

# Bluff Country Co-op Board Meeting Minutes

Monday, November 14, 2016

6:00 pm – 8:30 pm

Winona State University, Minné Hall Room 243

Attendees: Dawn Schreiber, General Manager, Melissa Gordon

Board Members Present: John Chernega, Rachel Kimman, Diane Leutgeb Munson, Mary Kirk, Ann Lichliter, Aurea Osgood

Board Members Absent: Charlotte Roraff

TOPIC	DESCRIPTION	ACTION/OUTCOME		
-------	-------------	----------------	--	--

		Yay	Nay	Abstain
Task Review	<ul style="list-style-type: none"> <li>• All tasks were completed.</li> </ul>			
Review October Minutes	<ul style="list-style-type: none"> <li>• Diane motioned to approve the October minutes with the addition of the October 17th vote to approve Charlotte Roraff's two-month leave of absence. Rachel seconded.</li> </ul>	7	0	0
Board Member Self-Assessment; Review of Board Evaluation/Article /SWOT	<ul style="list-style-type: none"> <li>• Two articles were discussed: "Grassroots Co-op Closes Doors" and "Consolidation Vote Passes at Wedge and Linden Hills Co-ops."                             <ul style="list-style-type: none"> <li>○ Dawn included the articles so board members could have some insight into tough decisions that fellow co-ops are making right now.</li> <li>○ Article 1: It was noted that the article stated that the Anoka Food Co-op had been struggling for a long time.</li> <li>○ Article 2: The board found it interesting that both Wedge and Linden Hills are strong, healthy co-ops. They are consolidating from a point of strength, not necessity.</li> <li>○ Benefits of the consolidation include reduced insurance expenses and operational expenses.</li> <li>○ We should add to our SWOT analysis:                                     <ul style="list-style-type: none"> <li>▪ Weakness= We are just starting to understand some of the issues other co-ops are facing. We need to stay up-to-date with other co-ops, and with industry trends, both regionally and nationally.</li> </ul> </li> </ul> </li> </ul>			

	<ul style="list-style-type: none"> <li>▪ Threat= Big chain stores are carrying the same products. (So what makes a co-op the place to shop?)</li> <li>▪ Opportunity= Board members need to advocate for the Co-op in the community.</li> <li>• The Board reviewed the SWOT analysis created during the last meeting.</li> <li>• The Board discussed the self-evaluations created by the Board Development Committee: <ul style="list-style-type: none"> <li>○ Process of doing self-evaluation made some directors think more strategically about who to talk to, what to read to improve areas of weakness.</li> <li>○ Directors should identify reasonable goals to work towards.</li> </ul> </li> <li>• The board reflected on last year's board evaluation: <ul style="list-style-type: none"> <li>○ There seems to be less difference in board members' perceptions</li> <li>○ We still need to work on engaging owners and recruiting and training new board members</li> <li>○ For December meeting, board will retake the board evaluation</li> </ul> </li> </ul>			
GM Monthly Update	<ul style="list-style-type: none"> <li>• It was noted that the file name is 2017 November GM Monthly Update.</li> </ul>			
B1 Financial Condition and Education on New Financial Statements	<ul style="list-style-type: none"> <li>• Sales growth this month is probably about the same as last month. We are expecting a good season.</li> <li>• Since we began using a new accounting organization, the reports look different. <ul style="list-style-type: none"> <li>○ The balance sheet is fairly similar. Two main changes include the lines being broken out differently and more detail than before.</li> <li>○ Income sheet has changed more. A guide to the four main columns, from left to right: <ul style="list-style-type: none"> <li>▪ Current quarter, Previous quarter, year to date, last year's quarter</li> </ul> </li> <li>○ Within each of the four main columns are three columns. From left to right these three columns represent: <ul style="list-style-type: none"> <li>▪ The reality of the quarter, the current reality, percentage of income</li> </ul> </li> </ul> </li> <li>• Dawn is working with the organization to ensure all numbers are being recorded in correct place</li> <li>• John motioned to approve B1 Financial Condition. Aurea seconded.</li> </ul>	7	0	0
Committee	<ul style="list-style-type: none"> <li>• Board Development</li> </ul>			

