

**Oneota Community Co-op
Minutes for Regular Board Meeting**

February 27, 2024

5:30 PM

Co-op Classroom

Board Members Present: Bailey Lutz, Brennan Allsworth, Scott Timm, Bill Iverson, Carl Peterson, Hannah Breckbill

Board Members Absent: Detra Dettmann

GM Present: Nate Furler

Co-op Staff: Nikki Sanness

Member/Owners Present: Jeanine Scheffert (Bd Admin Asst), Nathan Dietzenbach

Hacker and Nelson: Brent Berns

Timm called the meeting to order at 5:26 p.m.

Motion by Breckbill to approve amended agenda with amendment of tabling board member linkage committee. Second by Peterson. All ayes, motion carried.

Brent Berns of Hacker & Nelson reviewed the **2023 Audit** with the board. A full audit such as this one is done every third year, others years have a financial review completed. Berns reported everything is well adjusted and the co-op is doing well. The report includes a detailed inventory and comparison between years. Board asks if there are concerns of risk or exposure. Berns and Furler note a system of checks and balances as well as reporting transparency to prevent any concerns of risk or exposure. Board congratulates GM for a good year. Berns says thank you for an easy report. Furler says thanks to the Co-op team.

During **Board Learning** Board reviewed policies G7, G8, G9, & G10 which are officer roles.

Next month, the board will be reviewing board officer roles during policy review. Board would like an estimate of the time each position requires. However, this can be unpredictable, especially for the president and vice president, and for anyone taking on additional projects, regardless of whether or not they are an officer. An overall estimate for any officer or any board member taking on additional projects is about six hours per month.

Motion by Lutz to approve the December 2023 Meeting Minutes. Second by Iverson. All ayes, motion carried. **Motion by Lutz to approve the January 2024 Meeting Minutes.** Second by Allsworth. All ayes, motion carried. **2024 Meeting Minutes Amendment:** Furler's comments in the minutes say we're on track to exceed \$23k in 2023. It should say we are on track to exceed \$90k in net income. **Motion by Breckbill to re-approve the January 2024 Meeting Minutes with amendment.** Second by Lutz. All ayes, motion carried.

D: Global Governance – Management Connection Policy Monitoring was discussed. It was noted policy wording changes are needed to reflect the new all-board discussion format for policy monitoring and to provide clarity. For this policy change wording from: *The board, as a whole, is the supervisor of the GM, not individual board members* to: *The board as a whole, not individual board members, is the supervisor of the GM*. In evaluating the compliance of D1-4 sub policies, board is required to list who submitted the report as a Unity of Control measure. This needs to be altered to indicate that the full board has submitted these reports, starting with D4 in November. Looking at D1-4: Allsworth submitted D1, Dettmann submitted D2, Detter submitted D3, and in November D4 was submitted by full board. Peterson observes that the board does well and respects one another. Also staff and GM at meetings - evident respect and professionalism. **Motion by Peterson to report compliance for D: Global Governance – Management Connection.** Second by Allsworth. All ayes, motion carried. We are getting better and better with policy reporting and reports have been excellent this year. After next month, it will have been a full year that we are reviewing policies as a full board.

L9: GM Succession monitoring report was reviewed. Sanness (primary) and Jahnke-Sauer (secondary) are GM successors and have been spending time with Furler to understand the role. A questionnaire showed they know what to do should the need arise, and helped show where more training is needed. Compliance reported. This succession plan is in place in case GM is suddenly unable to perform duties. NCG and Columinate would also be available resources. **Motion by Breckbill to approve L9: GM Succession monitoring report.** Second by Allsworth. All ayes, motion carried.

L5: Financial Conditions (Quarterly Report, End of Year Financials) report was reviewed.

Financials for the quarter and year look great; the best they have for quite some time. We're \$186k above sales budget with \$66k net income. Ratios are off the charts, best they've looked in the last 10 years. In 2024, the quick and current ratios will plummet because member loans will become current. We have \$617,500 to pay in member loans. We have some money set aside for this. The mortgage on the main building will be paid off this year, so we can put more towards member loans. Without the mortgage, we'll be able to borrow more to pay off loans. NCG knows this and also knows that once we refinance, this will come back on track. We will investigate to see if it is better to wrap the member loans into a mortgage or to approach some of the larger loan holders to see if we can extend them to their benefit. We haven't explored all possibilities yet. **Motion by Allsworth to approve L5: Financial Conditions.** Second by Peterson. All ayes, motion carried.

During the **GM Report** Furler reported 2024 is off to a slower start than 2023, due in part to a massive winter storm that delayed trucks and kept people away. Through January we're down 2.76% (\$11,600) compared to budget. Labor is good, as is sales per labor hour. 1.36% ahead of last year for January. Last year we were 7.82% ahead of sales growth during this time. Received a firm estimate on the door between buildings; it was twice as much as we thought. Probably won't do it as we could use that amount of funding elsewhere. Had great internal candidates for the fresh manager position. Are gearing up for 2024 election proceedings and prepping for the annual meeting. Luther picked up archival project and is working on digitizing and archiving. We're working with Spectrum for repacking bulk again. We have had issues with our current internet systems - we have lost both Mediacom and Centurylink (now

Lumen) at one point due to a cut connection; used a hotspot from individual phone. We are investing in a new system via Lumen that can handle the entire system by picking any cell network. We have the equipment but it hasn't been working yet. We're putting finishing touches on the annual meeting and 50th anniversary plans.

2024 election was discussed. Paper mailing was printed and sent yesterday. Everyone we have a physical address for will receive one. Everyone we have emails for will get an email at 9 am tomorrow. Some will get both. The ballot will have two sections: A) Board Election and B) Bylaw Amendment. We will tally these the morning of April 2. If bylaw amendment passes, the voting for a potential proposed compensation amount will launch right away, also through Simply Voting and at the annual meeting. The paper mailing cost us \$4,400. This is more expensive than previous years because of increased postage. In part the increase is so we can have return postage service. We are also including language to let people know that if they are not the person listed, they are not the legal owner and therefore not allowed to vote. If we do not have a person's email address, that will be noted on the printed communication. We hope this will spur people to share their email address so that we can shift to digital elections, saving us a significant amount of money.

Upcoming Training Opportunities through Columinate were noted: March 7 - Leadership Learning Circle - Art of Giving and Receiving Feedback, March 13 - Effective Meeting Facilitation, March 21 - Leadership Learning Circle - Strategies for Difficult Conversations, March 27 - All About Financial Statement Audits

There will be a forum on March 7 from 5:30-6:30 pm in the Co-op Kitchen Classroom to discuss a **potential bylaw amendment that will allow board compensation decisions to be made by member vote**. Questions we've heard from the membership include questions of how many hours board members dedicate to being on the board. Board estimates six hours in a month.

If the bylaw change is passed, there will be a forum on April 4 to discuss compensation amount. For the vote, there can be multiple options, one of which is identified as the recommended amount. Another blog post can also be created to explain the recommendation.

Grow the Good grant program has secured over \$12k in grant money; enough for four grants. We are in the process of setting a date for the selection committee. We have heard from several people who are applying.

Next meeting will be March 19, 2024 at 5:30 p.m. in the Co-op Classroom.

Motion by Allsworth to adjourn meeting. Second by Iverson. All ayes, motion carried.
Meeting adjourned at 6:58 p.m.