



**Rutland Area Food Co-op Board Meeting
June 28, 2018**

Present:

Board: Hannah Abrams, Steve Peters, Matt Poli, Dave Tibbs, Molly Nitka, Tyler Richardson, Kate Thomas, Irene Gold, Chris Etori, Erin Anderson

Missing: Chris Littler, Mckenna Hayes,

Staff: Zach Stevens, Melissa Rixon, Jamee Sherwin

Guests: Kahrena

Notes:

Meeting brought to order: 6:32 p.m.

Introductions:

Minutes:

Hannah motions to approve May minutes. Tyler Seconds. Approved

ELECTIONS

- Erin and Chris E., Welcome! They have both already complete board orientation.
- Officer Elections
 - Hannah volunteered to stay on as Facilitator
 - Steve moving to Second Facilitator
 - Erin volunteered to be Clerk
 - Chris L volunteered to stay on as Treasurer
 - All are approved.

FINANCE COMMITTEE –Matt P.

Last Month

- APRIL UPDATE: A bill was double entered. Once this was fixed it added about \$200 to our profit
- Sales were down \$3,518 or 3.5%. We were expecting sales to be down much more so there was a rally that helped.
- Profit of \$1,187 which is down from a \$12,000 profit last year.
- There was an extra week of payroll in May 2018 which added just short of \$9,000 to expenses this year, which is most of the difference in profit.
- Dues & Subscriptions were up this month. A due paid in April of 2017 was paid in May 2018.
- Sales are down \$16,500 for YTD

Looking Forward

- As of the meeting, June sales were up \$1,500
- Still no word from Mark regarding delaying our rent increase.
- Also need to talk to him about the added cost of our heating
- CPA had some follow up questions for our financial review. One of the questions was “There is a lot of money in your savings account, that is not usual for the Co-op, is something happening?”

- They do not see any huge changes to our numbers, so profits should be around \$65,000 for the year
- Spent around \$300 on Steve Shelby's going away party
- Turner Piping did more annual cleaning, which is an expense, but a good one.
- They did notice some issues in the Dairy Cooler that may need to be addressed soon.
- First bill from Dorsey & Whitney arrived. It was about \$1,000
- Inventory is coming up soon, not sure if it will raise or lower profits.
- We have JUST shy of \$100,000 in our accounts, almost double what we had last year.
- We could pay off all our outstanding debts and still have money left.
- Zach gave the buyers a spreadsheet with their budgets and sales goals. They review these each month. If sales exceed goals for a few months, the budgets will be raised. If sales do not meet goals for a few months, budgets will be reduced.
- Despite lower sales, YTD profit is at \$6,000, which is exactly where Zach budgeted them.

PATRONAGE COMMITTEE – Steve Peters

- Patronage passed!
- Unknown if the committee will be meeting actively. Need to get membership squared away first.

ANNUAL MEETING – Steve Peters

- Held a brief wrap up meeting to discuss how the meeting went.
- Believed the catering went well, but perhaps more salads next year.
- Liked the change in music. No one seemed to miss the raffles. Give away item went well.
- Around 130-150 people attended.

MEMBERSHIP RECORDS COMMITTEE – Kate

- Need to figure out where people stand in paying for their full membership. There is significant research needed.
- Definitions regarding memberships (single, family, etc..) is also needed.
- Kate is going to send out Doodle-pole to everyone to who can assist with research and when.

MEMBER LOAN CAMPAIGN – Hannah

- Loan campaign is going to consist of phone drives, mail drives, in person drives. It will be overseeing all marketing items regarding the campaign and coordinating events.
- We are looking for some formal fundraising training for the team.
- Looking for around 5 board members to head up the team and be a consistent face and voice to members throughout the campaign.
- Dave and Kate volunteered to assist with back-office type work (mailers, marketing, etc).
- Everyone should be prepared to volunteer in some capacity.
- Hannah has written "Our Story" which is being reviewed by Co-op management before being formally included on the loan documents.

PG Reports

Reminder: The Sunday before the Board Meeting, please email PG Reports to the whole Board and Zach as well as place it in the Drop Box.

