

Oneota Community Coop
 Minutes for Regular Monthly Board Meeting
 Tuesday, July 27, 2010
 Luther College Campus, Valders Hall, Room 367

5 Board Members Present: Robert Fitton, Jon Jensen, Joan Leuenberger, Steve McCargar, Bill Pardee, and
 6 Steve Peterson
 7 GM Present: David Lester
 8 Coop member/owners present: 1

9 **1. Call to Order**

10 President Steve Peterson called the meeting to order at 5:04.

11 **2. Board Learning: Strategic Planning to Date**

12 The progress on planning a strategic planning retreat/workshop was discussed. The plan is to have three
 13 staff members, three members of management, all seven board members, a note taker and facilitator Barb
 14 Ettelson participate. The discussions and presentations would be organized around the ends policies. The
 15 preparatory research for the day and discussions during the day would lead to a document to be used in
 16 David Lester's creation of a business plan.

17 **3. Member Comments**

18 There were no comments from members at the meeting.

19 **4. Disposition of Member Comments**

20 Comments and questions generated by members at the July Member Linkage Event were reported and
 21 disposed of following the procedure adopted at the June 22 board meeting.

Member	Member's Comment/Question	Resolution or Action	Delegated Board Member
Sue Otte	Can the board learning topic be identified on the agenda so that members can decide whether they want to attend?	It is already identified on the agenda.	Bill
Georgie Klevar	Will the strategic plan be a rolling three year plan?	Explained in a Scoop article	Steve P
Cerissa	How will members be encouraged to participate in the General Manager's survey?	David will report to Board (in August?)	David
Barb Dale	Do Board decisions have to be unanimous?	Answered by Steve M & Bill P at the event	
Lyle Otte	Wants to see board meeting information sooner and via more channels: A summary of actions taken in Comm Post within 3-5 days, Articles about Board initiatives in various places such as Scoop and local newspapers, Unapproved draft minutes on-line.	Referred to Member linkage Committee, except for unapproved minutes, which were on meeting agenda at 9.5	Bill
Perry-O Sliwa	Likes change to more openness.	N/A	Steve M

	Wants minutes more available. Appreciates the Comm Post link to website.		
Lyle Otte	Wants to hear more about strategic planning.	Eventual Scoop Article	Bill
Barb Dale	Meetings conflict with meal time. (Several people proposed a 7 PM start.) Cerissa advised that it's possible to eat at Luther.	Meeting times & locations were evaluated in April; will revisit in October	Robert
Lyle Otte	Add more detail to agenda items to better explain the topic of the item- a few words describing the subject of the policy in addition to the policy #	Referred to Steve Peterson as President who manages the agenda	Bill
Sue Otte	Requests a boilerplate on each agenda explaining that the Board systematically examines some of the Coop's policies each month	Referred to Member Linkage Committee since part of the broader issue of member communication	Bill
Lyle Otte	Dislikes meeting location. Too far from parking. Does appreciate projection capability.	Re-evaluated in April. Will revisit in October.	Bill
Lyle Otte	Would like GM report early. Would like appropriate portions of the GM report projected on screen so members can follow it. Put highlights in minutes.	Steve P and David issue. Will report next month	Bill.
Sue Otte	Give people who attend a meeting a one month 8% discount to attract more attendees.	Referred to member linkage	Bill
Perry-O Sliwa	How can we heal from the hurt of the last couple years?	Referred to Jon's Committee	Steve M
(somebody)	Include email addresses in Comm Post Board section	Referred to member linkage	
Georgie Klevar	Delighted by good financials; wants them higher in the Comm Post so everybody sees them.	Referred to David	Steve P

22 **5. Agenda Review**

23 **Motion:** Steve McCargar moved and Jon Jenson seconded to approve the proposed agenda. Motion
24 **passed** by a 6-0 vote.

25 **6. Approval of Minutes**

26 **Motion:** Robert Fitton moved and Jon Jenson seconded to approve the minutes for the June 22 meeting.

27 **Amendment:** Bill Pardee moved and Steve McCargar seconded to replace "SWOT (strengths,
28 weaknesses, opportunities, and threats) in lines 37-38 with "strategic" and add "some staff" before
29 "members" in line 38. Amendment **passed** by a 6-0 vote.

