



Board Meeting Minutes

2.27.2014

Attendance: Alejandro Rugarcia (*Staff Rep*), Fern Moore (*Notes/ Board Observer*), Harry Levine (*facilitator*), Dani Madrone, John Regan, Mohamed El Sokkary, Teresa Young, Micheal Snow, Josh Simpson

Absent - Niki Bilodeau, Isabella Rogol, Erin Genia

Agenda

Announcements
Agenda Review
Mission Statement
Commitments Review
Member Comment
Staff Report
Committee Memberships and participation
'Rights and Responsibilities' Member Handbook
Break
Review of Staff feedback re; legal identity
Committee Reports
Communication Draft (EXECUTIVE SESSION)
Commitments
Meeting Eval

Announcements

- Niki and Erin will not be able to attend tonight's meeting
- Dani attended a staff meeting last month and encourages others to attend
- Thomasin from Mariposa Food Co-op who visited us a few months back, sent a copy of their 'Annual Report' it is available here at the downtown office for review.

Commitments Review

- **Jayne will contact board committee facilitators about meeting schedules being accessible to Board Members schedules as they are committees of the Board** *complete*
- **Isa, Dani and Erin will meet after they receive annual meeting feedback to construct next steps on the legal identity work** *complete*
- **Alejandro will contact all the committees with new memberships** *complete*

- ***Dani will revisit the feedback and glean themes and questions to present at the next meeting*** *complete*
- ***Jayne will contact the facilitators of the collective meetings letting them know that three board members will be attending Collective meeting A*** *complete*

Member Comment

None

Staff Report

Big Picture CAT Update for Board:

Recently completed a staff survey on our current existing accountability policy and processes. Currently working on next steps in aligning our practice with our written policies.

Working on honing the personnel coordinator job description within the parameters of the accountability system.

Planning a “retreat” to set priorities for the coming year – have a lot of deferred work to accomplish.

Staff is happy to be able to work their hours (cash recovery) and excited about getting some projects accomplished. We do have some folks leaving in the next few months.

The Board requests a short report on the Accountability survey results for the next meeting.

- ***Alejandro will get an report on the Accountability survey results***
- ***Alejandro will send out the Staff board restorative circle document to all***

Committee Memberships and participation

Alejandro compiled and presented a document with Board committee memberships and contact info for the Board’s review.

Erin needs to be confirmed for Co-op development and Member Relations.

There is no needed representation on the Big Picture CAT, but it would be great if a Board member would attend every now and then

‘Rights and Responsibilities’ Member Handbook

SEE ATTACHED DOCUMENT #1

This was a task completed as described in the Member relations charter. This document is the first of three parts. The two pieces remaining are the ‘Co-op decision making structure’, ‘Who to go to for what.’ and ‘How to Participate’.

**Proposal: The Board approves the 'Rights and Responsibilities' document
Consent**

Review of Staff Feedback re; legal identity

SEE ATTACHED DOCUMENT #2

Feedback was gathered from 42 staff members that attended three collective meetings. The feedback gathered at the Annual Meeting was also compiled. The major feedback categories are; Patronage and Discounts, Member Co-op vs. Worker Co-op vs. Stake holder Co-op, Other questions and comments, and other comments from members not covered above.

What is the problem we are trying to solve?

There is no actual problem, but the question has come up and was raised during the co-op conversation.

Is there a structure that would suit us better?

Patronage would do away with the discount structure but would save money on taxes.

Dani would like the stake holder option further discussed, as it would allow for a different board structure that could include more staff representation, working member, possibly even food producers

Fern suggests that the Task Force also write a small follow up report for the Newsletter to update the Membership on the progress of this work done since the Annual Meeting, at which a large amount of people participated.

- ***Task Force #4 will meet and make recommendations for the next steps to be presented at the next Board meeting***
- ***Task Force #4 will write a small report to submit to the newsletter.***

Committee Reports

Expansion Committee

Garden Center: We finally have the building permit. Construction will begin very soon. There's work to be done on the Little House, so there will be times when access will be restricted. Access to the other building should be minimally disrupted. We will replace the existing fence and gate and will be pouring concrete for ADA accessibility. The Implementation Team has been meeting every Thursday.

WS Remodel: The Merchandising Coordination Action Team is planning to bring a draft to the Collective in March or April

ES Expansion: We are still working on a plan of action to do the feasibility study for an additional warehouse and a remodel and expansion of the existing store.

Co-op Development

They recently held a meeting on strategic planning, Alejandro facilitated. The meeting included a brainstorming session; on mission and vision. They are eventually hoping to establish a co-operative network.

Outreach

They have been working with Member Relations on the crossover of their work. They are also looking at creating a process for the round up program at the registers.

Finance

Harry presented the 2013 End of the year financial report to the Board. We ended the year with a \$65,884.30 profit. Our cash has climbed to nearly \$600, 000. The work completed by the Staff and the Finance team to cut spending worked. They also looked at ratios and our ratios are improving as well. Since our cash situation is so good, we agreed that we don't want to borrow money to pay for projects this year unless we have to. The rest of the discussion centered on how and when to make a decision to borrow and how much. We agreed on a few benchmarks: To retain our improved cash position, we want to hold a goal of maintaining 15 days of cash on hand to create a healthy reserve; we'll borrow only if a project has a payback within about 2 years and we'll reevaluate our financial position in about 6 months when we'll have some good data on West sales and labor expenses accompanying the Garden Center project.

