

Onion River Cooperative - Board of Directors Meeting
Remote Meeting via Zoom*
Monday, April 18, 2022

*Please email ptracy@citymarket.coop to receive the meeting link.

Time	Topic	Action/Result	Presenter
5:45–6:00	Gather: eat and chat	Eat, connect, enjoy	All
6:00–6:10	Preliminaries Review agenda Review minutes (1) Review action items (1)	Decide (a)	Kristina
6:10–6:15	Open Member Time	Members bring topics to the Board’s attention	Members
6:15–6:20	Board Perpetuation Committee Update	Learn	Meaghan, Jody
6:20–6:25	Community Service Award Committee Update	Learn	John D., Myle
6:25–6:45	GM Reporting Monthly GM update (2)	Learn, discuss (b)	John T.
6:45–6:55	Board training and education updates, report out from events	Learn (c)	John T., Kristina, recent attendees
6:55–7:05	May ORC Board-Management Spring Retreat agenda (3)	Discuss (d)	Kristina
7:05–7:15	Half-time stretch	Rejuvenation	All
7:15–7:25	Board Self-monitoring D8: Cost of Governance	Monitor, decide (e)	Jody
7:25–7:55	Board strategic priority areas (4)	Discuss (f)	Kristina
7:55–8:00	Open Board Time	Board Members bring topics to the Board’s attention	All
8:00–8:05	Future Planning Open Member time follow-up Review calendar June Spring Splendor Social	Decide	Kristina
8:05–8:10	Wrap-up Action items, meeting evaluation	Assess	All
8:10	Adjourn		

Attachments

1. Draft of last month's minutes and action items
2. Monthly GM Update
3. May Onion River Co-op Board-Management Spring Retreat agenda
4. Strategic priority areas identified in 2021

Meeting Preparation

- a. Read the minutes and note any questions or corrections.
- b. Read the monthly GM update, note comments and questions, and come ready to discuss.
- c. Those who attended recent trainings or events come ready to share major takeaways.
- d. Review the retreat agenda and identify any questions about the agenda or questions you would like to be addressed during the retreat.
- e. Review the D8 policy and come ready to monitor and discuss.
- f. Review the list of Board strategic priority areas identified in 2021 and consider what the Board should prioritize over the next fiscal year.

President's Note

Dear Fellow Board Members,

Happy April! It's really starting to feel like spring out there. This month we have a relatively brief agenda, but also an opportunity to dig into a couple of key topics.

In addition to committee updates, we'll take some time to prepare for our upcoming retreat and discuss areas we would like the Board to pursue as strategic priorities for the next fiscal year beginning in July. While we've included the list of strategic priority areas identified in 2021 in this packet, this list is just a starting point. In our discussion, we'll take some time to think about where we are headed and what we would like to pursue as strategic priorities. This process will help us to fit those priorities into our work plan and upcoming Board meetings.

On the policy monitoring front, you may note that we will not be reviewing B4: Financial Conditions this month; we will review the B4 policy in May instead. Thank you to Jody for preparing to lead us in monitoring the D8: Cost of Governance policy.

I'm looking forward to seeing everyone on Monday. Thank you, as always, for your commitment to the Co-op!

Kristina

Onion River Co-op/City Market

Board of Directors Meeting

Remote Zoom Conference*

March 28, 2022

Board Attendance:

Eric Boehm (he/him), Board Member

John Davidowitz (he/him), Board Member

Meaghan Diffenderfer (she/her), Board Member, Secretary

Allison Fiore (she/her), Board Member

Joanna Grossman (she/her), Board Member, Vice President

Rubin Jennings (he/him), Board Member

Jody Landon (she/her), Board Member, Treasurer

Kristina Sweet (she/her), Board Member, President

Myle Truong (she/her), Board Member

Absent:

None.

