



## Board Meeting Minutes

8.21.2014

### Attendance:

Niki Bilodeau, Dani Madrone, John Regan, Isabella Rogol, Teresa Young, Erin Genia, Mohammed El-Sokkary, Fern Moore (*Board Observer*), Alejandro Rugarcia (*Staff Representative / Facilitator*)

**Absent:** Josh Simpson, Micheal Snow

## Agenda

**Agenda Review**  
**Announcements**  
**Mission Statement**  
**Commitments Review**  
**Member Comment**  
**Financial Statements**  
**Appropriate use of disclaimer in the newsletter**  
**Elections and the Annual Meeting**  
**Expansion**  
**Staff Report**  
**Committee Reports**  
**Executive Session**  
**Commitments**  
**Meeting Evaluation**

## Meeting Minutes Approval

The Board of Directors approves the July Meeting Minutes

**Consent**

## Announcements

- Joshua will not be attending tonight
- Outreach is hoping to have the Board table at the *Love Our Local Fest*, please respond to Dani's email if you are available.
- The carpets will be cleaned in the office tomorrow

- Alejandro created a tabling chart for tabling for recruitment, please sign up if you are available.
- The Eastside exterior painting has been completed
- The Westside remodel has been completed!
- Harvest Party on September 14<sup>th</sup> at the Westside store, celebrating the Garden Center and the Westside remodel.
- Americorps brought 25 people to enhance the landscaping at the Eastside store.

#### Commitments Review

- **The Board would like the Task Force to come back with an estimated timeline.** Pending
- **Teresa will write an update on the Task Force #4 Board approved recommendation to the membership via the newsletter and will speak to it at the Annual Meeting** Pending
- **Alejandro will create a schedule for board tabling for board recruitment via the phone. He will send this document out to all** Complete
- **Niki will find the proposal from the bylaw review with information on board term lengths** Complete
- **Alejandro will continue to contact the website to update the bylaws**  
*Contacted them, pls review to ensure accuracy. Fern will follow up on this.*
- **All directors will send their bio to Alejandro (about a quarter of page)**  
*Some have completed this, others not.*

#### Member Comment

- **Mary and Bud and their friend:-**worked with the Tacoma food co-op, was part of the steering company. Love these meetings, and brought her friends that have lots of questions. Mary has been a member since 2004. How many of your vendors are cooperatives? She also had questions about expansion. But will stay and hear the Expansion item on the agenda.
- **Habib-** is the owner of Exquisite and Traditional and also on the local committee. Great job on the remodeling of the Westside!
- **Ben -** from the Community Farmland Trust, to introduce himself and discuss how our missions match and how we can continue to forge our relationship. The Farmland Trust assists in developing farms and preserving farmland. Would like to get on the agenda for a future board meeting. They have been active and are working with Enterprise for Equity to set up a farm incubator.  
*Dani is willing to meet with Dan to talk about possible collaboration.*

#### Expansion

To recap the recent work of the Expansion committee, the Co-op investigated opening a third store in the downtown corridor. After lots of analysis and effort it was determined that it was not the best course for the Co-op at that time. The committee recalibrated and purchased adjacent lots to the East and West side stores and determined three goals that were consented to by the Staff and Board.

- #1. Open a garden center at the little house property on the Westside
- #2. Complete a remodel of the Westside store
- #3. Complete an Eastside expansion.

With the completion of objectives 1 and 2, the Expansion committee has begun to do some work on the Eastside expansion. They contracted an engineering group, last year, to draft a drawing of our initial ideas. This included building a new warehouse on the lot and expanding the current stores

retail space. They ran initial feasibility studies with the city, as city codes within this zoning corridor had changed, that require upgrades that will need to be made to the street including installing a sidewalk. Upon the first phase on investigation into the expansion, the committee felt that they needed professional help with this massive project. They contacted the Development Co-op through the National Cooperative Grocers Association, who coordinates large remodels and projects for members of the NCGA. With the large scope of the project the committee also felt that it would be great to have a strong Board leadership role within this project. The committee would like to hear from the Board any questions they have, ideas pertaining to the project, and what or how they would like to move forward.

The committee is planning a first meeting with the Development Co-op this year, to go over their regular timelines and process and how we will incorporate our unique structure into this process. They also will be discussing ways to involve the general membership. The committee has bids for a new market study and the Development Co-op feasibility fees.

Ideas for involvement from the Board –

- Through their committee work
- Tabling
- Incorporate feedback and suggestions from the Development Co-operative
- Investigate financing options as well as possibly member financing.
- Engage the membership to investigate their needs
- Incorporate Co-op Conversation notes
- Investigate possibility of incorporating a Community kitchen within the expansion

Isa suggests that board of directors complete exit interviews detailing the work that they have done in their term.

Fern added that this Board did not have the opportunity to vision future expansion ideas. The objectives set in 2012 are in full motion and the committee values what ideas current Board members may have in informing future objectives. For outgoing Board members, please send your thoughts for future expansion ideas to Fern.

