Moscow Food Co-op Monthly Board of Directors Meeting
Monday, March 2, 2020
Fiske Room, 1912 Center, Moscow, ID
Present: Melinda Schab (GM), Dave Sutherland (President), Cheyne Mayer (Co-Secretary/Treasurer), Laurene Sorensen (Co-Secretary/Treasurer), Mark Thorne (Board), Rob Ely (Board), Isabel Barbuto (Board), Alice Ma (Board), Chloe Rambo (Board Admin)
Absent: Carol McFarland (Vice President), Ken Hart (Board)
Facilitator: Idgi Potter
Guests: Deb Reynolds, Finance Manager

Seven of nine Directors present; a quorum is reached.

OWNER FORUM

Owner Forum is a time for the Board to listen to owner comments. The Board will, if requested, follow up after the meeting.

There were no owners present who wished to speak during the owner forum.

CONSENT AGENDA

Motion to move the Executive Session on the Video Co-op from last on the agenda to immediately follow the Consent Agenda due to time restraints, seconded, passed 7-0-0.

The Board found edits to be made to February 2020 Board Meeting Minutes. Approval of January 2020 Board Meeting Minutes updated to a 7-0-0 vote. Motion to approve the consent agenda with edit to be made, seconded, passed 4-0-2.

Writing Assignment for April Community News: Nominations & Elections (Mark) with recap of elections.

GENERAL MANAGER FYI REPORT

SALES

- January sales were **down 6.2 %** compared to January 2019.

Agenda topic key: SI=Share Information, AT=Advance the Thinking, PI=Provide Input, MD=Make Decisions, ITC=Improve Team Communication, BTC=Build Team Capacity, BC=Build Community

- New Ownerships:

	2017	2018	2019	2020
October	119	103	105	
November	57	87	61	
December	60	71	56	
January	124	113	116	82

CUSTOMER SERVICE

- Customer Experience Survey results:

	Jan-19	Jan-20
Overall Satisfaction	73%	81%
Availability of Staff	67%	74%
Friendliness of Staff	72%	80%
Helpfulness of Staff	70%	70%
Cleanliness of Store	73%	80%
Availability of Products	50%	49%
Greeted by Someone Other Than Cashier	61%	65%

DOWNTOWN OPERATIONS (Updates provided by Kerry)

Center Store:

- Rather than simply replacing a stocker who is moving to the southwest to start a goat farm, the Grocery team has hired a second receiver to back-up our lead receiver in the interest of improving departmental resilience and scheduling flexibility.

Prepared Foods:

- Coming Soon - we're adding a 20oz drink cup option.
- The Deli Service Manager is now overseeing the Campus Lead.
- The team is still working on the addition of an oatmeal program; we've been delayed by some unplanned departures of key staff and heavy server turnover.
- A new spring menu to launch in March with even more expanded vegan options and limiting peppers and spice in line with customer comment card trends.

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Recent positive customer feedback:
2/23: I can get products there that I know I can trust and their FLOWER program makes healthier eating more affordable and possible for our family. (Customer Experience Survey)
2/18: My special orders come in promptly and I'm notified when they do. I'm told when there are problems with the products I use regularly and the staff is friendly and knowledgeable. (Customer Experience Survey)
2/17: I was at first skeptical as to whether a vegetarian banh mi (with tofu instead of pork) could really have that completely distinctive banh mi taste. But this one absolutely does – it's amazing! Kudos to the chefs! (Comment Card)
2/11: Peg the wine buyer! Thank you! I came here specifically to find good Oregon Pinot Noir. I used to work at Patten Valley Vineyard and am so excited to see you carry them! Dereck the winemaker is the best! Again, keep doing what you're doing! (Comment Card)
2/11: Thank you for the variety in the cold and hot bar today. I enjoyed the kale, apple, and quinoa salad so much that I requested the recipe! Thank you, too, for the recent follow-up call when I registered a complaint. (Comment Card)
2/6: They are friendly! And it is clean. And everyone is very helpful. I like that I can trust the brands that they pick to put on the shelves! (Customer Experience Survey)
2/5: Outstanding staff, wonderful produce and grocery, and live local food options! (Customer Experience Survey)
2/3: We like the products and service at the Co-op. Always a pleasant experience shopping here. We were able to get a good lunch. (Customer Experience Survey)
2/3: Thank you for wrapping burritos in paper and not aluminum. My family has been cleansing aluminum out of our bodies for 3 years. We don't want any more aluminum. (Comment Card)

<u>MARKETING & OUTREACH (Updates provided by Marketing)</u>

- Owners week brought in **89 new owners** (more than the previous three February Owner's Weeks each brought in). 2,888 total owners took advantage of the 15%-off discount. Marketing met lots of folks at the owner engagement table.
- 12 media placements January 2020.
- Dime in Time results for January 2020 were an ALL TIME RECORD:
    - 8,442 dimes were donated to one of the three possible recipients.
- FLOWER
    - 7 new participants signed up in January
    - Total current participation: 179