Also in attendance:

Michael Healy (he/him), Member, Board Meeting Facilitator

Kiersten Tavares (she/her), Member, Board Minutes-Taker

John Tashiro (he/him), General Manager

Patrick Tracy (he/him), Membership Manager

Madelyn Cataford, Director of Finance & IT

Matt Butterly (he/him), Assistant Director of Operations South End

Trish Redalieu, Director of People and Culture

Mae Quilty (she/her), Assistant Director of Community Engagement

Carly Sehr (she/her), Communications and Media Manager

Todd Taylor (he/him), Branding Manager

Tim Shaw, IT Manager & Application Development

Adam Ploof, IT Specialist & Application Programmer

Serrill Flash, Member

Kerin Stackpole, Legal Counsel

A quorum was established, and the meeting started at 6:02 PM.

Preliminaries

Review Agenda

The Board reviewed the agenda, and the agenda was approved as written.

Review Minutes

The Board reviewed the meeting minutes from the February 21, 2022 meeting, and the meeting minutes were accepted as written with nine supporting votes, no abstentions, and no dissenting votes.

Review Action Items

The Board reviewed the Action Items list, and two items were removed (all items listed).

Open Member Time

Serrill shared he has observed products available in the South End Store that are not available in the Downtown Store (some types of peanuts were provided as an example), and shared he has found himself having to initiate the Rally for Change at check out more often than he used to; he would like to see checkout folks asking customers whether they would like to round up at checkout.

Kiersten provided a brief update on Full Barrel Cooperative Brewery & Taproom, a cooperative that incorporated back in 2015. Kiersten is a member of Full Barrel. Full Barrel began selling beer to the public in the past month and is planning their first Beer Garden event on April 15th, 5:30pm – 9pm, at 12-22 North Street.

Board Perpetuation Committee Update

Meaghan provided a brief update on the work of the Board Perpetuation Committee. First meeting occurred on March 20, and it went really well.

Community Service Award Committee Member Recruitment

Kristina provided a brief update on the Community Service Award Committee, and Kristina invited any additional Board Members to share any interest in engaging in the Committee's work now, through June 2022. The Policy says the Board gives a Community Service Award, which is currently called the Don Schramm Award.

The Board asked clarifying questions.

John D. and Myle volunteered to take the lead on the Committee.

Board Vice-President Election

Kristina invited individuals to share any interested in the Board Vice President position. Rubin shared interest.

The Board voted to appoint Rubin as the Board Vice President with nine supporting votes, no abstentions, and no dissenting votes.

GM Reporting

Monthly GM Update

John T. provided a quick overview of his Monthly GM Update report. John T. invited Matt Butterly, Assistant Director of Operations South End, to provide an update on the South End store. Matt shared updates including but not limited to a recent produce reset to align products and processes with the Downtown, new floor installations, and on-boarding the produce team to new procedures and layouts.

John T. also invited Mae to share a report on last Friday's Co-op Seedling Grant Program Award Ceremony, which was held in-person. Mae shared the event was successful, and she appreciated being able to host the first in-person event in a little over two years.

The Board asked clarifying questions and shared personal observations.

B7: Customer Service & Value

John T. presented B7: Customer Service & Value to the Board. John T. highlighted the ability to provide more detailed and in-depth information thanks to the work of those on the leadership team, who helped rollout the electronic customer service feedback system, also known as the NCG CX Program.

John T. invited Mae to provide further information on the NCG CX Program and the resulting data, and to field questions from the Board. Mae shared a number of benefits of the data produced from the program, including longitudinal data, the ability to assign sentiment to comments, and more.

The Board asked clarifying questions and shared personal observations.

The Board found the definitions and interpretations reasonable, there was enough data, and the data demonstrated compliance, except where noted (D7.2 – Customer Transactions). The Board approved the report as demonstrating compliance with the policy, except where noted (D7.2 – Customer Transactions), with nine supporting votes, no abstentions, and no dissenting votes.

Gallagher, Flynn & Company - ORC auditors for FY22 financials

John T. provided a brief update regarding the auditing partnership and process, and invited Madelyn to provide additional context. Madelyn shared more information regarding the Gallagher, Flynn & Company change in partner and audit manager for the FY21 financials audit process. Madelyn made the recommendation for the Board continue with Gallagher and Flynn for another year while the Cooperative navigated an unprecedented level of changes and updates, including a change in the financial management software. Madelyn estimated the Board has been with Gallagher, Flynn & Company for about ten years.

