

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

January 23, 2018 5:30 PM

Kitchen Classroom, 308 W. Water St.

Board Members Present: Brita Nelson, Scott Hawthorn, Bryan Stuart, Alicia Trout, Maren Beard, Flannery Cerbin-Bohach, Emily Neal

Board Members Absent:

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 5:32 p.m.

2. Board Learning - Robert's Rule Quick Guide

Nelson shared a quick guide explaining Robert's Rule. Board has built in flexibility to its procedures, but they are all based on Robert's Rule. The guide explains when and how to use motions and votes, and what kind of majority is needed.

One point of order we've utilized is the "call to question." If we're going in circles with a discussion and someone feels it is time to vote instead of continue the conversation, someone calls to vote, someone else seconds, and if there is a 2/3 majority vote to end the discussion and vote, then discussion ends and vote occurs. If motion to call to question doesn't pass or there isn't a second, the discussion continues.

There is an established order of precedence. Board isn't as formal as Robert's Rules can be, but the chart does give a good overview of Robert's Rules.

Another point is that until a motion is made, there isn't anything to debate. When a motion is made, we have to stick to the motion topic.

With the GM report and other areas where there isn't a motion required, no action is needed and questions are good.

3. Member Comments - none

4. Disposition of Member Comments - No member comments

5. Agenda Review

Motion: Trout moved and Hawthorn seconded to **Approve Agenda.**

Amendment: Nelson proposed to amend agenda to table 8.2 G2 Board Job Description Monitoring Report for next month.

Motion: Approve Amended Agenda. Agenda **passed** by a vote of 7 aye, 0 nay.

6. Approve Minutes

6.1 December 2017 Main Meeting Minutes

Motion: Trout moved and Cerbin-Bohach seconded to **Approve December 2017 Main Meeting Minutes.** Motion **passed** with a vote of 7 aye, 0 nay.

6.2 December 2017 Exec Session Meeting Minutes

Motion: Trout moved and Neal seconded to **Approve December 2017 Exec Session Meeting Minutes.**

Motion: Trout moved and Neal seconded to **Table Approval of December 2017 Exec Session Meeting Minutes.** Motion **passed** with a vote of 7 aye, 0 nay.

7. Consent Agenda – none

8. Reports

8.1 GM Report

Financial Snapshot:

The auditors are here. They'll let us know where we are for net income for the year and will review all financial documents. It is a good time for the board to think of any questions related to finances. L5 financial conditions and end of year report will be here for that discussion.

Sales for January are up 6.3%. It is all weather related in January - if we had a bad weather week last year, we can have a large increase for this year. Bad weather means bad shopping - people "storm shop" before a storm, but it is never enough to cover what a normal day would otherwise be.

2017 sales were up 0.5 % overall.

Controlled labor was the best we could do considering wage increases. We focused on entry level wages and wanted to be competitive with other options in the area.

Our net income will be a small gain or small loss, depending on how the auditors want us to file (+/- <\$10,000). We share info with other co-ops. NCG's goal are always to make 0.5% and we've always had our goal at 1%, but it wasn't realistic this year. We were under 0.5%.

Community/Outreach/Other Store Happenings:

We bottomed out number of new members in 2016 and are starting to go up again. Kristin in the front end has made a yearly challenge related to the mystery shopper score and to new memberships.

Member share equity is at the \$500,000 mark. When someone dies or withdraws a membership, that comes out of this account.

Justin Skarin in deli is positively changing procedures and really helping Joy out.

Larry is retiring. He'll stay until the next person is totally trained. He may come to the annual meeting. We could hire him at times, for a day. We think it is smart to have overlap between him and the new person. Turnover is what causes labor costs to go up a lot. We're trying to bring a person in 1-2 weeks before previous person leaves, making transitions easier, especially with a critical job like this.

Wellness is fully onboard with active inventory and they love it. When product comes into the store, we now use invoices and enter that information into the POS system. POS shows how many of item we have, adding inventory to what we have on hand. This is not how we've done it before. We've started this procedure with wine and beer, now doing wellness. We've never had a system that has shown exactly what is on the shelf. There is an extra step of checking everything in and putting it in the system, but previously we had to know how much we purchased and how much we sold, and reconcile it that way. Our POS system didn't have this option until about two years ago. The benefit is that you can look at computer screen to know what you are getting low on, instead of having to look at a shelf to see. It's working really well. We'll do the rest of store this way. This means we will only *need* to do inventory once a year, but we'll probably still do it twice a year. For produce and grocery, we'll still have to do it as we have in the past.