A – Ends - Zach

Because of the Rutland Area Food Co-op, our community will have:

- Affordable access to natural, whole, and minimally processed and packaged food items and other products that form the basis for healthy and ecological lifestyles.
- A market for local, regional, and other cooperative producers of food and other household and personal products
- A community building and educational center where owners and other patrons can work, shop, and learn together and empower each other.
- Support for and cooperation with other individuals and organization whose purposes are similar to those of the Co-op.

Please see the data under each section below;

Affordable access to natural, whole, and minimally processed and packaged food items and other products that form the basis for healthy and ecological lifestyles.

- We select a wide variety of monthly specials. These specials are clearly signed throughout the store, in the monthly sales flyer, in the monthly e-newsletter, and are on our website.
- All active members get a 2% discount on all purchases except gift cards, clothing, and consignment (Until we make the switch to the patronage system).
- Supplement discount day is on Mondays, members receive 10% off supplements.
- Senior discount day is on Wednesdays. 10% off on all purchases except consignment and gift cards for all patrons that are at least 62 years' old.
- Staff receives a 20% discount. Not valid on alcohol, gift cards, clothing, or consignment.
- Board members and volunteers receive a 10% discount. Not valid on alcohol, gift cards, clothing, or consignment.
- The special order programs offer additional savings on bulk purchases and is available to all customers and staff.
- We continue to focus on trying to carry the growing line of Field Day products and similar brands whose prices are more competitive and comparable to the income level of our community.
- We make every attempt to get the best possible pricing on the items we carry. We share those discounts directly with our consumers.
- We offer a diverse and expansive selection of carefully selected products for better living.
- We will and are continuing our efforts to join NCG and take advantage of the group buying power
- When considering new products, we always check to make sure the retail price would fit our consumer base.

A market for local, regional, and other cooperative producers of food and other household and personal products

- We offer a wide array of local products that stretch over 20 different departments
- We focus on local producers first and foremost
- When considering prospective suppliers, we follow proper Co-op buying guidelines
- There are chances for consignment, gift, local art, and clothing

- We are always happy to receive and follow-up on customer suggestions to expand our product selections
- The Co-op looks for every opportunity to invite new suppliers or vendors to our store. Everyone is held to the same standard and given the same opportunities without discrimination
- We invite our vendors to demonstrate their products and educate our community.

A community building and educational center where owners and other patrons can work, shop, and learn together and empower each other.

- Our building is open to all members of our community
- We prioritize great customer service
- We offer space for education, group meetings, and community projects
- We welcome and educate numerous school groups and cooking classes annually
- With our continued growth and profitability, we hope to expand our educational offerings in the future.

Support for and cooperation with other individuals and organization whose purposes are similar to those of the Co-op.

We support and/or participate in the following;

- Vermont Retail Grocers Association
- Cooperative Fund of New England
- National Food Co-op Association
- Cooperative Groceries Network
- CDS
- Downtown Rutland Partnership
- The Chaffee Art Museum
- The Community Cupboard
- The Open Door Mission
- Heritage Family Credit Union
- All the Co-op's in the New England Region, and any that reach out to us nationally
- CoMetrics
- Rutland Welcomes
- The Rutland Free Library
- Rural Vermont
- VBSR

It is this managers' conclusion that we are in-compliance.

Signed: Zach Stevens, General Manager

Irene motioned to move in compliance. Dave seconded. Approved.

C5 – Code of Conduct – Irene

Policy Name & Number: C5 – Board Meetings

Policy Type: Board Process

Last Revisited: June 20, 2017

Director: Irene Gold
Submitted on: June 24, 2018

We each commit ourselves to ethical, businesslike and lawful conduct.

1. Every director is responsible at all times for acting in good faith, in a manner which she/he reasonably believes to be in the best interests of the Cooperative, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.
2. Directors must demonstrate unconflicted loyalty to the interests of the Cooperative's owners. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups, membership on other Boards or staffs, and the personal interest of any director acting as an individual consumer or member.

