

## Bluff Country Co-op Board Meeting Minutes

Monday, May 14, 2018

6:00 pm – 8:30 pm

Bluff Country Co-op Community Room

Attendees: Dawn Schreiber, General Manager, Melissa Gordon, Administrative Assistant

Board Members Present: Jenn Baechle, Coleen Bremer, Eileen Hanson, Rachel Kimman, Chris Livingston, Aurea Osgood, Johanna Rupprecht

Board Members Absent: Donna Kamman, Ann Lichliter

TOPIC	DESCRIPTION	ACTION/OUTCOME		
		Yay	Nay	Abstain
Task Review	<ul style="list-style-type: none"> <li>• All tasks were completed.</li> </ul>			
Review April Minutes	<ul style="list-style-type: none"> <li>• Two minor mechanical changes.</li> <li>• Rachel motioned to approve the April minutes with Dawn's changes. Johanna seconded.</li> </ul>	7	0	0
C2: The Board's Job	<ul style="list-style-type: none"> <li>• C2 (1) comment: Owners should have a way to vote other than in-person at the AMM.</li> <li>• C2 (1) discussion: We have tried paper ballots before, but it was expensive. Additionally, there are services that do this, but those are also expensive. Perhaps we could offer an online ballot. Aurea will create an ad hoc committee to look into this.</li> <li>• C2 (2a) comment: I need to know more about the strategic process.</li> <li>• C2 (2a) discussion: The strategic process used to evaluate the GM is to monitor the GM's performance monthly via the Monitoring Report and the Store Report. When it is time for GM's annual review, the GM submits a proposal and the Board, taking into consideration the previous year's Monitoring Reports and Store Reports, considers and evaluates the proposal, then responds.</li> <li>• C2 (3) comment: Assign responsibility to whom? GM, BOD, or both? Should this be spelled out more clearly?</li> <li>• C2 (3) discussion: The BOD can assign tasks only to the GM</li> </ul>			

	<p>or BOD, no one else. The policy is specific enough to indicate this but not so specific as to cloud future tasks/roles. It will stay as is.</p> <ul style="list-style-type: none"> <li>• C2 (4) comment: I am not sure what “board performance in the areas of Board Process and Board-Management Relationship” means and how we rigorously monitor this.</li> <li>• C2 (4) discussion: This refers to the board monitoring surveys the board takes each month.</li> <li>• C2 (5b) comment: Have we identified the qualifications that board members should have?</li> <li>• C2 (5b) discussion: Board Development Committee is working toward on improving the recruitment process, including identifying what qualities, skill sets, areas of diversity from which the board would benefit.</li> <li>• C2 (6) comment: It would be helpful to have examples of these duties.</li> <li>• C2 (6) discussion: Examples include: Stock certificates, looking into alternative voting, revising the by-laws.</li> </ul>			
C6: Officers’ Roles	<ul style="list-style-type: none"> <li>• Only four board members took the survey.</li> <li>• C6 (3c) discussion: How does the president plan for perpetuation? In practice, the president initiates the conversation, clarifying officer roles and responsibilities and gauging interest. This topic has also been discussed in the board development committee.</li> </ul>			
B1 Financial Condition	<ul style="list-style-type: none"> <li>• Numbers look as expected.</li> <li>• We are the third highest growing co-op in the country right now.</li> <li>• We are out of compliance in net income. This is partially due to the fact that many things we bought for the new store are not depreciable, and therefore are categorized as “store expense.”</li> <li>• Our current ratio (current assets divided by current liabilities) is barely in compliance. We anticipate it going out of compliance for a few quarters.</li> <li>• Owner equity grew 11% this quarter; our goal is 10%.</li> <li>• The report includes a list of loans and where we are at with those.</li> <li>• Dawn and the pricing coordinator are working with buyers to adjust margins. New policies have also been put in place. Once margins are under control, a new payroll policy and pay scale will be implemented. Dawn expects to see improvement this quarter, but it may take two quarters to get back to where we want to be.</li> <li>• Our expenses have been rising as a result of a larger space with more expense.</li> </ul>			