The Board shared personal observations and asked clarifying questions.

John T. and Madelyn requested the Board approve one more year with the same firm before putting forward an RFP, in light of the demands made of the leadership team over the past two years, to provide the leadership time for "some room to breathe."

Eric shared ten years is a long time to stay with the same firm, and proposed putting out an RFP, recognizing Gallagher, Flynn & Company could be the selected firm, following the RFP; however, he honors and supports John T.'s request on behalf of his team to wait a year on returning to best practice.

The Board shared their appreciation for John T.'s transparency and candor, and supported John T. and Madelyn's proposal. The Board voted to approve Gallagher, Flynn & Company to serve as the auditing firm for FY22.

Update on the Co-op's New Website

John T. invited Mae, the CE Team and the IT Team to provide an update on the rollout of the new Co-op Website. Mae invited Carly and Adam to provide an overview of the Co-op's new website. Carly and Adam shared some highlights of the new site, which included but were not limited to improved accessibility features, simpler updating and maintenance procedures, sleeker presentation, responsive web design, and the ability to apply the Co-op's signature font. Adam shared a preview of the new site with the Board.

The Board shared personal observations and asked clarifying questions.

Board Photo

John T. invited Mae to lead the Board in capturing a group photo.

~ Half-time Stretch ~

Joanna left the meeting during the Half-Time Stretch.

Board Training and Education Updates

John T. asked Board Members to share any interest in attending the CCMA virtual event. Kristina and Rubin are approved to attend CCMA in person, in Sioux Falls. John T. extended the opportunity for Board Members to indicate interest in attending virtually during the meeting. No additional Board Members indicated interested in attending the virtual conference.

Kristina enjoyed attending the NFCA conference, and the opportunity it allowed her to connect with other cooperatives from across the state.

Myle shared recent training on the changes that the grocery business has undergone in comparison to cooperatives in recent years.

Allison attended the NOFA conference, and shared struggling with the online platform while attempting to attend sessions at work. The sessions she was able to absorb were really wonderful.

Rubin shared his experience at the NFCA conference, including trainings on diversity. He shared appreciation for exploration of not just race, but also culture.

Patrick shared his own experience at the NFCA conference, in breakout rooms on food access and engaging with the community.

Board Self-Monitoring

D9: Board Terms of Office

Myle presented the D9: Board Terms of Office policy to the Board, shared personal observations, asked clarifying questions.

Myle found the Board in compliance with the policy.

Kristina noted a date discrepancy on the provided policy; Patrick and John T. will address the date discrepancy.

Open Board Time

The Board did not have items to share during Open Board Time.

Future Planning

Open Member Time Follow-up

Kristina thanked Serrill for his comments and shared appreciation for his dedication to the Co-op mission.

Review Calendar

The Board reviewed the Board Calendar. The Board noted that school spring break is the week of April 18th; the Board will continue to communicate regarding attendance in April as plans finalize.

May Board Retreat

Kristina thanked everyone for engaging in the doodle poll and helping confirm a time. The agenda will be sent out soon.

June Spring Splendor Social

John T. invited the Board to complete the Doodle Poll by this Friday. John T. invited the Board to meet at Oakledge Park and solicited support from the Board in food pickup on the way to the June Spring Splendor Social.

Wrap Up

Action Items

Kiersten presented 5 additional action items captured during the meeting.

Meeting Evaluation

Kristina thanked the Board for another excellent meeting.

Executive Session with GM

The Board moved into Executive Session with the GM at 8:02 PM. During Executive Session the Board reviewed the National Co-op Grocers (NCG) Risk Committee Memo, appointed a third member to the Board Perpetuation Committee, and met with Kerin Stackpole to review the Board's role in upcoming Union Negotiations. Meaghan recused herself at 8:30. The Executive Session with the GM concluded at 9:01 PM.

Adjourn

The Board thanked Kerin for her time and the meeting adjourned at 9:02 PM.

Action Items

March 2022

Kristina will follow-up with Myle & John D. to officially handoff the work of the Community Service Award Committee.