Board of Directors Code of Ethics and Conduct:

As a member of the Board of Directors of the Rutland Area Food Co-op, I agree to:

- I. Attend all regular and special Board meetings;
- II. Be prompt, attentive, and prepared for all Board and committee meetings;
- III. Devote the time needed to fulfill the responsibilities of the position;
- IV. Contribute to and encourage open, respectful and thorough discussion by the Board;
- V. Be honest, helpful, diligent and respectful in my dealings with the Co-op, with other Directors, and with the Co-op's Management, Staff, and Members;
- VI. Disclose any personal, economic, domestic, or organizational conflict of interest that I may have and refrain from discussing or voting on any issues related to that conflict;
- VII. Refrain from becoming financially involved or associated with any business or agency that has interests that are, or could be perceived to be, in conflict with the interests of the Co-op;
- VIII. Refrain from asking for special privileges as a Board member and from interfering with Management's authority. Will not engage in operational activity of the Co-op without the expressed permission of the General Manager or the official approval of the Board of Directors;
- IX. Treat the business of the Co-op and its members, and all related information and decisions, with appropriate discretion and confidentiality;
- X. Work for continued and increased effectiveness in the Co-op's ability to serve its Member/Owners;
- XI. Abide by decisions made by the majority of the Board, even if it is not my own personal opinion. Present the agreed-upon view of the Board of Directors rather than my own, if different, when I speak for the Co-op to employees, members, shoppers and the general public. I understand that in case of disagreement between me and the Board decision that I shall have the right to present further evidence and argument to the Board for further consideration in a manner consistent with the Board's by-laws. Whereupon, the Board shall have the duty to reconsider its actions according to the bylaws.
- XII. Work to ensure that the Co-op is controlled in a democratic fashion by its members and that all elections are open and fair, and encourage the participation of all members. Strive at all times to keep members informed of the Co-op's status and plans and of the Board's work, as appropriate;
- XIII. Continually seek to learn more about the Co-op and its operations and about my responsibilities as a Board member.

As a Co-op Director, I agree to abide by this Code of Conduct. I agree that if, in the opinion of the majority of Co-op Directors, I have violated the letter or spirit of this agreement, I shall resign my position on the Board immediately and shall not seek to cause continued disruption to the Co-op and the Co-op Board for that action.

1. Is this policy clear? (Yes/No/Comments)

Yes. It is a very detailed description of a Directors responsibility to the Co-op and its members.

2. How have been we IN compliance?

Most Directors come to meetings having read last month's minutes and any other documents prepared for the meeting. With a few exceptions, Directors arrive on time and are prepared to make decisions. Directors do not interfere with daily operations of the Co-op but do offer volunteer time to help with projects as requested by General Manger or Board. Directors are supportive of new initiatives, most offering their expertise based on their background and knowledge of the Co-op. Overall, the Board of Directors is composed of a varied group of individuals who arrive at Board meetings with an open mind and sincere concern for the future of the Co-op.

3. How have we been OUT of compliance?

This past year, Directors have missed meetings which are not in compliance with Item 1. Occasionally some Directors have not arrived on time or completely prepared. Not all directors actively participate in discussion about the various agenda items or volunteer for committees or Board assignments.

4. Overall, have we been in compliance?

Yes. Violations have been addressed and resolved for the most part so as to not interfered with the Co-op's function and growth. Directors who have been unable to continue the level of commitment to the Board have resigned leaving room for new Directors who have fresh ideas.

5. Is this the policy we want? (Yes/No)

Yes.

Recommended changes:

As previously suggested, perhaps there should be a provision to account for excused absences, as established by the Board of Directors. Life events can conflict with a Directors ability to attend a meeting, therefore making them non-compliant. Perhaps this is an unrealistic expectation unless acted upon on a case by case basis.

Submitted by:

Irene Gold

GM Report

• **Last Month**

- Annual Meeting thank you cards all went out, the staff all signed them.
- New BOD members have now been set-up in system to get there 10% discount. Be advised you will need to initial a copy of each receipt when you check out for record keeping purposes.
- We have had an interview with an applicant for Kitchen Manager. We are working back and forth now on a second meeting and possible offer.