	<ul style="list-style-type: none"> <li>We are getting rebates back from Xcel energy.</li> <li>Aurea motioned to approve B1. Rachel seconded.</li> </ul>	7	0	0
B2 Planning & Budgeting	<ul style="list-style-type: none"> <li>Dawn deleted some fields from the FY18-19 Goals spreadsheet that was included in the board packet because she didn't want the Board to get bogged down with too much detail.</li> <li>Financial goals: We are working with our budgeter to fine tune the budget. Our number of days of cash on hand will be changing significantly. Dawn is strategizing to see how we can keep more cash on hand. This may involve reducing our loan payments. This would require USDA approval, and the president and secretary would need to sign new loans.</li> <li>We are overspending by \$6K each quarter, but we may be able to reduce our loans by \$2K/month.</li> <li>In two years we may have another preferred share campaign to pay off the preferred shares that are coming due.</li> <li>Dawn will add annotations to future graphs.</li> <li>Eileen motioned to approve B2 Planning &amp; Budgeting. Chris seconded.</li> </ul>	7	0	0
GM Update	<ul style="list-style-type: none"> <li>It's great to see so many new owners!</li> <li>Thank you to Rachel for helping at Earth Day.</li> <li>Add to next month's agenda: Transferring stock and our by-laws.</li> <li>Johanna motioned to approve the GM update. Rachel seconded.</li> </ul>	7	0	0
Committee Updates/Progress Toward 5-Year Goals/Membership Outreach Chair Discussion/Community Fund Discussion	<ul style="list-style-type: none"> <li>Board Development <ul style="list-style-type: none"> <li>Plans to meet in June.</li> <li>Discussed recruitment and onboarding.</li> </ul> </li> <li>Social Equity <ul style="list-style-type: none"> <li>Our application for the Community Fund was accepted.</li> <li>The Committee will meet with Dawn and Melissa next week to discuss next steps, which include creating an advisory board and getting donations into the fund.</li> <li>This is how it works: We donate money to the fund. The donated money is used to finance cooperative projects around the country. The interest from the donated money is paid back to us annually and we use the interest to donate to an organization in our community. The organization we donate to must be a 501c3 and must fall under one of these categories: environment, community, food and hunger, or cooperatives. The organization cannot be involved in</li> </ul> </li> </ul>			

	<p>political lobbying. We need to figure out which local organizations are eligible and decide how to disburse. Perhaps we will create a statement of purpose for this fund.</p> <ul style="list-style-type: none"> <li>○ We need to look into the possibility of donating the interest to a local community fund, which would host a scholarship to help pay for an ownership for a low-income person.</li> <li>○ We will grow donations through round up at the register.</li> <li>○ The summer newsletter, which should hit mailboxes June 1, includes an article about the Fund.</li> <li>● Membership Outreach <ul style="list-style-type: none"> <li>○ We reviewed our mission and vision.</li> <li>○ Evaluating the website and considering an orientation video for new members.</li> <li>○ Donna and Ann are both willing to switch committees to become the chair of this committee. Jenn will email them and once we have a new chair, the committee will meet again.</li> </ul> </li> <li>● AMM <ul style="list-style-type: none"> <li>○ Met earlier this month. Agenda is updated in committee folder.</li> <li>○ Charter has been created.</li> <li>○ We are working on action steps to accomplish tasks in 5-Year Planning spreadsheet.</li> <li>○ Will meet again in early July.</li> <li>○ Board members can help us in our planning by asking owners what they want to know about the co-op and why they attend the AMM.</li> <li>○ Our growth award should be highlighted at the meeting.</li> </ul> </li> </ul>			
<p>Board Strategic Work: a. Letter to Port Authority b. Board discusses reading: Board/G M Relations hip c.</p>	<ul style="list-style-type: none"> <li>● Letter to Port Authority <ul style="list-style-type: none"> <li>○ Change 1: Changes given by Dawn.</li> <li>○ Change 2: Paragraph 1, sentence 1: Remove “My name is.... the entire Board” and begin letter “The Bluff Country Co-op Board of Directors would like to express concern...”</li> <li>○ Change 3: Paragraph 2, sentence 2: Remove “Our perception is that” and begin sentence “The tenants...”</li> <li>○ Change 4: Paragraph 2, sentence 3: Remove “We feel that” and begin sentence “The proposed parking changes...”</li> <li>○ Change 5: Paragraph 3, sentence 1: Remove “tries its</li> </ul> </li> </ul>			

Retreat Review and next steps	<p>best to” and write: “BCC ensures maximized parking...”</p> <ul style="list-style-type: none"> <li>○ Change 6: End of letter: Include each board member’s name.</li> <li>○ Jenn will make changes and send letter.</li> </ul> <ul style="list-style-type: none"> <li>● Reading: Board/GM Relationship <ul style="list-style-type: none"> <li>○ Postponed until next meeting.</li> </ul> </li> <li>● Retreat review <ul style="list-style-type: none"> <li>○ Postponed until next meeting.</li> </ul> </li> </ul>			
Vote on Board Budget	<ul style="list-style-type: none"> <li>● No discussion.</li> <li>● Chris motioned to approve the board budget. Eileen seconded.</li> </ul>	7	0	0
Closed Meeting	<ul style="list-style-type: none"> <li>● The board met in a closed meeting to discuss the GM contract and closed meetings.</li> </ul>			

TASK	RESPONSIBLE PARTY
Aurea will create an ad hoc committee to look into online voting as an alternative or supplement to in-person voting.	Aurea
Get Melissa a list of desired skills for board members to include in next newsletter and on bulletin board.	Board Development Committee
Dawn will add annotations to future financial graphs.	Dawn
Add to June agenda: <ul style="list-style-type: none"> <li>○ By-law changes.</li> <li>○ Reading: Board/GM Relationship</li> <li>○ Review retreat</li> </ul>	Ann
Jenn will email Donna and Ann about becoming the chair for the Membership Outreach Committee.	Jenn
Jenn to make changes (listed above) to Port Authority letter and send to Port Authority.	Jenn