30 Motion to approve the minutes as amended **passed** by 6-0 vote.

31 **7. Consent Agenda**

32 There were no items on the consent agenda.

33 **8. Reports**

34 **8.1 GM Report**

35 Financial: June sales were up \$18,000 over June 2009, labor as a percent of sales is at its benchmark for
36 the year, net income at June 30, 2010 is nearly \$53,000 compared to a loss of nearly \$17,500 at June
37 2009, and assets are up \$100,000 mostly due to increased cash.

38 Store/Staff: The results of the staff survey will be reported in Sept. New staff members include Amy
39 Swank in the Café and Bianca Lutchen in the front-end. There will be more rigorous sampling in the
40 grocery department soon. The HVAC system is being stressed by the weather this summer but
41 fluctuations have been reduced after some attention by Winona Controls. A lightning strike took the
42 tunnel down on Friday shutting down two compressors and nearly reaching the maximum shut off
43 temperature. Water Street Café successfully catered an event at Seed Savers providing good exposure.
44 Catering coolers were purchased to facilitate more off-site catering. The produce department experienced
45 a new peak sales day of \$3,900 thanks to the Michigan blueberry sale.

46 Marketing/Special Projects: Customer and member survey questions are written for Survey Monkey with
47 the results to inform the business plan. Other input to the business plan will come from a strategic
48 planning session with staff and board on Sept. 18. Oneota Coop will be bringing the Whole Plate
49 curriculum on natural and organic agriculture, nutrition and cooking to the area students.

50 **8.2 Board Development Committee Report**

51 Board learning in July and August will focus on strategic planning/leadership. The committee discussed
52 the possibility of having Theresa Wiemerslag present in Sept. on the local food movement. Then the
53 board needs to learn about evaluating the GM and setting GM compensation. There is a good article from
54 the *Coop Grocer* on that topic.

55 Jon Jenson invited the board members to a social gathering to strengthen their relationship.

56 **8.3 Board -- Member Communication Committee Report on the July Event**

57 Six members attended the Board-Member Linkage Event and completed a 7-question survey. All had
58 attended a board meeting in the past. They appreciated the listening session and wanted them more
59 frequently than quarterly.

60 **8.4 Board Treasurer's Report**

61 Board compensation from the volunteer discount is at most \$698 based upon total purchases. Some
62 purchases are ineligible for a discount so this figure is probably inflated. Total expenses for the quarter
63 are \$3,200 which is under the limit set by policy.

64 **9. Action Items**

65 **9.1 GM Policy L5: Financial Conditions -- 2nd quarter**

66 **Motion**: Joan Leuenberger moved and Bill Pardee seconded to approve GM Monitoring Report on Policy
67 L5 Financial Conditions. Motion **passed** by a 6-0 vote.

68 Summary: The Coop has not engaged in any prohibited transactions, has paid bills and taxes timely,
69 and met the following benchmarks:

Measure	Oneota Coop	NCGA benchmark	Compliance
Sales growth	8.8% for the year	3%	Yes
Net income as % of sales	1.32 for the year	.5	Yes
Current Ratio	1.4	1.25	Yes
Quick Ratio	.87	.7	Yes
Debt to Equity Ratio	2.9 to 1	3 to 1	Yes

70 Pro: We are in compliance.
71 Con: The chart legend should say benchmark instead of 2009.

72 **9.2 Board Policy D2: Accountability of GM**

73 **Motion**: Bill Pardee moved and Jon Jenson seconded to approve Board monitoring report D2:
74 Accountability of GM. Motion **passed** by a 6-0 vote.

75 Summary: The board reports compliance because board members have not given directions to staff
76 nor evaluated their performance and intends to measure the GM's performance based upon the
77 performance of the store and results of monitoring reports generated throughout the year.

78 **9.3 Board Policy D3: Delegation to the GM**

79 **Motion**: Jon Jenson moved and Steve McCargar seconded to approve Board monitoring report D3:
80 Delegation to the GM. Motion **passed** by a 6-0 vote.