Employee retention is going up. We're at our highest rate in three years and we're on the right track. We set our goal at 70% for this year.

Physical Store Update: Maintenance and repairs and supply lines cost considerable money, but they are investments in future. We had aging equipment and money went out to make repairs that couldn't be capitalized.

Our energy usage is exciting - we've had our best year since 2012. We went from an energy star score of 93 to 96 and we are the highest rated grocery store in the state of Iowa. Energy Star has a website where you can search other energy star buildings, narrowed by category s.a. grocery store, and find out more about energy trends and usage there.

Marketing/Special Projects:

We're waiting for final numbers for remodel /expansion from two construction firms and we may open up to a 3rd firm so we have good numbers to show to the board. We may or may not take lowest bid. The two firms we're talking to now are really good and

have very different appealing qualities. Wieser Brothers has worked with a lot of co-ops. Finholt knows our building and will work with local people, which is also important.

The pro forma is based on assumptions - if any of these pieces are different than we expected, the pro forma can change.

Board comment: Board's role on expansion is fiduciary - to look at financial implications and then vote to move ahead or not - that could look different depending on a number of different things. Next month we'll discuss creating a board subcommittee and include a couple of community members to really look at the financial piece. We'd like someone with a financial background to help us in this discussion. We'd also like to reach out to a couple of co-op boards who have recently gone through an expansion to tell us how it went/what they would do differently. Bluff Country would be a good one. We could use board learning budget to bring them to us.

Ideally, the vote would happen late this summer if the expansion is to start spring of 2019.

8.2 G2: Board Job Description

This was tabled until next month

8.3 L8: Communication and Counsel to the Board

Motion: Trout moved and Hawthorn seconded to **Approve L8: Communication and Counsel to the Board**. Motion **passed** with a vote of 7 aye, 0 nay.

The L8 is typically put this in consent agenda. The most important thing is to check whether or not GM has been compliant. If not, why not and were there steps put in place to seek further information, follow-up, or action. GM was found fully compliant and there were no instances requiring mediation.

9. Action Items - none

10. New Business

10.1 Board Election Update - Discussion of Upcoming Events (Meet and Greet?)

Board will vote on board nominated candidates today, give nominations to Nate, and Nate will work with Simply Voting to prepare for the election. Ballots will go out after the Scoop, with an announcement about the meet and greet, giving people time to read about each candidate and come to the meet and greet with questions. Anyone

purchasing a membership between now and voting deadline will be given a paper ballot.

We have three or four candidates: Scott Tim, Dennis Pottratz, Wes Anderson, and possibly Aimee Viniard-Weideman. Viniard-Weideman's application is not in hand due to an administrative error. Board will try to contact Aimee and have it re-submitted before the end of the day in order to be nominated by board.

Board will discuss clarifying the application process and have an official route through Nate or board secretary to avoid mix-ups in future elections.

10.2 Board Candidate Nomination

Motion: Trout moved and Hawthorn seconded to **Approve Board Candidates Scott Timm, Dennis Pottratz, Wes Anderson.** Motion **passed** with a vote of 7 aye, 0 nay.

Motion: Trout moved and Hawthorn seconded to **Table Board Candidate Aimee Viniard-Weideman's Nomination.** Motion **passed** with a vote of 7 aye, 0 nay.

Her application was handed to front end staff but didn't make it to board. She is resending.

11. Next Monitoring & Other

11.1 [D: Global Governance-Management Connection - Emily)

12. Next Meeting - Tuesday, February 27, 2018 @ 5:00PM

14. Self-Evaluations - done via internet

15. Executive Session -

Motion: Trout moved and Stuart seconded to **Move to Executive Session.** Motion **passed** with a vote of 7 aye, 0 nay.

Board entered executive session but then decided there wasn't anything to discuss that was different than the prior month. No notes were taken because no new conversation was had and no action was taken.

16. Adjourn

Motion: Beard moved and Cerbin-Bohach seconded to **Adjourn Meeting.** Motion **passed** with a vote of 7 aye, 0 nay. Meeting adjourned at 7:05 p.m.

17. Email Nomination of Aimee Viniard-Weideman

Beard sent out an email on January 23rd with Viniard-Weideman's application attached. Electronic vote occurred over the next few days and all voting was completed by January 26th.

Motion: Maren moved and Neal seconded to **Approve Board Candidate Aimee Viniard-Weideman's Nomination.** Motion **passed** with a vote of 7 aye, 0 nay.