

Onion River Co-op, City Market

Board of Directors Meeting

February 24, 2014

Board Attendance:

Nancy Nesbitt, Board Member

Brian Guy, Board Member

Faye Conte, Board Member, Secretary (newly elected)

Joanna Grossman, Board Member

Charles Baldrige, Board Member, Treasurer

Molly O'Brien, Board Member, President

Julia Curry, Board Member, Vice President

Rachel Jolly, Board Member, Secretary (outgoing)

Absent:

Wayne Warnken, Board Member

Also in attendance:

Pat Burns, General Manager

Allison Weinhagen, Director of Member Services

Serrill Flash, Member

Preliminaries

A quorum was established and the meeting started at 6:00.

Review Agenda

Charles asked for time at the end of the "preliminaries" section to provide the Board with an update on the Audit Committee's recent work.

Review Minutes

The January minutes were approved with the following changes: under the Board Policy section, change the "Board secretary decided" to the "Board secretary will."

Review Follow-Up Items

Pat indicated that Don Schramm has put off the conversation on Co-op currency due to the time he's spending on Telecom issues. This item has been removed from the follow-up list.

Molly indicated that the topic of diversity will be included in the retreat planning section of the agenda. This item has been removed from the follow-up list.

Rachel has amended the D6 and it was included in the February Board packet. This item has been removed from the follow-up list.

The amended C1 policy will come back to Board in the March packets; changes were made and reviewed at the February meeting (not in time for the February Board packet). The Board reviewed the recommended changes at the meeting and approved them.

Audit Committee Update

Charles, Brian, Jennifer and Pat met to review responses to the RFP. They received four responses; all were well received, but when ranked Gallagher Flynn was the clear favored choice. One proposal was an outlier in price; Jennifer reviewed that price with the respondent and was able to reach a more favorable price. All reviewed separately and then Jennifer completed reference checks on all respondents (including Gallagher Flynn). The committee decided that since it was clear they'd like to continue with Gallagher Flynn, they will not be holding in person interviews with the respondents. Charles shared the rating matrix, including how long the firms have been in business, references, affiliations, other co-ops they've worked with, etc. Board Members had an opportunity to engage Brian, Charles and Pat with questions. Pat indicated that he had recused himself from the decision making process with the committee because he knew someone from each organization. Based on the recommendations of the audit committee, the Board chose to hire Gallagher Flynn. Pat will ensure that the appropriate communication occurs with the respondents.

Open Member time:

Nancy shared information about a food co-op she visited in Moab, Utah.

Board Education

Retreat Planning

Molly shared a potential agenda for the Board Retreat on April 5. The day will be broken into two parts. Part one will work to build education and alignment around the Co-op as a business, making sure the Board understands its role regarding upcoming future changes (like a second store). Some of this will be a review for Board Members but should be helpful information for newer Board Members. The second part of the day will weave in some conversation around diversity, based on recent community and Co-op conversations. However, the conversation will not just focus on this one specific event, but will be a more general conversation and allow Board Members to be heard.

Rachel asked for details on how this conversation might look. Michael and Molly clarified that this is not a training and not a decision-making time. It's a facilitated time for Board Members to share personal reflections and check-in with each other around the diversity issues that arose earlier in the year. Pat indicated that this conversation could also include discussions about LT goals for FY15 and how diversity informs those goals. In addition, Pat will be updating the Board on the cultural competency training that staff will participate in with CIE.

The retreat agenda also includes time for Board planning for Member engagement. Molly indicated that how the Board educates itself should reflect how they want to engage with Members. Rachel asked about the specific time allotted for this agenda item. Molly indicated this item occurs toward the end of the agenda to distill other topics that were discussed throughout the day. The next draft of the retreat agenda will have more specific times included.

Pat asked Board Members to bring any and all questions so that we can have robust strategic conversations about the Co-op.

After some feedback and discussion, Board Members agreed that the draft agenda included appropriate topics and should be enough content for the day.

Future Education Topics

Molly reviewed the Board Education Topics handout included in the February packet. This is the first step in thinking about future Board education topics and creating an education plan for the year. This handout is a summary of prior Board conversations so Board Members can share reactions or let Molly know if there's something missing. Michael invited Board Members to share initial responses on specific topics they like on this list or items they think are missing. Faye shared that she'd like to preserve what the Board has learned in the past, but would also like to move in a new direction that is tangible. Brian shared that he'd like some Co-op common language that he can readily share when talking about City Market to the community. Julia indicated more interest in the format than the topic; is there energy here to open this up broadly instead of the Board educating itself. There are efforts going on right now about cross-sector co-op collaboration; could the Board be more transparent about how decisions are made and build on existing interests? Rachel agreed with Faye and Julia. Nancy would like something "with meat on the bones" and would be more curious to work on tangible topics like expansion (not operations, but financial items related to expansion). She'd like to see some financial education, as the majority of questions she gets are related to Co-op finance. Pat has mixed feelings about what other Co-op cross-sector education could be shared as there are other groups working on this right now; how do you measure success with that on this Board's level. Pat shared that there may be opportunities in the near future for the Board's work to dovetail with the LT plans for FY15 and beyond. Charles likes the list and indicated that he didn't see anything missing. Charles shared what he feels is the distinction between inward focused Board education and outward focused Board education. He feels the education portion of the Board's work is educating the Board about its work to make this group the best Board Members for City Market rather than educating the community. In addition what is the Board's core knowledge that you can then take to other Boards; what is the basic knowledge you need to be a Board member. Do we have a multi-year plan based on Board cycles with flexibility as needed? Molly agreed with Charles's sentiments and would like to see more Board to Board learning. She received an email from the Board President of the Brattleboro Co-op about potentially observing our Board meetings. Maybe there are also Members of our Board that would like to visit other co-op's Board meetings. Thinks there's a lot of untapped potential for Board to Board learning. Joanna liked what Molly said and what Brian shared. As a new Board Member and missing the CBLD training, she wants to really understand, verbalize and articulate the work of the Co-op Board. Could picture educational lecture and opening up to the Membership and engaging Members to come to a Board meeting. Michael and Molly thanked Board Members for their feedback and suggested the Board might want to think about whether or not they want to bring back the Educational Committee.

