

**Oneota Community Co-op  
Minutes for Regular Board Meeting**  
November 28, 2017 5:30 PM  
Kitchen Classroom, 308 W. Water St.

**Board Members Present:** Brita Nelson, Scott Hawthorn, Bryan Stuart, Alicia Trout, Flannery Cerbin-Bohach, Emily Neal arrived at 6:01pm

**Board Members Absent:** Maren Beard, Emily Neal arrived at 6:01pm

**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 5:34 p.m.

**2. Board Learning - None**

Oneota Co-op Board runs on Robert's Rules. Nelson reminded Board this means we can only talk about things on agenda. Information about Robert's Rules will be included on future agendas during Board Learning.

**3. Member Comments - none**

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

**5. Agenda Review**

**Motion:** Trout moved and Hawthorn seconded to **Amended Agenda to Move 9.2 Approve 2018 Budget to After Executive Session.** Agenda **passed** by a vote of 5 aye, 0 nay.

**Motion:** Cerbin-Bohach moved and Hawthorn seconded to **Approve Amended Agenda.** Agenda **passed** by a vote of 5 aye, 0 nay.

**6. Approve Minutes**

**6.1 October 2017 Main Meeting Minutes**

**Motion:** Trout moved and Stuart seconded to **Approve October 2017 Main Meeting Minutes.** Motion **passed** with a vote of 5 aye, 0 nay.

**6.2 October 2017 Exec Session Meeting Minutes**

**Motion:** Trout moved and Stuart seconded to **Approve October 2017 Exec Session Meeting Minutes.** Motion **passed** with a vote of 5 aye, 0 nay.

## **7. Consent Agenda – none**

### **8. Reports**

#### **8.1 GM Report**

##### **Financial Snapshot:**

October wasn't the best in sales. However, November is up 3%, so we're making the money back. We had a really good MAD sale - the third best ever. Next year, we'll do it on Saturday again and we might experiment with a MAD day coupon going out in the mail that people could redeem within a month or two. The week leading up to the MAD sale was up 10%, but the next week was down 10%. It was a lot of effort in staff time, including setting up cookies and coffee, etc. As a one-day event it looks great, but overall we might not bounce back - people really stock up on sales days. However, we liked it and customers like it, and it sticks in people's minds.

Inventory is currently high due to the need to make holiday orders earlier in the year than in previous years.

Our risk matrix numbers are up, mostly due to better sales growth. Our net income is okay and our quick and current ratios keep getting a little better each time.

##### **Community/Outreach/Other Store Happenings:**

Local sales have been down with the warmer weather, but it meant Farmer's Market had a great October.

Toppling Goliath is doing their canning here again, which means our local sales percentage numbers will go up again.

The Spectrum project is still moving forward. They have a concrete pad poured and they'll start framing in their new community kitchen and processing center. From the beginning, we've said we'd love to work with them.

Dr. Wee is organizing his potential chef training program and identifying potential students.

Co-op is planning to purchase a Waving Grains preferred share membership. We'll wait until after this fiscal year and likely do it in January.

##### **Physical Store Update:**

We've managed energy well this year.

We've sent a request for proposals to two different companies for the expansion: Finholt, who was our main contractor last time, and Weezer Brothers who does a good job and have done a lot of co-ops. They just did Winona's, they are main contractor for Viroqua, and they built the new People's Co-op. They are working from the last plan we have, which includes what walls would be moved, etc. We originally wanted a full

meat department and counter, but for the amount we can spend at this point, we can't make that happen. So, we are looking at more of a "refresh," moving our Wellness section to the center of the store and doing some of our services differently. We can still expand our meat selection and volume and have a bigger fresh meat case, but not a full service department with meat processing.

**Marketing/Special Projects:** Suzan Erem from Sustainable Iowa Land Trust (SILT) approached Lester a couple years ago about setting up a table in the store. It went over well and was followed by Erem speaking in front of our membership. SILT is offering Luzum's 200 acre farm between Decorah and Calmar as the first official land trust farm in Iowa. The trust ensures the land will continue to be farmed organically. SILT recruits farms and young farmers. The Luzum farm will be farmed by Tor Janson.