Personnel

Continued work on the Staff Handbook. They also talked about restorative justice practices within the Co-op.

Local

The committee met and reviewed the charter and looked at the various projects for the year.

Proposal: The Local Farms, Foods, and Products committee would like to change the name of the committee to the Local Committee

Consent

Proposal: The Local committee would like to change the staff membership criteria to 3-5 staff members representing a diversity of departments

Consent

- ***John will work with Erin M about contacting the Olympian for a follow up article***

Standing Hiring

Proposal: The Board approves the hiring of 5 new staff members.

Consent

Member Relations

They will be meeting next week with Outreach to talk about if the two committees should be combined into one. They also discussed having a regular column in the newsletter, and working on the work plan for the rest of year.

Proposal: The Member Relations committee would like to change the membership criteria of the members at large to 1- 4.

Consent

Eco planning

Has not met yet.

Task Force #4

Has not met, but will soon to review the compiled feedback and craft recommendations.

Board Staff Relations Startup

The survey has gone out to the Staff and Board and is open till the end of March. The committee will be meeting then to compile results.

Communication Draft

EXECUTIVE SESSION

Proposal: The Board approves the Boycott Communication Document.

Consent

Commitments

- ***Alejandro will get a report on the Accountability survey results***
- ***Alejandro will send out the Staff board restorative circle document to all***
- ***Task Force #4 will meet and make a recommendation on next steps before the April meeting and write a small report to include in the newsletter***
- ***John R. will work with Erin M. about contacting the Olympian for a follow up article***

Decisions out of Meeting

Proposal: The Board approves the January Minutes

Consent

Stand Aside – Erin Genia, Isa Rogol

Next Meeting

Member Comment

Commitments Review

Mission Statement

Announcements

Committee Reports

Staff Report

Task Force #4 recommendations and next steps on legal structure

Staff Accountability survey report

Commitments

Meeting Eval

- In the case of illness please cancel early in the day, so that meetings can be cancelled before the meeting assemblies

Attached Documents

ATTACHED DOCUMENT #1 RIGHTS AND RESPONSIBILITIES

See accompanying PDF file

ATTACHED DOCUMENT #2 REVIEW OF STAFF FEEDBACK RE; LEGAL IDENTITY

Summary of notes from staff meetings and annual membership meeting

Re: Legal Identity

(Staff participation in collective meetings: 42)

Patronage and discounts need to be discussed:

- Are discounts serving the co-op and it's members?
- Would patronage replace the low-income discount?
- If patronage overrides the discount, could shift our values.
- Those who spend more money get more money back, could be disadvantages to low-income folks
- How would we keep track of patronage?
- Do we have the resources to manage patronage? Labor hours?
- Patronage would not necessarily be 10%, depends on profit
- What happens if someone doesn't cash their patronage check?
- Would give people a reason to show their cards
- Discounts are already an issue because of affordability, how could we afford patronage?
- Tracking member purchases would be unpopular
- Patronage would create a two-class system, EBT would not get return

Member co-op vs. worker co-op vs. stakeholder co-op

- Some staff act as owners and disregard member ownership, which is our legal status.
- Currently runs more like a worker co-op
- Who would be the stakeholders? (staff, members, working members, local producers, farms)
- Does changing the legal identity affect member participation?
- How will the members be involved in this discussion? We are following up on an issue from the Co-op Conversation. (Newsletter, blog posts, website, social media, forum, member e-mail, etc.)
- How do we include all stakeholders in this discussion?
- Would a multi stakeholder system create a struggle of values?

Other questions and comments:

- What is the expense of implantation?
- Need to lay out the pros and cons of each options and stay within our values and talk about shared interests
- Is this necessary? Is there a problem that needs to be fixed?
- Let's not spend a lot of time on this if there isn't a payoff
- Continue to bring this issue to collective meetings as it moves forward
- Should we talk about membership dues?
- B corp (socially responsible for-profit business)
- Can we change the legal structure in a way that can raise more money? Preferred shares?
- How much have we paid in taxes in the past?
- Are there opportunities to change the ways we plan for things, like expansion, building an (untaxed) nest egg through budgeting?
- Raise shelf prices by 10%, give discount to members
- Can we set aside profit and talk more about co-op development and farmworker justice? Most profits are given away in discounts, can we restructure membership fees based on income and not just age/ability?

Other comments from members not covered above (annual meeting):

- Will there be buy-in from staff?
- Can we renew memberships by mail?
- Return to members should not just be based on what is spent in the store
- What is the compelling reason to change?
- Where we are at now is great
- Inform members of the benefits of a co-op when they join. This is not being shared when members sign up on the fly at the register.
- New member orientation?
- Can we establish a separate 501(c)3 status for education for taxes and other benefits? Would this complicate things?
- How do changes in legal status affect the volunteer system?
- Serious outreach to the membership is needed
- What are the rights and responsibilities as a co-op member (owner)?