81 Summary: The board reports compliance because all subparts are in compliance. The board approved
82 Ends policies in December 2009 to direct the GM in the results he should achieve. The Coop has
83 policies which limit certain actions of the GM and board members have not placed limits on David
84 other than through approved policy. The board has accepted interpretations of policy by the GM
85 using a reasonable person test. The board added two policies in the past year.

86 **9.4 Board Development Schedule**

87 **Motion**: Steve Peterson moved and Robert Fitton seconded to have at least one more board learning
88 session on strategic planning, two sessions on GM compensation, and two to three sessions with outside
89 speakers over the next five to six months. Motion **passed** by a 6-0 vote.

90 Pro: The topics of strategic planning and GM compensation match the board work for the near
91 future.

92 **9.5 Release of Unapproved Minutes: Request to Change Board Policy G4.4.**

93 **Motion**: Bill Pardee moved and Steve McCargar seconded that minutes be posted as soon as
94 possible after board meetings with the notation that they're not approved. The last sentence of
95 Policy G4.4 would be changed by adding the italicized words so that it would read "Public
96 information shall be construed as *draft minutes*, approved minutes, end-of-year financial
97 information, and an abstracted quarterly report that can be read at the end of each quarter or in
98 the board folder at the co-op."

99 Pro: Transparency is important to members. We would include a disclaimer that the minutes are
100 unapproved so members would expect changes. The current two month wait for a report on meeting
101 activity is too long. Early minutes would allow members to be more prepared to attend the meeting
102 and could affect a member's decision whether to attend or not. We already made compromises in
103 the minute format. This was a concern of a couple members at the member-linkage event.

104 Con: Members could be confused if changes are made to the minutes after they've read them or
105 misinformed if the draft minutes don't accurately reflect board activity. The minutes from the past
106 two meetings have been substantively changed during board review. The gain in time is only a
107 couple weeks because it takes that long to produce minutes. Anxiety for the secretary to get things
108 right the first time is a factor. Extra steps are involved in publishing the same set of minutes twice.
109 There are other ways to increase transparency for the members, such as to follow and perfect our
110 stated means of communicating instead of adding new avenues. Most organizations publish only
111 approved minutes.

112 **Motion to Postpone**: Robert moved and Jon Jenson seconded to postpone the motion until the
113 next meeting. Motion **failed** by a vote of 2 ayes (Robert Fitton, Steve Peterson), 3 nays, and 1
114 abstention (Jon Jenson).

115 Pro: Not all board members are present.

116 Con: There are other remedies to approach the motion if it fails under a three to three vote.
117 Postponing the motion postpones the policy change under the three reading practice.
118 First reading of the motion to change policy G4.4 **passed** by a vote of 4 ayes to 2 nays (Steve Peterson,
119 Joan Leuenberger)

120 **10. Consideration of Items Pulled from Consent Agenda**

121 No items were pulled from the consent agenda.

122 **11. Next Monitoring**

- 123 • L3: Staff Compensation and Benefits was deferred until Sept. by a 7-0 vote at the May 25 meeting
- 124 • G5: Board Committee Principles will be completed by Jon Jenson

125 **12. Next Meeting**--Tuesday, August 24, Room 367 Valders Hall, Luther College Campus

126 **13. Executive Session**

127 There was no executive session.

128 **14. Adjourn**

129 **Motion:** Steve McCargar moved and Bill Pardee seconded to adjourn. Motion **passed** by a 6-0 vote.

130 Meeting adjourned at 7:45.

131 Respectfully submitted,

132 Joan Leuenberger, board secretary

133 Documents reviewed:

- 134 Board learning readings on Strategic Planning by Brett Fairbairn and Marshall Kovitz
- 135 Memo from Barb Ettleson outlining plan for Strategic Planning Retreat/Workshop
- 136 Agenda
- 137 Minutes, June 22 regular monthly meeting
- 138 GM Report
- 139 2nd Quarter Financial Statements
- 140 Summary of Responses from the Board Member Linkage July event
- 141 Specific member comments from the Board Member Linkage July event
- 142 Report on Board Budget through second quarter
- 143 Policy L5 Financial Conditions Monitoring Report for Q2
- 144 Policy D2 Accountability of the GM Monitoring Report
- 145 Policy D3 Delegation to the GM Monitoring Report