

Bluff Country Co-op Board Meeting Minutes

Monday, May 8, 2017

6:00 pm – 8:30 pm

Winona State University, Minné Hall Room 239

Attendees: Dawn Schreiber, General Manager, Melissa Gordon

Board Members Present: Coleen Bremer, John Chernega, Diane Leutgeb Munson, Ann Lichliter, Aurea Osgood, Johanna Rupprecht

Board Members Absent: Rachel Kimman, Mary Kirk

| TOPIC | DESCRIPTION | ACTION/OUTCOME |
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| | | Yay | Nay | Abstain |
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| Annual Monitoring Table | <ul style="list-style-type: none"> • The board secretary will continue to sign the Annual Monitoring Table. The board president, who creates the document, will also sign it. | | | |
| Task Review from April Meeting | <ul style="list-style-type: none"> • All tasks were completed. | | | |
| Review April Meeting Minutes | <ul style="list-style-type: none"> • Under GM Monitoring Report, the third bullet point was changed to reflect that the board’s conversation was about membership fees in general, not just limited income memberships. • Two spelling errors were corrected. • Aurea motioned to approve the May minutes with the two changes. Diane seconded. | 6 | 0 | 0 |
| C6 Officers’ Roles | <ul style="list-style-type: none"> • Response count was off by 1 participant. This was an error by the survey maker. • Regarding C6 (3c) (survey question 10), it was noted that succession training would be a good education topic. Aurea announced that she would be attending a leadership succession training at CCMA in June. • Regarding C6 (4) (survey questions 19-20), questions about the vice president’s role as well as what committees (4b) the vice president is supposed to be on arose. • Aurea motioned to scratch C6 (4b) from the Policy Register. | 6 | 0 | 0 |

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| | <p>Johanna seconded.</p> <ul style="list-style-type: none"> • The board development committee will discuss the role of the vice president. • Regarding C6 (6a) (survey question 29), there was an inquiry about whether the board changed the language the year before to include “or designated person.” That language was made only to C6 (6f). • Regarding C6 (6b) (survey question 31), it was clarified that “meetings of the association” refer to the AMM as well as any other meetings of the board. • Regarding C6 (6d) (survey question 35), it was decided that we would leave the “seal” language in there in case the Co-op has one in the future. • Regarding C6 (6e) (survey question 38), the board decided that including the language “other members of the association” could overburden the office of the secretary. <ul style="list-style-type: none"> ○ Diane motioned to delete item C6 (6e) from the policy register. Coleen seconded. • The board decided C6 (5d) should be moved to (5a) and C6 (6f) should be moved to (6a) in order to clarify from the start of those sections that those roles can be delegated to others. <ul style="list-style-type: none"> ○ Aurea motioned to bump C6 (5d) to C6 (5a) and C6 (6f) to (6a). Diane seconded. | 6 | 0 | 0 |
| <p>GM Monitoring Reports B1 Financial Condition & B2 Planning & Budgeting</p> | <ul style="list-style-type: none"> • B1 Financial Condition <ul style="list-style-type: none"> ○ Next B1 report will change significantly because it will include the debt for the project. ○ We are showing good sales growth. ○ The projected decline is due to the fact that when we are under construction we will be an unpleasant place to shop. • B2 Planning and Budgeting <ul style="list-style-type: none"> ○ The board commented that the business plan looks great and the management team’s 3-5 year goals were excellent. ○ The competitor shop schedule is scheduled for later on the 3-5 year plan because it will take some time to grow the program to the point where we are regularly and more consistently doing it. ○ The budget still needs some more details. ○ John motioned to approve the B1 and B2 Monitoring Reports. Diane seconded. | 6 | 0 | 0 |
| <p>GM Update;</p> | <ul style="list-style-type: none"> • There is a new peek window in the hallway for customers to see the progress on the other side. | | | |

