

**Oneota Community Co-op
Minutes for Regular Board Meeting
October 30, 2012 5:00 PM
Luther College Campus, Valders Hall, Room 367**

1 **Board Members Present:** Gary Hensley, Jon Jensen, Steve McCargar, Bill Pardee, Lora
2 Friest, Johnice Cross

3 **Board member Absent:** Anne Dykstra

4 **GM Present:** David Lester

5 **Co-op Staff, Member/Owners Present:** Lynda Sutherland (Bd Admin Asst)

6
7 **1. Call to Order**

8 President Pardee called the meeting to order at 5:02 PM

9
10 **2. Board Learning - Local Food**

11 Summary: The board looked at the Co-op's local buying practices; percentages
12 per department, definition of local, food safety and security and long term
13 investment in producers and value add production.

14
15 **3. Member Comments:**

16 None

17
18 **4. Disposition of Member Comments:**

19 No disposition required - No comments

20
21 **5. Agenda Review**

22 **Motion: Jensen** moved and Friest seconded to **approve the agenda as modified.**

23 Motion **passed** by a vote of 6 aye, 0 nay. **Modification:** Add agenda item 7.5.

24
25 **6. Approval of Minutes**

26 **Motion:** Hensely moved and McCargar seconded to **approve the minutes as presented.**

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

28
29 **7. Reports**

30 **7.1 GM Report**

31 **Financial Snapshot:** For the month of September, sales were up 10.2%
32 (\$31,055) compared to 2011. YTD sales through the end of September were up
33 10.94% compared to 2011. Quick ratio is .83. Current balance in savings #3 is
34 \$74,351 plus a \$205,000 CD and Decorah Bank and Trust for a total of \$279,351.
35 Current assets total \$337,122, which is 35.5% above the same period last year.
36 We have signed up 293 new members in 2012. Member share equity is up 12%
37 over 2011. Local sales for month of September were 22% (\$74,699) compared to
38 23% for September, 2011 (\$70,926). We are above budget in sales of \$153,326
39 which is 5.3% above plan/budget. Most recent MAD sale on 10/23/12 broke an all
40 time record set back in May. Total wages budget has been over spent by \$37,711
41 (6.6% above budget/plan). Total payroll budget has been overspent by \$37,474

42 (+5.1%). Fully loaded labor as a percentage of sales continues to be below
43 budget. Unloaded labor as a percentage of sales: Budget: 25%; actual (current
44 through September): 24.7%.

45
46 **NCGA/Central Corridor Info:** David participated in a store audit for Open
47 Harvest Co-op in Lincoln, NE with a team of other GM's.

48
49 **Store Happenings:** Class participation and fees are up 166% through the end of
50 September. Merchandising team is putting together some great displays,
51 including the "Holiday House".

52
53 **Community/Outreach/Other Co-op Projects:** Hosted a group of community
54 bankers in the store. Partnering project with ISU Extension and Rockwell Collins
55 to offer CSA shares employees is going well. Chef Mattias went to Des Moines
56 to be filmed for IPTV show.

57
58 **Physical Store Update:** From mid-September to mid-October, the electrical
59 usage was 5% higher compared to same time period in 2011. Gas usage was 9%
60 higher compared to last period last year.

61
62 **Staff Updates:** The Café is losing 4 employees that will be replaced.

63
64 **Marketing/Special Projects:** Many classes are scheduled for the upcoming
65 months and we continue to have a table at the Farmers Market through the end of
66 the market season.

67

68 **7.2 Member Linkage: Farmers Market Board Presence October 20, 2012**

69 **Summary:** Board members surveyed the crowd at the Farmer market and the
70 board went over the responses.

71

72 **7.3 Board Development (elections)**

73 **Summary:** Bill Pardee and Steve McCargar will run again this year, and Jon
74 Jensen will step down. We have one person who is planning to run in addition to Bill and
75 Steve, and we are working with a few more possibilities.

76

77 **7.4 Board Treasurer's Report: Expenses YTD**

78 **Summary:** David and Lora will meet with Larry and work on getting a report
79 through Quickbooks.