The Expansion committee wants the Board to be clear with the overall vision for this work. This is just the beginning of many meetings about the East expansion. They truly feel that we need the professional assistance for this project and will attend future Board meetings with more information and proposals to move this work forward.

### **Financial Statements**

Staff member, Corey presented the abbreviated version of our current income statement. Our sales are under our projected budgeted. We are only \$18,042.52 under. We made more on what we sold. There are many reasons why this is the case and the reasons vary by category. The new POS system is showing some advantages, our pricing is being updated quickly and this is increasing accuracy of the information that we have. There are many other factors that are positively influencing margin; inflation, the expansion of the Westside Garden Center which is selling higher margin products. We will learn how to budget better for next year.

Our expenses are all under spent, to the tune of \$65,000. Projects are not happening when we planned it. We try our best to budget our expenses month to month and we are not always right. We are under spent on medical expenses. But there are pending charges.

There was discussion about the expense overage on credit debit fees. This is a large expense for the Co-op in electronic processing fees. We recently updated information about these fees at the registers and in the recent newsletter.

Corey asked if the Board had any expenses to add to the 2015 budget. The Finance team needs these requests by or before September 18<sup>th</sup>.

- Exchange with CECOSOLA Sept /Oct 2015

The Board sets the profit goal for the budget. The Finance committee spoke to the need to build cash next year for the Eastside expansion. It makes us more applicable for a loan if we deem it necessary. The Finance committee has suggested a profit goal of 2 – 2.5% of total sales.

**Proposal-**

**The Board authorizes the goal of a suggested profit goal of 2% to 2.5% of total sales for the 2015 budget.**

**Consent**

**Stand Aside-** Alejandro

*Staff has not discussed this profit goal.*

**Appropriate use of the disclaimer in the newsletter**

John sent out concerns about the use of the disclaimer on the 'Free Speech' article. The Co-op itself wasn't sued, 16 people were sued. The threat was, that if 'the boycott was not ended that life would be very difficult'. The court has not looked at the boycott, but at the 16 individual's right of free speech. Two court opinions as well as state appeals court decision clearly stated that this is about free speech.

The 'Free Speech' article was written to inform people of this victory for free speech.

What is the criteria to putting a disclaimer on articles, is practice usual, how was this decision made? When we put a disclaimer on one article, are we saying that the Olympia Food Co-op endorses all other articles?

We don't understand why the disclaimer was put on that article and we do know what it communicates. It separates us from an issue that we have already decided on.

There were many other errors in this issue newsletter (intro tour dates), was the disclaimer also an error?

There is a request from the Board for a general disclaimer statement box, so that no one article or author is targeted.

The Board also thinks that there should be direct communication between the newsletter and authors of the articles.

- ***Alejandro will contact the newsletter editor and the newsletter coordinator for answers to the Boards questions.***
- ***Alejandro will also contact the staff newsletter coordinator to attend the next meeting to further discuss the newsletter process.***
- ***Alejandro will contact Josh about rescheduling his Board report.***

### **Staff Report**

New staff (hired this year) have had their three month evals and are beginning to move into areas of management.

We're in the early stages of the 2015 budget process. Departments are reviewing their work plans before proposing sales and margin goals. Capital plan ideas have been submitted for prioritization.

We're thrilled with the customer response to the Westside reset and happy that the project is nearing completion. Thanks to the board members who have been tabling during the reset.

Bradley, Adam and Grace are attending a multi-store workshop put on by the NCGA. We've gotten excited by several things we've learned and look forward to bringing some ideas back to the collective.

### **Elections and the Annual Meeting**

November 1<sup>st</sup> from 1-4 pm (location to be determined)

Agenda ideas –

- Expansion
- Celebrate all that was done this year (20<sup>th</sup> anniversary for the Eastside store, Westside Garden Center expansion, Westside remodel.)
- Co-Olympia
- Overall Co-op structure

There are 5 Board of Director vacancies for 2015  
(3 – 3 year terms and 2- 2 year terms)

### **Committee Reports**

***Expansion*** - Westside project is completed! We were over on labor hours and under spent in other areas. Yielding us to finish the project under budget!

***Hiring*** – has not met. But they are continuing work on recruitment which includes new flyers that are being distributed around the community.

***Personnel*** – met yesterday.

***Co- op development-*** has not met.

**Finance** – no finance representative in attendance.

**Local** – they are working on the Harvest party which is on September 14<sup>th</sup>. There will be 18 local food vendors, 6 at any one time demoing their products.

**Member Relations**- they are working on planning the Annual Meeting and generating content.

#### **Commitments**

- *The Board would like the Task Force to come back with an estimated timeline. Pending*
- *All directors will send their bio to Alejandro (about a quarter of page)*
- *Alejandro will contact the newsletter editor and the newsletter coordinator for answers to the Boards questions.*
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#### **Next Meeting**

**Community Farmland Trust**  
**Annual Meeting and Elections**  
**Newsletter process**  
**Commitments Review**  
**Member Comment**  
**Committee Reports**  
**Staff Report**  
**Announcements**  
**Mission Statement**