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| Expansion | <ul style="list-style-type: none"> • In March we began putting out a new Fresh Deals flyer. • We are on Week 4 of the project. • Next week the construction company will be cutting holes in the roof to accommodate the new HVAC system. • The project budget hasn't changed at this point. • The City will be replacing the soil in the rain garden with a soil that has less clay. This should solve the drainage problem. • The first rain garden planting is Sunday, May 21, from 1-3pm. The second rain garden planting is Tuesday, June 6, from 6-8pm. • Long-time employee Emily Copeland will be retiring in June. An Open House in honor of Emily's service to the Co-op will be Thursday, June 8, from 2-4pm. Please spread the word. | | | |
| Committee Updates | <ul style="list-style-type: none"> • Project Committee <ul style="list-style-type: none"> ○ Construction is currently in Phase 1. Phase 2 is scheduled to begin mid-June. Phase 3 is scheduled to begin mid-July. Phase 4 is scheduled to begin mid-August. ○ June 30th is the last day to invest in the Capital Campaign. <ul style="list-style-type: none"> ▪ We have sold \$582,550 in preferred shares and have \$35K in loans. ▪ We can sell ~\$400K more. ○ Owner Tours of the new site will be on the 2nd Saturday of June, July, and August at 10am. RSVP is required. ○ The new website is up. Please continue to share and like posts on Facebook. ○ New "What's Up" cards were created as a way for staff to ask questions about the expansion. Staff can also fill the cards out if customers have questions. • Social Equity <ul style="list-style-type: none"> ○ The Committee has not had a full meeting in a few months. ○ They are working on a letter of support for the community garden (re: last month's owner forum). ○ Catholic Worker meals are continuing. Next meal is next Friday, 19th. Dinner will be grilled cheese sandwiches with tomato soup and steamed broccoli. The Committee is going to begin keeping a record of both the number of guests attending and the number of volunteers helping. Dawn will think about how to invite staff to volunteer. | | | |

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| | <ul style="list-style-type: none"> ○ Coleen recommended the Social Equity Committee look into ways to help new shelter. • Member Committee Outreach <ul style="list-style-type: none"> ○ The Committee has begun to talk about the AMM. ○ The AMM is scheduled for Thursday, November 2. • Board Development <ul style="list-style-type: none"> ○ The Committee will be meeting with Julie Fassbender this Wednesday, 17th, at 11am to discuss her coming for one hour to the June and July board meetings to help clarify the 3-5 year goals. | | | |
| Strategic Discussion: Financial Literacy Articles | <ul style="list-style-type: none"> • Aurea included a synopsis of the articles in the board packet. • Board members found the reference list and the red flags to be helpful, but the part about equity was not helpful. • It was interesting that the one of the articles assumed every co-op has a financial committee. • Board members appreciate that the GM writes the reports in a context that is easy to understand. • Dawn plans to incorporate the 8 key financial indicators into the next B1 Monitoring Report to help frame the discussion better. • The board decided that enough financial information was given to owners in the Annual Report and the Treasurer's presentation at the AMM. • The board development committee will ask Julie to include in our strategic planning conversation the following questions: <ul style="list-style-type: none"> ○ What would we do if we suddenly had a windfall? ○ What would we do if we suddenly had no money? • There was a good checklist on the back of one of the articles. We might consider the checklist when we are thinking about strategic planning. • Good activities were included for a potential training. | | | |
| Board Budget | <ul style="list-style-type: none"> • The board's budget should be .75% or below the Co-op's annual budget. • The board discussed the 2017 budget as well as the proposed 2018 budget. • 2017 Board Budget <ul style="list-style-type: none"> ○ The board budgeted \$1500 for board retreats, and we are just under \$2500. ○ AMM was under budget, which will help balance some of the retreat spending. ○ Directors and Officers Insurance was more than anticipated. ○ Director Education line is currently low but will | | | |

