzz in that department. All candies will go into repack. Flour and pasta will still be in bulk. Bulk liquid area needs to be refreshed. We will add stainless packaging options. Everything needs to earn its space on the shelf. Our bulk department is really unique - we want to make it a top department. Bulk food is affordable and listed in our Ends. Our membership is also very passionate about bulk.

We've tried everything from matching canned price to doing sales for things like beans. There are fewer bulk manufacturers to choose from than in past.

## **8.2 L2: Staff Treatment**

**Motion:** Beard moved and Trout seconded to **Approve L2: Staff Treatment.** Motion **passed** by a vote of 7 aye, 0 nay.

Co-op staff completed a confidential survey indicating their feelings in five categories including safety, co-op management practices, etc. "Compensation" always receives the lowest ranking. Anything above a "4" is considered "highly satisfied". Four of the five categories went up from prior year. The only category lower than the prior year was Performance Development (training and manager feedback), and we're still averaging "4" on that one.

## **8.3 L3: Compensation and Benefits**

**Motion:** Beard moved and Trout seconded to **Approve L3: Compensation and Benefits.** Motion **passed** by a vote of 7 aye, 0 nay.

## **9. Action Items - none**

## **10. New Business - none**

### **10.1 Election Date**

The timeline for the next board election is as follows:

Oct - Jan 5: Board Nominating Committee search for nominees

Jan 6: Nominations due

Jan 6 - 23: Board meet and interview candidates

Jan 24: Nominating Committee presents candidates to Board for approval.

Feb 10: Deadline for candidates not nominated by Board

March 1: Ballot mailed/emailed

March 5-10: Potential candidate forum/meet & greet (after ballots & Scoop have gone out)

Trout's position and Hawthorn's position, both 3 year positions, will be open.

Nelson and Trout will set a time to talk to Theresa about any timeline differences if the election is done electronically.

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

**11.1 [G6: Governance Investment - Peterson]**

**11.2 [L5: Financial Conditions (Quarterly Report) - GM]**

**11.3 [GM self-evaluation due - GM]**

***12. Next meeting: Tuesday, October 25 5:30 p.m.***

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

***15. Self-Evaluations - done via internet***

***16. Adjourn***

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

Meeting adjourned at 7:18 p.m.