Board Officer Elections

Michael suggested a process for the Board as no formal process is in place: one Officer at a time, see who's interested and Board Members vote (President, Vice President, Secretary and then Treasurer). Molly indicated interest in serving as President. Board Members agreed that Molly should continue in this role. Julia indicated interest in serving as Vice President. Board Members agreed that Julia should continue in this role. Faye indicated interest in serving as Secretary. Board Members agreed that Faye should serve in this role. Charles indicated interest in serving as Treasurer. Board Members agreed that Charles should continue in this role.

CCMA Planning & Cooperative Café Attendance

Molly shared the basics of the CCMA conference with Board Members. This year's conference is June 12 – 14 in Madison, WI and City Market typically sends three Board Members, depending on

the budget. Molly asked for Board Members who might be interested in attending; if we have more interest than space, we have a checklist of questions to help make that decision. Every Board Member indicated interest in attending. Julia, Faye, Nancy, Charles and Molly have all attended prior CCMA conferences. Board Members who have been before are generally at the top of the list and then officers get preference. A final decision needs to be made at the next Board meeting. Molly and Julia will create a process for making this decision next month; Molly reminded Board Members to double check their calendars for availability.

Pat asked who would like to attend the Cooperative Café on March 15 in Keene, NH. Molly, Julia, and Nancy would like to attend. Pat will take care of the logistics and communicate to Board Members.

GM Reporting

B7 Management Succession

Board Members agreed that the definitions were reasonable, there was enough data and the report demonstrated compliance. The Board accepted the report. Board Members felt the Board was complete, showed a good Leadership Team, and appreciated the organizational chart.

Monthly GM Reporting

Pat pointed out that he's waiting on the report from our attorney regarding the sales and purchase agreement on the parking lot; other details remain the same as prior updates. Pat will share additional details on the financing at a future meeting. Faye suggested that we do something special to celebrate reaching 10,000 Members. Nancy asked about how organizations get on the Change for Local Non-Profits list. Pat shared that the Co-op will be having a "no bag" day on the Friday after Earth Day in April and will offer customers free reusable bags. Charles asked about the increase in Food Shelf donations; Pat indicated that it's a trend in prior years as well. Brian asked about Member Worker hours going down; Pat indicated that this is also a trend from prior years.

Board Monitoring

D6 Board Meetings

Rachel reviewed the D6 policy and suggested the Board keep the CBLD template. Michael pointed out that the template says that the Board makes votes, seconds and then makes decisions which is not the Board's actual practice. Michael indicated that this is part of the template because it's one that most Co-op Boards use. Julia proposed that the language include that the "Board will strive for consensus." Michael indicated that this is an important decision and the Board may want to make time to have this conversation separate from the D6 update. Molly suggested that the Board update the template language to reflect the Board's current consensus process and table the rest of the conversation for a future meeting. Rachel will work to find the old consensus language from Board policies and will insert this into the CBLD template and bring it back to the Board in March. Michael reminded Board Members they might want to add "draft" to draft policies when sharing them with the Board until they are approved.

Future Planning

Open Member Time Response

Molly asked what the Board felt about inviting the Brattleboro Co-op Board to a future meeting. No Board Members objected. Nancy asked that there be some Q&A time on the agenda to learn from them. Julia suggested we invite them to come early to eat and chat before the meeting. Brian

suggested that language be added to the D6 indicating that the Board is able to invite non-Members to Board meetings. The Board will make agenda time for this question at a future time.

Board Monitoring

- Faye volunteered to monitor D8 in April.
- Nancy will monitor D1 in May.
- Charles will monitor C3 in May.
- Julia will monitor C2 in June.
- Brian will monitor D2 in July.
- Joanna will monitor D9 in July.

Review Board Calendar

Pat reminded the Board that the April meeting has been changed to April 21 and is reflected accordingly on the Board calendar.

Other Items

Pat shared a handout entitled “Project Planning for Expansion” and an update on diversity training. More will be shared at the retreat.

Wrap Up

Board Members shared:

- that it was nice to get out early
- it was a straight forward meeting
- that all Board Members participated
- looking forward to the Board retreat
- Michael did a nice job getting Board Members back on point
- appreciation for work done for auditor selection
- appreciation for Michael catching the “danger zone” in the policy conversation
- welcome to new Secretary
- thanks for the work the Board officers do
- thanks to Allison for filling different roles

Follow Ups

Pat will update the Board calendar based on the Future Planning discussions.

Pat will bring back the revised copy of the C1 policy and include it in March’s Board packet with a revised date of February 24, 2014.

Rachel will work to find the old consensus language from Board policies and will insert this into the revised D6 policy and bring it back to the Board in March.

Molly will invite Brattleboro Co-op Board Members to a future meeting.

Molly and **Julia** will review the fact that the Board has two policies for Board Officers and share feedback with the Board.

Molly and **Julia** will finalize the Board retreat agenda.

Molly will contact Wayne regarding his interest in CCMA attendance.

All Board Members will check their calendars regarding availability to attend CCMA.