- Upcoming events:
    - February 29 - Healthy Eating on a Budget 2: Protein
        - A Co-op class taught by Alice Ma. Attendees will sample easy, low-cost recipes that are 100% plant based and free of the 8 most common food allergens. This class's theme is plant-based protein. $5, $3 for Co-op owners and free for student owners and owners participating in FLOWER. Saturday, February 29 at 4:30 p.m. at the Co-op on Campus
    - March 27 – Craft Beer 101: Beer and Cheese Pairings

        - The newest in our educational series on beer, this class will focus on pairing foods with different styles of beer. Class takes place at 6 p.m. at the Co-op on Campus
    - March 28 - Healthy Eating on a Budget 3: Fruits and Vegetables
        - A Co-op class taught by Alice Ma. Attendants will sample easy, low-cost recipes that are 100% plant based and free of the 8 most common food allergens. This class's theme is fruits and vegetables as the centerpiece of the meal. $5, $3 for Co-op owners and free for student owners and owners participating in FLOWER. Saturday, March 28 at 4:30 p.m. at the Co-op on Campus
    - April 4 – Zero-Waste Cooking
        - This unofficial member of the Healthy Eating on a Budget series is focused on using parts of the food we might ordinarily consider scrap, like peels, greens, and stubby ends. Class begins at 4:30 p.m. at the Co-op on Campus
    - April 24 – Wine 101: White Wines
        - Peg teaches this class all about wine and how to differentiate between different styles. We'll be pairing each one with cheese from the Co-op chosen to bring out its flavor. Class takes place at 6 p.m. at the Co-op on Campus
    - April 25 – Healthy Eating on a Budget #4: Everyday Desserts
        - This is Alice's favorite class, where she shows off easy desserts that you can make part of your everyday routine. Class takes place at 6 p.m. at the Co-op on Campus

<u>PHYSICAL PLANT</u>

- IT
    - We are working closely with NCG and Cordelia (David Nelson and daughter Kate's company) to prepare our e-commerce platform. Look for a soft launch in June.

- Facilities
    - Facilities is working closely with the Bakehouse to coordinate delivery of baked goods now that the bakery has been relocated.
    - Annual sustainability metrics reporting (as part of the Co-efficient program is underway.
    - We haven't yet decided on what we're replacing the cold salad case (self-serve, currently being used as an ice table). Ken, a Prepared Foods Specialist with NCG, is helping us make an informed decision.
    - We're going to be cleaning out the Co-op storage units in March and we're considering having some kind of garage-sale style event to give owners an opportunity to purchase things we're no longer using.

FINANCE & HUMAN RESOURCES (Updates provided by both Deb and Heather)

- All 2020 departmental budgets are available for manager to access for their planning and performance tracking purposes.
- Finance has been doing prep work for both income taxes and the annual review by Wegner. Deb estimates that she is approximately 85% ready. We're still waiting on final depreciation figures from Kevin, the local CPA.
- Deb is re-reading "Finance for Non-Finance Managers, making notes, and getting ready to help the GM develop a better finance training for directors.
- Heather (HR) is currently updated all Job Descriptions with organization-wide expectations around customer service and attendance. She's also adding clarity to Pay Groups and FLSA status.
- The Employee Handbook updates are coming along.
- Heather completed end of year reporting, including W2s, ACA reporting, and 401k reconciliation.
- Heather implemented Push Reporting in Paycom. Managers will now receive automatic reports about weekly labor and attendance.
- Heather implemented Performance Management documents in the HR system. This will allow managers and employees to reference these documents digitally in each employee's file, Managers and employees are also able to create Development Plans for growth and promotion.

GM shared more information on the noted Oatmeal Program. The hot cereal program is seen as a priority for National Co-op Grocers (NCG). One soup well in the deli will soon be dedicated to oatmeal in the mornings. Melinda did not have an update on how soon Prepared Foods/Deli will be ready to launch this program, but it has been in discussion.

GM discussed the recently received refund on health insurance from Blue Cross. This funding is not an annual dependable refund, so Deb Reynolds, Co-op Financial Manager, is not budgeting this funding to offset the cost of health insurance.

BRIEF ANNOUNCEMENTS AND ACTION ITEM FOLLOW-UP

Board Action Items – 3.2.2020

Owner Engagement *(internal action items kept separately)*

Nominations and Elections *(internal action items kept separately)*

Policy & Bylaw *(internal action items kept separately)*

1. Policy & Bylaw will create job descriptions for Executive Committee positions.
2. Policy & Bylaw will create a draft of the Board's Mission Statement.
3. Policy & Bylaw will create an SOP on Roberts Rules of Order.

4. Policy & Bylaw will review policy B1.

Executive Committee (*internal action items kept separately)*

1. The Executive Committee will draft a statement regarding the Board's commitment to workplace excellence.
2. The Executive Committee will look at the historical number of owners.
3. The Executive Committee will review annual compiled policy monitoring document.

General

1. The Board will discuss internal Board policy monitoring at a future executive session.
2. At an upcoming Board retreat or work session, the Board will spend time learning how to read and understand financial statements.
3. Melinda will explore the cost of a trade area evaluation.
4. Melinda will research offering customers Bring Back Bags at no cost.

