

**Oneota Community Co-op
Minutes for Regular Board Meeting
October 29, 2013 5:30 PM
Luther College Campus, Valders Hall, Room 367**

Board Members Present: Anne Dykstra, Steve McCargar, Deneb Woods, Brita Nelson, Mike Bollinger, Gary Hensley

Board member Absent: Lora Friest

GM Present: David Lester

Co-op Staff : Larry Neuzil **Member/Owners Present:** Jeanine Scheffert (Bd Admin Asst), Georgie Klevar

1. Call to Order

Steve McCargar called the meeting to order at 5:30 PM

2. Board Learning - Health Care for Employees

Summary: David and Larry report that 2014 will be a volatile year for health care. Right now, we have an HRA health reimbursement arrangement. Because of the new health care laws, this arrangement will no longer be allowed beginning January 1, 2014. GM is looking into options. The plan is to have a temporary solution in 2014 while laws and regulations are being solidified.

3. Member Comments:

Georgie Klevar reported that she was disappointed there was no member input in the changes to the mission statement as traditionally member owners have had input on very important items such as this. She also feels member owners should have been mentioned in the mission statement. She said it was difficult to discern what the process had been. She asked that the board works on getting information out to the member owners in a more accessible way so that member owners have more of an opportunity to participate.

4. Disposition of Member Comments:

The board thanked Klevar for coming in and apologized for not making the information more accessible. The information was posted in the Coop entryway, but was not uploaded to the main website page. When action items appear substantial, the board will have additional language highlighting this information both in the entryway and on the website.

In regards to the process of evaluating the mission statement, the board explained that they hired someone from University of Iowa to assist with a 3-5 year strategic plan. The planning involved 4 meetings and involved the full board, the GM and staff members. It was recommended by the consultant that the board reevaluate the mission statement. The intent of rewriting the mission statement was to make it more clear and to connect it to the

ends.

5. Agenda Review

Motion: Hensley moved , Nelson seconded to **amend agenda by removing the existing 10.2 and replacing it with 10.2 Thanksgiving Recognition from the Board.** Motion passed by a vote of 6 aye, 0 nay.

6. Approve Minutes from September

Hensley moved, Woods second to approve minutes from September. Passed 6 aye 0 nay

7. Consent Agenda - no consent agenda.

8. Reports

8.1 GM Report -

Financial Snapshot: Over 315 new members. Local sales hovering around 33%. Local purchases almost identical - this is reassuring. Sales keep going up. Overall total labor continues to trend down. We're at \$4.4 million or more in annual sales.

NCGA/Central Corridor Info: We are ranked in the upper group of Coops in our corridor. There is a lot of room for us to grow. One thing that is important for us to remember, however, is that our ratios have been affected by long-term debt. Our cash flow is affected by the fact that we are putting a lot of our cash towards bringing down our debt. We will be paying off \$400,000 in 14 months and will be paying off our two biggest loans this year (2013). Since they aren't due until 2014, this early payment will save the Coop a lot of interest.

Community/Outreach/Other Store Happenings: Participation and class fees is 235% of projection. This shows great effort on Johanna and Nate's part. Luther and kids classes have been strong. This confirms all strategic planning we did focusing on classroom education. It is our niche and we do it well.

Physical Store Update: Solar is on the roof. Done with work. Now waiting for Aliant to approve. Once approved, they replace the meter with another one that can run both ways. Hopefully will be done in 7-10 days. They did great work.

Marketing/Special Projects: Taste of the Holidays is next Thursday

8.2 L5 Financial Condition

Hensley moved, Dykstra seconded to approve L5 Report. Passed. Approved 6 aye, 0 nay

Summary: We've had better than expected sales and are managing expenses very well. Very good report with an increase of 44% on net income! Incredible job by everyone!
Our margins are healthy as our managers and buyers have been educated at workshops on what margins mean.

8.3 [G6 Governance]

[Hensley moved, Bollinger seconded to approve G6 Report. Approved 6 aye, 0 nay]

Summary: We need to emphasize training for board members. They are valuable for networking. Board members from other Coops go through similar issues and are valuable assets. We aren't spending the money set aside for board training.

9. Action Items

9.1 Proposed new language in procedures manual for 3 readings

Discussion: There is a tradition of having three readings, but there is no language in the procedures manual. The articles of incorporation and bylaws have their own processes and don't need 3 readings. Board policies have a tradition of 3 readings. Hensley will draft language to propose the 3 readings become policy. Hensley proposed need 3 readings for D,G,E,and L changes. Board will discuss change in language for mission statement, ends statement, monitoring policies that requires 3 consecutive readings.

9.2 Second Reading of New Ends Statement

Motion: Dykstra moved, Nelson seconded to **approve new ends statement language in a second reading.** Motion **passed** 6 aye, 0 nay.

Summary: no discussion.
There will be one more reading of this at the next meeting.

10. New Business

10.1 GM self-evaluation is due (Oct)

Review David's document looking at performance of coop and statement of goals for next year. s

10.2 Thanksgiving Recognition from the Board

Hensley moved, Dykstra seconded to have board recognize each employee of Coop with \$25 gift certificate funded out of board budget prior to Thanksgiving. Passed 6 aye, 0 nay

Summary:

Hensley introduced idea of Board recognizing all Coop employees with a \$25 Coop gift certificate. This is our way of connecting with Coop employees and to say "thank-you" for a fantastic year.

10.3 executive session

Nelson moved, Hensley seconded to enter executive session.

Passed 6 aye, 0 nay 7:02 PM

Nelson moved, Hensley seconded to exit executive session

Passed 6 aye, 0 nay

11. Next Monitoring

[11.1 L7 Asset Protection - David Lester]

[11.2 Review Board Budget for 2014 - Lora Friest]

12. Next Meeting: Tuesday, November 26

13. Adjourn

Motion: Hensley moved, Woods seconded to adjourn. Passed 6 aye, 0 nay

Meeting adjourned at 7:22 PM

Respectfully submitted,
Anne Dykstra, Board Secretary