## **8.2 L7: Asset Protection**

**Motion:** Hawthorn moved and Cerbin-Bohach seconded to **Approve L7: Asset Protection**. Motion **passed** with a vote of 6 aye, 0 nay.

Lester loves this policy. Past boards have altered it more than other policies. For example, at one point Board was insured for only \$50,000 and Bill Pardee suggested it should be \$2.5 million.

Our PCI compliance will look different if we get a new POS system. We'll also use a different PCI checked system for online sales if a customer enters their credit card info online.

This year we'll get a full audit, which will check in on everything.

We now have a reciprocal membership program with other co-ops, making members of other co-ops qualified to receive our member discounts and vice versa. Lester will look for a list of co-ops involved to let out members know.

## **8.3 D4: Monitoring GM Performance**

**Motion:** Trout moved and Neal seconded to **Approve G6: Governance Investment**. Motion **passed** with a vote of 6 aye, 0 nay.

Board thanks Lester for his hard work in really hard times. Board feels GM has done an excellent job despite nationwide difficulties within co-ops; we're making it and that is in large part due to Lester's management.

## **9. Action Items**

### **9.1 Board Budget Update-**

We'll talk about this after executive session.

## **9.2 Proposed 2018 Board Budget - moved to after exec session meeting**

### **9.3 Staff Recognition - Official Amount Update**

**Motion:** Neal moved and Stuart seconded to **Approve Adjusted Cost of November Gift Cards**. Motion **passed** with a vote of 6 aye, 0 nay.

Board gave gift cards to staff before Thanksgiving. Since gift cards are legally considered money and go through payroll, they must be taxed as such. Because of this, the original cost estimation was quite low. For each \$25 gift certificate, the board's cost ended up being \$40.07, for a total of \$2203.85. Board noted if we do this next year, we should give an item as a gift instead of money because items are not taxed in the same way.

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

### **10.1 Brief Board Election Update**

Board Nominating Committee (Hawthorn, Cerbin-Bohach, and Beard) are looking for board nominations. They have put an article in the upcoming Scoop and sent out an article via email. With the expansion coming up, it would be great to have someone with a financial background who is used to overseeing big projects.

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

**11.1 [G3: Agenda Planning - Nelson]**

**11.2 [L6: Budgeting/Financial Planning - GM]**

**11.3 [2018 Calendar Approval - Board]**

## **12. Next Meeting - Tuesday, December 19, 2017 @ 5:30PM**

## **13. Executive Session - Personnel**

**Motion:** Trout moved and Cerbin-Bohach seconded to **Move to Executive Session Meeting**. Motion **passed** with a vote of 6 aye, 0 nay.

### **Notes on after Executive Session on Board Budget (Draft) -**

Line items - Alicia summarized

Line item - Board Development - never come close to this number, but with an expansion it might be a good idea to have money allocated to board elopement. Alicia did drop \$840 from previous years.

Line item- Member Linkage - this includes February fees for Simply Voting and fee to Good Shepard for annual meeting expenses. The April fees are a second fee to Simply Voting, as well as potential expenses for food for the Annual Meeting. This year it looks like money wasn't taken out of member linkage for that. David thinks Marketing paid for it. He will ask Nate, as it should come out of Board budget

Line item- Other Board Expenses - Alicia reduced snack expenses from \$40 to \$35 (usually spend around \$20). This also included the plant gifts in Spring. It also did not include the \$2,000 in holiday bonus (gift cards). It's proposed to transfer this money to the Coop Budget, so it could come out of payroll. The \$25 gift card is actually \$40+ because of owing tax on it. Emily suggested giving a tangible gift, rather than money next year.

Neal motioned to approve budget, Stuart seconded. Motion passed 6-0.

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

**15. Adjourn**

**Motion:** Trout moved and Neal seconded to **Move to Executive Session Meeting.**  
Motion **passed** with a vote of 5 aye, 0 nay.

Meeting adjourned at 6:55pm.