



Board Meeting Minutes
January 8, 2020
APPROVED

Present: Julie O'Dwyer, Ed Claassen, Trine Ostergaard, Charlie Douglass, Annie Hoy, Steve Bowman, Melina Barker and Lisa Beam. **Others present:** Emile Amarotico, General Manager; Abby Lazerow, Board Administrator.

Facilitator: Melina Barker Timekeeper: Lisa Beam The meeting was called to order at 6:02 p.m. by Melina Barker.

	ITEM DESCRIPTION	DISCUSSION	ACTION/ FOLLOW-UP
1.	Positive Affirmation	<ul style="list-style-type: none"> Steve Bowman led the positive affirmation. 	
2.	Owners Forum	<ul style="list-style-type: none"> Julie O'Dwyer welcomed the owner employees to the Owners Forum. Employees, the GM, Board, and Owners are all pillars of the Co-op. The Board appreciates hearing their comments. Owner employee Rianna Koppel read a letter that she wrote asking the board to reconsider their recent vote to increase the Board discount. She requested the Board share the survey data used to determine the stipend increase and the chart of the hours that directors work. Having a greater discount than employees negatively impacts staff morale. Rianna also presented a letter from a member owner Sara Huque who could not attend the meeting. Owner employee Betsy De Gress said while it made some sense that 	

		<p>an increased discount could attract more people running for the Board, having the Board discount higher than the employee discount impacted the morale of the staff and created a class division. She hoped there could be other ways to attract working Board directors and said it would be helpful if the staff were more educated about the work of the Board.</p> <ul style="list-style-type: none">● Employee and AFCEA Chair Chessley Sexton said that the Board made a blunder by increasing their discount to 20%. The increase created a class division and strong emotions. Even if the Board decides to keep the Board discount at 15%, employees will now negotiate for 20%. AFCEA will create an amendment to the contract to discuss and debate at an upcoming meeting.● The Board President acknowledged that symbolically the increased discount could be seen as a dividing issue and the Board was naïve to not anticipate a reaction by employees. As a result, the Board has delayed implementation of the increased discount. Further, the President explained that the Board is very clearly a working board, with directors serving an average of 250 hours a year, serving on three committees and attending trainings and retreats. Directors earn an average of \$7.50 an hour, which is meaningful, but not enough. It is a big commitment to serve on this Board and the Board had wanted to find ways to attract a diverse Board and support young working directors and their families. A shopping discount encourages the board to more actively participate in the store's business. There are also some tax benefits to the discount over a stipend.● One employee present mentioned a computer benefit and the Board President clarified that the Board computer benefit was eliminated 1-1/2 years ago. Although staff also expressed concern that the November minutes were not yet posted, the President explained that the Board policy is to only post the minutes after they are approved by the Board at the next Board meeting, and there was no Board meeting in December.● Employee James Dills 4904 said the Co-op has the opportunity to shift the direction of the natural foods industry. He asked the Co-op to promote companies that share the same values. Many large corporations such as Unilever, Pfizer, Nestle and General Mills own	
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		<p>many natural foods brands such as Garden of Life, 7th Generation and Annie's. Multinational corporations are destroying the environment, proliferating chemicals and plastics. He advocated for the Co-op to buy more products produced within several hundred miles. He encouraged the Board to promote even higher product standards.</p> <ul style="list-style-type: none"> James also had concerns that the cost of the Co-op's cultural agility training affected the productivity bonus. The Board President informed him that the Board will increase the labor cap to cover the cost of cultural agility training. 	
3.	Opportunities	<ul style="list-style-type: none"> Grants information night February 19, 6:30 p.m. in the Co-op Classroom. 	
4.	Agenda Review	<ul style="list-style-type: none"> Done. 	
5.	Consent Agenda:	<ul style="list-style-type: none"> The Board unanimously approved the following Consent Agenda items: Board Meeting Minutes, November, 2019 Executive Session Minutes, November 2019 Board Finance Report, October 2019 	The Consent Agenda was approved.
6.	BDC Proposal – Board Officer Vacancies Following Board Elections	<ul style="list-style-type: none"> The BDC proposed a policy for Board Officer vacancies. The Board unanimously approved the policy for Board officer vacancies, with a modification to the last sentence. "If there are vacancies in Board officer positions immediately following the Board elections in June, the Board will temporarily appoint retiring or continuing Board directors to serve in vacant Board officer positions between the mid-June and the August Board meetings. Only active directors will be voting members of the Board." 	The Board approved the policy for Board officer vacancies.
7.	GM Evaluation Process Update	<ul style="list-style-type: none"> Managers received the GM evaluation forms. The evaluations are due by January 21 at 9 p.m. Evaluation of the GM Goals will be held during the February 2020 Executive Session. 	
8.	Review of Impact of of Additional Board Director	<ul style="list-style-type: none"> The Executive Committee recently reviewed the impact of an eighth Board director. Adding the position allowed for continuity in the Treasurer position, allowed for more learning time for new directors, and will help even out committee assignments. The additional director position has not complicated the Board's communication flow. The Executive Committee recommended all new directors should 	The Board agreed to make the Board an eight member Board.

		<p>attend at least one meeting of all the committees.</p> <ul style="list-style-type: none"> • The Board President proposed the eighth director position be an ongoing position. The Board unanimously agreed to make the Board an eight-member board. 	
9.	2020 Co-op Operating Budget	<ul style="list-style-type: none"> • The Finance Committee presented the 2020 Co-op operating budget. • The GM proposed a change to the budget with a temporary increase in the Labor Cap to cover the costs of Cultural Agility training for employees. The labor cap in Q1 would be increased from 23.23% to 23.375%. • The SPSC is exploring how to better leverage buying power. • The Board approved the Co-op budget with the proposed increase in the labor cap for Q 1. 	The 2020 operating budget was approved.
10.	Board Finance Report	<ul style="list-style-type: none"> • The Co-op has had 13 months of positive sales. Sales growth in November was 2.2%. • The patronage dividend continues to grow. • The Co-op has \$4.4 million in savings for future expansion projects. 	
11.	GM Report	<ul style="list-style-type: none"> • The Finance Manager has been investigating Beneficial State Bank with a branch in Portland that might handle the Co-op's needs, allowing the Co-op to move from Wells Fargo Bank. The bank is owned by a foundation that reinvests bank profits back into the communities it serves. • The GM is investigating the installation of a generator with the capacity to run the store and barn during power outages. It was hoped through implementing new sustainability initiatives the store's need for power would also decrease. • The Co-op is discussing a possible collaboration with OSF. • The online ordering process during Thanksgiving was successful and customers were very satisfied with the process. • Candidates have been interviewed for the Prepared Foods Department Manager/Executive Chef position and the store manager is negotiating with the first place candidate. • Sustainability Coordinator Rianna Koppel completed the Jackson County Master Recycler training program. • The Oregon Department of Agriculture has paused the implementation of the reusable container program. The participating organizations fall 	

		<p>under separate jurisdictions and rules. ODA who licenses the Co-op had concerns that people who have washed their container at home might skip aspects of the Co-op's in-house cleaning and sanitizing process and there could be a health risk to the consumer.</p> <ul style="list-style-type: none">• AFCEA approved a three-year employee contract.	

The meeting was adjourned at 8:00 p.m. Minutes were prepared by Abby Lazerow, Board Administrator.