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| | <p>show an increase in Q4 when directors attend CCMA.</p> <ul style="list-style-type: none"> ○ By the end of the fiscal year, we should be on track • Proposed 2018 Board Budget <ul style="list-style-type: none"> ○ Total board budget will be ~\$22K. ○ Administrative Assistant costs were removed, as that is now in the store's staff budget. ○ Retreat line decreased from \$1500 to \$1000. ○ AMM remains the same at \$2500. ○ Social Equity requested \$300 as a back up for Catholic Worker meals. ○ Board Development requested \$100 for potential board candidate scouting. ○ Community Outreach requested \$500 for one extra event (potentially Member Appreciation Week). ○ Directors and Officers Insurance line was increased to be more reflective of what we paid this year. ○ Aurea motioned to approve the 2018 board budget. Johanna seconded. | 6 | 0 | 0 |
| Strategic Planning: Vice President ; Equity Share Price; Steps Toward Creating Specific Objectives | <ul style="list-style-type: none"> • Vice President <ul style="list-style-type: none"> ○ The board agreed that it is good to have a vice president, but the current responsibilities of the vice president will be changing, and it doesn't make sense to put someone in the position until we know what the position is going to be. ○ Board Development Committee will prepare a proposal for vice presidential duties. ○ John will touch base with Gerry Neal about serving as a financial consultant or an interim board member. Other board members should talk to people about serving as interim board members as well. Dawn will send last year's AMM list to board for ideas of who to talk to. • Equity Share Price <ul style="list-style-type: none"> ○ Joel's readings were irrelevant. ○ There are red flags about raising the equity now. If this is going to happen, it needs to be a strategic process because owners might leave. ○ It's good to do in anticipation of a project, but not in the middle of a project. ○ We should talk to Julie Fassbender about adding this topic to our 5-year plan. • Steps Toward Creating Specific Objectives <ul style="list-style-type: none"> ○ We plan to bring Julie Fassbender in for one hour in our June and July meetings to help clarify our 3-5 year goals. | | | |

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| Meeting Adjourned | <ul style="list-style-type: none"> Meeting adjourned at 8:06pm | | | |
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| TASK | RESPONSIBLE PARTY |
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| <ul style="list-style-type: none"> Make changes to Policy Register C6 (4b), (5d), (6e), and (6f). | Melissa |
| <ul style="list-style-type: none"> Prepare a proposal for vice president's role and responsibilities. | Board Development Committee |
| <ul style="list-style-type: none"> Mark your calendars and spread the news: <ul style="list-style-type: none"> The first rain garden planting is Sunday, May 21, from 1-3pm. The second rain garden planting is Tuesday, June 6, from 6-8pm. An Open House in an honor of long-time employee Emily Copeland, who is retiring in June, will be Thursday, June 8, from 2-4pm. | All Board Members |
| <ul style="list-style-type: none"> Please continue to share and like posts on Facebook. | All Board Members |
| <ul style="list-style-type: none"> Invite staff to volunteer at Catholic Worker nights. | Dawn |
| <ul style="list-style-type: none"> Mark your calendars for AMM on November 2. | All Board Members |
| <ul style="list-style-type: none"> Note on calendar to incorporate the 8 key financial indicators into the next B1 Monitoring Report to help frame the discussion better. | Dawn |
| <ul style="list-style-type: none"> Ask Julie Fassbender to include in our strategic planning conversation: <ul style="list-style-type: none"> What would we do if we suddenly had a windfall? What would we do if we suddenly had no money? 5 years from now: Begin discussing an equity increase. Checklist from back of May reading. | Board Development Committee |
| <ul style="list-style-type: none"> Consider activities from May readings for possible board development. | Board Development Committee |
| <ul style="list-style-type: none"> John will touch base with Gerry Neal about serving as a financial consultant or an interim board member. Other board members should talk to people about serving as interim board members as well. | John; All Board Members |
| <ul style="list-style-type: none"> Send last year's AMM list to board for ideas of who to talk to. | Dawn |