<p>Updates Including Discussion of AMM</p>	<ul style="list-style-type: none"> <li>○ The Committee is working to ensure that new board members Johanna and Coleen are up to speed.</li> <li>○ The Committee has decided to implement new board member “mentoring” by having each veteran board director sign up for a different month to reach out to the new board members in whatever way they choose (e.g. meet before a board meeting or go out for coffee). Veteran board members should email Aurea their chosen month.</li> <li>○ December board meeting will be a potluck at Ann’s house.</li> <li>• Social Equity <ul style="list-style-type: none"> <li>○ The Committee will be meeting this week.</li> <li>○ This month’s Catholic Worker dinner is this Frida. Three owners reached out after hearing the pitch at the AMM and will be joining the board in serving the meal.</li> </ul> </li> <li>• Member Outreach <ul style="list-style-type: none"> <li>○ The Committee will be meeting this week to wrap up AMM.</li> </ul> </li> <li>• Annual Member Meeting comments: <ul style="list-style-type: none"> <li>○ Meeting was fun.</li> <li>○ We should find a bigger place.</li> <li>○ Perhaps we can hand food tickets out to those who RSVPd.</li> <li>○ Door prizes!</li> <li>○ Next year is our 45<sup>th</sup> anniversary so we need to throw a killer party. Debi Niebuhr wants to be on the committee for next year.</li> </ul> </li> </ul>			
<p>Expansion and Capital Campaign Updates</p>	<ul style="list-style-type: none"> <li>• We need just under \$29,000.</li> <li>• All of the equipment has been sourced and bid out to 4 different organizations.</li> <li>• We’re in discussions with the USDA to find out to what degree an environmental study is needed.</li> <li>• The future appraisal is due back to us tomorrow.</li> <li>• A meeting is scheduled this week with the Southern MN Initiative Foundation regarding GAP funding.</li> <li>• A 24K façade loan we are pursuing is contingent on someone from the historical society in St. Paul coming down to our store.</li> <li>• Patronage checks should be sent out this week.</li> </ul>			
<p>Directors and Officers Liability</p>	<ul style="list-style-type: none"> <li>• Directors and Officers Liability Insurance protects the board since directors have fiduciary responsibility for the co-op. The board hasn’t had it for a while but given that we are doing a major project it makes sense to get covered.</li> </ul>	7	0	0

Insurance	<ul style="list-style-type: none"> <li>We had slated \$1,000 in the board budget for the insurance.</li> <li>Quote for \$500,000 of insurance is \$900, and for \$1,000,000 of insurance is \$1,600.</li> <li>Aurea presented how the different costs would affect the board's budget in terms of what % of the store's income goes to the board's budget.</li> <li>It is worth noting that one company declined to give us insurance since we are going into a project.</li> <li>The Board agrees that the \$1,000,000 coverage is worth it.</li> <li>Rachel asked that the Directors and Officers Liability Insurance be put into December packet.</li> <li>Ann motioned to purchase the \$1,000,000 Directors and Officers Liability Insurance to begin January 1, 2017. Mary seconded.</li> </ul>			
Discussion of Hiring an Outside Organization to Conduct a Financial Review Per Feb. Meeting	<ul style="list-style-type: none"> <li>Last February the board decided that this November the board would discuss the recommendation to hire an outside organization to conduct a financial review.</li> <li>Dawn respectfully asked that the board table this decision until the project is underway.</li> <li>Given that many different eyes from various outside organizations are already reviewing our finances each month, the board agreed.</li> </ul>			
Meeting Adjourned	<ul style="list-style-type: none"> <li>Meeting adjourned at 8:09pm.</li> </ul>			

TASK	RESPONSIBLE PARTY
<ul style="list-style-type: none"> <li>Update October minutes to include vote to approve Charlotte Roraff's leave of absence.</li> </ul>	Melissa
<ul style="list-style-type: none"> <li>Update SWOT analysis to include new items.</li> </ul>	Melissa
<ul style="list-style-type: none"> <li>Create board evaluation and send to Melissa.</li> </ul>	Aurea
<ul style="list-style-type: none"> <li>Take board evaluation prior to December 5.</li> </ul>	All board members
<ul style="list-style-type: none"> <li>Let Aurea know about what month you would like to mentor new board members.</li> </ul>	Veteran board members
<ul style="list-style-type: none"> <li>Put Directors and Officers Liability Insurance information in the December packet.</li> </ul>	Aurea
<ul style="list-style-type: none"> <li>Purchase Directors and Officers Liability Insurance for January 1, 2017.</li> </ul>	Dawn
<ul style="list-style-type: none"> <li>Add to future agenda: Discuss hiring an outside organization to</li> </ul>	Ann

conduct a financial review.	
-----------------------------	--