80

81 **7.5 Johnice Cross Resignation**

82 **Summary:** Johnice is leaving Decorah to take a position in Arkansas and the
83 overall decision was that it is Johnice's decision on when she will resign her position on
84 the board. Bill will ask Anne if she will agree to take over the secretary position. The
85 board has the right to appoint someone or they could look into adding the position to the
86 election.

87

88 **8. Action Items**

89 **8.1 GM Report L5 Financial Condition and Activities**

90 **Motion:** McCargar moved and Hensley seconded to **approve the L5 Financial**
91 **Condition and Activities Report as presented.** Motion **passed** by a vote of 6 aye, 0
92 nay.

93 Summary: The board went over the extra funds spent for wages,
94 maintenance/repairs and training.

95

96 **8.2 Board Report G6 Governance Investment**

97 **Motion:** Jensen moved and Hensley seconded to **approve the Governance Investment**
98 **Report as presented.** Motion **passed** by a vote of 6 aye, 0 nay.

99 Summary: No comments

100

101 **8.3 Articles of Incorporation & Patronage Dividend**

102 **Motion:** Friest moved and Hensley seconded to **get legal advice on the patronage**
103 **dividend issue raised by David.** Motion **passed** by a vote of 6 aye, 0 nay.

104 Summary: Ideally we could let people know that only those whose memberships
105 are paid up will receive a dividend, and encourage them to pay their membership in full.
106 We should seek legal advice as to what we can and can't do about this.

107

108 **8.4 CDS Contract/Plans for Future?**

109 **8.4.1 Strategic Conversation Initiative**

110 **Motion:** Pardee moved and Hensley seconded that the OCC Board and GM
111 cooperate during 2013 in a roughly year-long strategic assessment of strategic priorities
112 along the lines of the Ann Hoyt (University of Wisconsin professor) model summarized
113 on the attachment^[1]. Motion **passed** by a vote of 6 aye, 0 nay.

114 Summary: We will need a professional facilitator, and will probably consume
115 many Board learning sessions. Ad hoc committee Bill, David and Lora is appointed by
116 Bill to draft a simple RFP along these lines and identify candidate facilitators, interview
117 them and submit their proposal to the Board.

118

119 **8.4.2 Renew CDS Contract?**

120 **Motion:** Hensley moved and McCargar seconded to **renew the contract with**
121 **CDS.** Motion **failed** by a vote of 0 aye, 6 nay.

122 Summary: CDS provided some really beneficial help to us in the past, but the
123 board feels that they are ready to move into an examination of strategic priorities. New
124 board members will need to be educated in Policy Governance as they come onto the
125 Board. Bill will send a thank you letter and explain that we are going in a different
126 direction and we need a local facilitator for now, but we may wish to call upon them in
127 the future.

128

129 **8.5 Proposed Board Budget for 2013**

130 **8.5.1 Motion to Support Board Member Learning**

131 **Motion:** Friest moved to **allocate \$300.00 per board member to spend for**
132 **skills related to board job instead of the lump sum of \$2100 currently in the budget.**
133 Motion **passed** by a vote of 6 aye, 0 nay. Hensley moves and Friest seconds to amend the

134 motion to add **that a report must be presented on what was learned.** Motion **passed**
135 by a vote of 6 aye, 0 nay.

136 Summary: It is easier to administer if it is left in a lump sum, but people tend not
137 to use it. They would be more likely to use it if they know they have a certain amount set
138 aside for them. We would ask for a Board report after they attend the class or event.

139

140 **8.5.2 Approval of Board Budget for 2013**

141 **Motion:** McCargar moved and Hensley seconded to **pass the Board budget for**
142 **2013.** Motion **passed** by a vote of 6 aye, 0 nay.

143 Summary: Board election/annual meeting was raised to \$3000.00 The total
144 budget is well within the percentage allocated.

145

146 **9. Next Meeting**

147 D4 Monitoring GM Performance - Pardee

148 L7: Asset Protection - David

149 GM RFP Response (executive session)

150

151 **10. Next Meeting**

152 **Next meeting Tuesday, Nov. 27, 2012**

153 Self-evaluation forms were completed for this meeting.

154

155 **11. Executive Session**

156 None

157

158 **12. Adjourn**

159 **Motion:** Cross moved and Hensley seconded to **adjourn the meeting.** Motion **passed** by
160 a vote of 6 aye, 0 nay.

161 Meeting adjourned at 7:26 PM