Rubin & Kristina will add “revisiting an RFP for the Co-op’s auditing firm for FY23 audit” to the workplan.

John T & Patrick will address the date discrepancy located within the D9 policy, which was provided to the Board, in the March Board Packet.

The Board will respond to John T’s Doodle Poll regarding the June Spring Splendor Social event no later than this Friday/April 1.

Kristina will send the Board the agenda for the May Spring Board Retreat.

General Manager's Monthly Report (in Support of the B-5 Policy)

April 18, 2022

In Policy B5.1, the Board asks that the GM “make the Board aware of relevant trends, public events of the organization, actual or potential actions and decisions related to public policy, or internal and external changes which affect the assumptions upon which Board policy has previously been submitted.”

What's Happening

Nine months of our financial year completed and hard to believe we're finally into Spring! Always such a fun time of year as we witness the growing vibrancy of colors across the stores, especially within produce and the variety of citrus fruits including my favorite pixies (yay)! For operations, we're continuing our recruitment and hiring efforts with staffing levels lead by P&C and the broader management team in conjunction with the appreciation and referral bonuses. Specific to Covid, cases at the Co-op and throughout the community have remained at similar levels to the previous month. At the time of writing, the Covid data in Vermont shows 100 new cases in the last 14 days totaling over 118,000 cases and 623 deaths to date. Nationally, positive cases have reached over 80 million with over 980,000 deaths.

- Our employee count at the end of March was 304 versus 326 for the same period in 2021.
- Monthly revenue for March was \$4.4M, but 3.6% below our \$4.6M budget. Our YTD revenue is \$41.1M versus a budget of \$42.3M and 2.9% behind budget. For reference, YTD revenue is 1% above FY21 for the same time period.
- March's Wellness Adventure focused on sustainability. Employees earned wellness points for cutting one's carbon footprint, participating in CE Learning activities – Organic Certification training and Green Mountain Compost tours. Employees also earned wellness points by exploring recipes from City Market's website.
- In March, we hosted our Co-op Seedling Grant Award Ceremony and distributed \$35,000 to 5 organizations. WCAX covered the event and you can see it [here](#). We also launched our 2022 grant cycle and grant committee selection.
- In March, 14 staff attended an Organic Certification Training with NOFA-VT AND 16 staff attended a tour of Green Mountain Compost with CSWD. Both of these trainings were part of our “Learning” values programming.
- We sponsored Age Well's March for Meals, donated to Burlington Dismas House's online auction, supported Spectrum's Sleepout, and donated to two drama programs at Fredrick H. Tuttle Middle School & Edmunds Middle School in March.
- Chef Michael organized and let a team of young teens from the Boys & Girls Club in the recent Junior Iron Chef competition and is continuing to put on monthly cooking classes at the Club.

Finance and Information Technology update is as follows:

- The implementation for our new accounting software, NetSuite, has begun with primary focus on training and understanding the new software for the finance team.
- Inventory for Q3 was later than usual (4/8 & 4/9), which will delay the production of our 3rd quarter financial statements.
- The upgraded website from Drupal 7 to 9 is in its final testing stage and should be launched very soon.

- We will be upgrading of our point-of-sale system (POS) later this month as it has been a few years since the last version. This entails upgrading three servers and each workstation and register that access our POS.
- The new IT guidelines and standards for licensing, security awareness, cybersecurity, and IT best practices are ready for review by our attorney and the P&C team. We expect to roll these out to staff before the end of FY22.

South End (SE)

- Staffing level across Operations in SE is 79%, down slightly from 81% a month ago.
- Two of our far end parking lot lights have stopped functioning due to a break in the conduit providing power to them. This will require a small excavation to correct the situation scheduled for mid-April. The missing lights do not create any safety issues for customers and staff.
- Outdoor café tables and chairs were put out in late March in SE (will go out in mid-April in DT).
- With better staff coverage in Meat & Seafood, we have expanded our hours back to 8am-6pm, seven days per week.
- We have been in close contact with the City of Burlington to ensure better maintenance and regular grading of Briggs Street this spring. It has been in very rough shape throughout the winter and we are seeing some short-term improvements with their attention to this situation.