DONE

- The Executive Committee will investigate how to evaluate GM compensation.
- Melinda will calculate payroll during the hours of 8-9 p.m. – Removed
- The Board will revisit a discussion on charging for paper shopping bags at the register.

Parking Lot:

- Board meeting: A store tour for Board members
- Work session: Committees
- Conversation about staff interest in training and purchasing using discount
- When are we rescheduling Board Meetings?

BUSINESS AGENDA

GM Monitoring Reports (MD)

Policy B1: Financial Condition & Activities

Board discussed expectations on getting food out and available all day. Melinda asked Board members if they see something that looks fantastic to share with Melinda and she will share that feedback with the team.

Board went over the financial information and goals while reviewing Policy B1. Melinda discussed the importance of balancing items available in prepared foods to strike the right balance of providing options and still making margin.

Action: Melinda will provide a plan to the Board regarding how the kitchen/deli/prepared food section on how the department is going to work to reduce overtime costs.

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Board questioned whether there were any other areas in the Moscow Food Co-op that needed monitoring.

Action: Melinda will ask department managers (of departments that are not meeting margin) for their plans to get back on track when they are not meeting the goals set for them.

Melinda asked the Board if they would like more information regarding labor costs compared to sales cost (as this is something Melinda calculates weekly). Information will be emailed weekly. Melinda will add a note to this information stating the clarification that it is operational information on not within the Board's direction.

Action: Melinda will create a weekly email for the Board to compare labor costs to sales costs with note to this information stating the clarification that it is operational information on not within the Board's direction.

Action: Chloe will add the review of Policy B1 to the next agenda for Policy and Bylaw Committee.

Board also discussed the availability of documents that compare sales by year rather than just by quarter.

Policy B1
Motion to accept Policy B1, seconded, passed 7-0-0.

Policy B2: Planning and Financial Budgeting

Because Directors and Officers Insurance costs went down from previous years the Board's budget was reduced $7,200 for FY2020.

Board discussed barriers to making a profit.

Policy B2
Motion to accept Policy B2, seconded, passed 7-0-0.

Policy B9: Emergency GM Succession
The Board asked clarifying questions to GM regarding Policy B9 with acknowledgement of non-compliance and request for supplemental information.

Motion to accept Policy B9, seconded, passed 7-0-0.

Board Monitoring Reports (MD)

Policy C3:
Call to vote, passed 7-0-0.

Policy C4 removed from the agenda as Board Admin sent outdated policy for monitoring. C4 rescheduled for monitoring for the April 2020 Board Meeting.

Action: Chloe will follow up with Board about developing an updated calendar to track policies.

Board brought up the need for a "calendar" to better track policies to be monitored.

Citizen's Climate Lobby Support (PI and/or MD):
Motion to publicly support the Citizen's Carbon Fee & Tax Dividend, passed 7-0-0.

Upcoming Elections:
Laurene suggested the Marketing team share more information about elections on March 10.

Action: Melinda to discuss advertising the upcoming elections (city, state, national) with the Marketing team.

Spring Retreat Dates:
Friday, April 24th and Saturday, April 25th
Alice: List of topics to cover at Spring Retreat (with new Board Members)

- Overview of financial education
- Robert's Rules of Order training (interest in inviting Heather's son's FFA group)
- Go over "Our WHY" discussion – notes from Board Work Session and integrating new board members into this theory to help create the Board/Co-op's WHY

Collection of Topics for Board Orientation and Board Continuing Education:

- Financial trainings offered by author of "Grocery Story"

Review of Board Work Session (SI):
Board briefly discussed the conversation at the Board Work Session. The Board would like to see some of the thoughts from the Work Session move forward. The Board will continue discussion at the Board Retreat and will consider scheduling another work session to continue.

Board Officer Election:
Board discussed the levels of training needed to get board members feeling up to speed on their executive roles (using past experience to educate training for the future).

Board discussed voting on Executive Officers in April. Board officers need to have a statement of interest emailed to Chloe by deadline of March 30th for submission in the April Board meeting.

Committee Reports (SI):

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- Nominations & Elections: Candidate Orientation went well. Candidate Forum will be held March 23 in the Co-op Deli and will be streamed live on Facebook. Committee discussed how service on the Board is welcoming of families and parents and this should be more widely advertised to attract more applicants and volunteers.

- Policy & Bylaw: Has not met.

- Owner Engagement Committee: Decided upon top 3 applications for Co-op Community Fund $1,000 grant. Committee shared over the results of Owners Appreciation Week results and discussed the new PO joining the committee for the April meeting.

- Executive Committee: Committee had a phone call with CBL consultants and are waiting for the introduction of the new consultant to support Board work. Discussed suggestions to improve the success of the activity including not making Owners answer a trivia question, but rather share a fun fact or tip.

- Strategic Vision Committee: Has not met.

Board shared success story of a start-up co-op store on Orcas Island. Owners purchased an old store and fixed it up and will rent out to the United States Postal Service in the back. Great idea to have a store front alongside with the income of a renter/Post Office.

Notes taken by Chloe Rambo
Meeting adjourned at 9:29 p.m.

Signature of the Board President Date

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