- Defrosted the freezer on the floor today. It's going twice as long as previous - about 10 weeks now.
- Installed the two new shelves for chips and pretzels which expanded both grocery and bread departments.
- Customer survey ended in the middle of the month we ended up with 128 completed surveys. More information will follow when available.
- Completed and submitted our 5-year business census report to the government.
- Sales for June as of yesterday are up \$1500.00 or 1%. We need \$18,517.24 between today and the next two days to match last year (about \$6,500 a day).
- **This Month & Future**
 - As mentioned inventory is coming up on Monday morning 7/2 (smaller quarterly inventory, no board assistance is required).
 - We will be closed Wednesday July 4th for Independence Day.
 - Sharon, our bookkeeper, has accepted a full-time position at RAVNA, she is going to stay on with us until August 1st and is happy to train and help until Sept 1st. This posting will go out next week. It is a part-time position.
 - Stone Valley in Poultney has reached out to us for some help or ideas with increasing foot traffic and sales, Hannah and I plan to travel over and meet with them in mid-July.
 - Anyone missing a name-tag or need a replacement? Matt P, Molly, Dave, Chris E., and Erin. Anyone else, please let Zach know as soon as you can.

Board Facilitator Monthly Update – Hannah

- Reminder that we are challenging all board members to visit other VT co-ops, attending meetings, meet GMs and staff. Each visit is worth a ticket toward a gift certificate to our co-op. There are 35 food co-ops in Vermont.
- Board cleaning/painting night has not been scheduled, but please be aware we will be having one soon.
- NFCA (neighboring food co-op association) and CDS – please make sure you are on their mailing lists. The NFCA is having a Peer Board Gathering on Saturday Sept 15th at the Upper Valley Food Co-op, if you're able to attend please do so. More information to follow.
 - Will cover successful board succession planning, attracting members, board connections, and more.
- CDS is having the Co-op Café on October 13th in Keene, New Hampshire
- We have secured Board insurance.
- Introduction of the Yearly Board Calendar
 - Updated the board calendar with month, events, policies and room for notes. A larger version will be posted on the wall in the board meeting.
 - Each Committee will have their own calendar that is specific to their requirements and duties.

New Business

- Kate Thomas would like to request a change to our monthly meeting schedule. She is on several boards, many of which meet on Thursdays. Kate proposes moving to the first Thursday of the month.
 - We are going to take a month to review the request and vote on it next normally scheduled meeting in July.
 - A concern is that finance committee may not have enough time to compile numbers for the meeting if it's moved.
 - Please email any additional concerns to Kate. She will compile them for the board to review next meeting.
- Robert's Rules – Discussion and Decision
 - We can adapt what is appropriate for our board.
 - It will create a more cohesive and collaborate behavior structure for the board, such as notifying the board when one wishes to speak, motioning and discussion, and voting.
 - A concern was brought up that Robert's Rules and the Board Governance would make joining our board too intimidating, and perhaps not 'fit' our culture.
 - A large difference between our board, and ones' other members have served on, is there is no official 'vote' on motions made within our meeting. Robert's Rules, or the portions we're looking at adopting, would provide that standardized structure we are currently lacking.
 - Hannah questioned majority vs. 2/3rd. Majority for us would be 7 (out of 12), and 2/3rds would be 9 (out of 12).
 - Hannah requests that we table this until next month so that everyone has time to review the documents sent today and view the YouTube video.
 - Molly Seconds
 - Unanimous Aya's have it. Motion is tabled until next month.
- Board Retreat is coming is approaching! More details to follow!
 - Perhaps have Justin record some of the Board's shenanigans

Next Month

- Strategic Planning Committee: Monday, July 9th, 11am – 12pm
- Finance Committee Meeting: Wednesday, July 18th at 6 pm
- Board Meeting: Thursday July 26th at 6:30 pm (Erin will be unable to attend, Chris may not be able to attend – he will notify Zach)
 - C6 – Officers - Dave

Executive Session: N/A

Meeting closed: Hannah motions to adjourn meeting. Irene Seconds. Unanimously approved. 8:05 pm