Downtown (DT)

- Staffing level across Operations in DT is 78%, down slightly from 81% a month ago.
- In late March, we held an all-contractor meeting to review and finalize the orchestration and timeline of the upcoming Peri Cooler project. This will start on June 5th and run for a week.
- We have moved the chicken warmer from the cheese/deli area and closer to the hot bar area for the improved convenience and visibility of our customers.
- In early April we transitioned our remaining overnight, third-shift staff, to shifts that have greater overlap with our 1st and 2nd shifts, which is more consistent with our SE staff coverage.

Finance

March	DT	SE	Total	YTD FY22
Monthly Sales FY22 Actual	\$2,328,599	\$2,104,802	\$4,433,401	\$41,116,678
Monthly Sales FY22 Budget	\$2,359,933	\$2,237,867	\$4,597,800	\$42,344,226
Variance from Budget	(\$31,334)	(\$133,065)	(\$164,399)	(\$1,227,548)
% Var from Budget	-1.33%	-5.95%	-3.58%	-2.90%
Monthly Sales FY21	\$2,293,083	\$2,229,522	\$4,522,604	\$40,695,775
Variance from FY21	\$35,516	(\$124,720)	(\$89,203)	\$420,903
% Var from FY21	1.55%	-5.59%	-1.97%	1.03%
Avg. Daily Sales				
FY22	\$75,081	\$67,871	\$142,952	
FY21	\$73,970	\$71,920	\$145,890	
% Var from FY21	1.5%	-5.6%	-2.01%	
Avg. Basket Size				
Member FY22	\$37.25	\$56.16		

Member FY21	\$37.93	\$57.63
% Var from FY21	-1.79%	-2.55%
Non-Member FY22	\$24.60	\$34.92
Non-Member FY21	\$26.39	\$35.55
% Var from FY21	-6.78%	-1.77%
Avg. Daily Register Transactions		
FY22	2,468	1,416
FY21	2,442	1,449
% Var from FY21	1.1%	-2.3%

Rally for Change

March		Total
Total Donations		\$14,321
10% Partner	Good News Garage	\$1,432
40% Partner	Local Motion	\$5,729
50% Partner	Feeding Chittenden	\$7,161

NOTE: In addition, Feeding Chittenden (FC) received \$22 in cash and \$2,923 in product donations. Total with Rally is \$10,106.

Local Food

March	DT	SE	Total
Local Food Sales FY22	\$884,439	\$744,951	\$1,629,390
Local Food Sales FY21	\$860,228	\$794,029	\$1,654,257
% Var from FY21	2.81%	-6.18%	-1.50%
% of Local Sales vs. Total Sales FY22	38.0%	35.4%	36.8%
% of Local Sales vs. Total Sales FY21	37.5%	35.6%	36.6%

Organic and Fairly Traded Products

March	DT	SE	Total
Organic Produce Sales FY22	\$244,817	\$311,225	\$556,042
Organic Produce Sales FY21	\$246,618	\$317,716	\$564,334
% Var from FY21	-0.74%	-2.09%	-1.49%
# of Fair-Trade Products for Sale in FY22	291	339	373
# of Fair-Trade Products for Sale in FY21	313	340	378
% Var from FY21	-7.56%	-0.29%	-1.34%

Co-op Membership

March	DT	SE	Total
Member Sales FY22	\$1,209,991	\$1,511,317	\$2,721,308
Member Sales FY21	\$1,225,572	\$1,652,287	\$2,877,859
% of Store Sales in FY22	52.0%	71.8%	61.4%
% of Store Sales in FY21	53.4%	74.1%	63.6%
New Members (DT/SE + online)	50	42	115
March	FY22	FY21	% Difference
Membership	12,015	11,687	2.8%
Partially Capitalized	7,981	8,062	-1.0%
Fully Capitalized	3,057	2,750	11.2%
Non-share Holding	977	875	11.7%
Member Worker Hours	702	655	7.2%
% of Member Worker Hours in Community	93.04%	98.57%	-5.61%

Food for All

March	FY22	FY21	% Difference
FFA Sales	\$224,793	\$195,935	14.7%
FFA Membership	1151	1051	9.5%

3Squares/WIC

March	FY22	FY21	% Difference
3SquaresVT	\$124,267	\$96,046	29.4%

Online and External (Out of Store) Services

Customer deliveries have continued to be approximately 20-25 weekly for the month of March, which remains comfortably manageable by our staff.



Columinate

Catalysts for Common Good

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Onion River Co-op Board-Management Spring Retreat, May 7, 2022

Goals

- ☆ Ensure that Board members understand the current financial forecasts and their implications
- ☆ Set the stage for further work on board communications about this aspect of the Co-op with Member-owners (part of the Board's FY22 Work Plan priority areas)
- ☆ Enhance our personal relationships by learning more about each other
- ☆ Enjoy our time together

Agenda

- 9:15 Begin logging into Zoom so we can start on time
- 9:30 Welcome and check in
- 9:45 Personal stories of Co-op and Board connections
- 10:45 Understanding the context ... reflections on the Business Plan
- 11:15 BREAK
- 11:30 Management presentation of high-level financial forecast
- 12:00 Clarifying questions, then conversation focused on important implications
- 12:30 BREAK
- 12:45 Further conversation focused on important implications
- 1:00 Identify next steps (assignments, timeline, etc)
- 1:15 Wrap up and Evaluation
- 1:30 See you later!

Advance preparation:

- The Business Plan was presented at the September 2021 board meeting. That Plan provides a context for an updated financial forecast, and we'll briefly review the Business Plan as a way to help us build a common understanding of the context. Please **review the Business Plan and then complete the short worksheet (attached)**. Be ready to share your reflections at the retreat.
- John and team will distribute a high-level financial forecast overview before the retreat. Please **read this overview**.

See Notes on next page

Notes:

- For the “Personal Stories” agenda item, each participant will have a chance to briefly answer these questions:
 - When did you first connect to the Co-op, and what drew you here?
 - What inspires you to work on the Co-op Board or as a Co-op manager?
 - In relation to that work, what are you looking forward to this year ... or, what would excite/interest you?
- The “further work” mentioned in the second goal might be FAQ documents, or talking notes documents, or practice with actually talking about the financial forecasts and implications. You may not need to identify every tool/activity that will follow; it may be enough to acknowledge that the board will continue the work during regular board meetings, and then to just agree on what specifically will happen next.
- Participants. All directors. John, Eric, Trish and Madelyn.

Advance Preparation Worksheet
for the May 7th Board-Management Retreat

Instructions:

At the retreat we will focus on the updated financial forecast. The Business Plan that the board reviewed in September provides some context for this forecast. We will spend a short time making sure we have a shared understanding of the Business Plan as a way to provide context for the financial forecast.

As you read through the Business Plan, briefly answer the following questions. No need for long answers; these are just notes that you can refer to during our conversation at the retreat. Then have this worksheet handy during the retreat.

1. How would you summarize the Executive Summary?

2. In the VT Economic Forecast and the Local Area Analysis, what are 1-3 things that stand out to you as particularly important?

3. Which part(s) of the Strategic Framework are you most excited or intrigued by? Why?

4. Is there anything within the Scenario Planning that you believe warrants more Board attention? If so, what and why?

FY 2022 Board Strategic Priority Areas

July 1, 2021 - June 30, 2022

- **Covid-19**
 - Support co-op operational resiliency through Covid-19 response and recovery
 - Consider how the co-op operations will move out of Covid restrictions, and back into them if needed
 - Board adaptability to the pandemic status
- **Staff Support:** Continue to consider and explore ways to support City Market employees
- **Cultivate new board perpetuation** practices & committee
- **Improve board engagement**, capability and confidence
- **Community Engagement**
 - Explore Board perpetuation through the following lenses:
 - Developing a pipeline for Member volunteer service by creating more opportunities for Members to engage with the Board and the Co-op in a way that supports the organization
 - Grow and support diversity on the Board
 - Deepen Board listening and sharing with Members and be prepared to communicate broadly to the public
- **Board Education**
 - Staying informed on trends and important topics impacting our community, co-op, and the grocery industry

