

BisMan Community Food Co-op Board Meeting

October 16th, 2017

6:00 PM

- I. Welcome! Meeting commenced at 6:03 PM and began with introductions.
 - i. Board members in attendance: Steve, Kevin, Amanda, Paul, Glen
 - ii. Employees: Carmen, Rita
 - iii. Guests: Melody Lane, Jessica Holdman, Mandy Dendy, Emily Brown, Jamie Good, Ellen Knudsen, Tracy Potter
 - b. Glen discussed how meetings have been running, where we allow time for employee questions first. He discussed how the recent Facebook matters will be discussed in new business section.
 - A. Agenda – Paul motioned to approve the agenda, Amanda seconded. Motion carried.
 - B. Employee’s Time for Questions and Concerns – Rita’s concern with front door, 3 times since Michael has been here the door has been unlocked when they think it’s been locked. Rita, Carmen and Mary all check and it noticed that it wouldn’t be locked. Carmen said the locksmith is coming this week to rekey.
 - C. Minutes approval – Kevin motioned to approve the minutes on condition that the GM report is attached to the pdf, Paul seconded. Motion carried.
- II. General Manager’s Report – Carmen handed out the general manager report for review (date to be changed to 10/16). She kept the same report format as Michael had used while adding her own notes as well. The following are the discussion items in addition to her notes in the GM report:
 - a. There were 2 sustaining members signed up on same day, which leads to thinking that we should revisit advertising that the program is still available.
 - b. Carmen discussed how they are going down the AP list and digging through what each of these outstanding vendor amounts are for what may be duplicated and what still needs to be paid.
 - c. The deli has about \$4,000 towards a dishwasher, Carmen believes that Eloi had said that it may be around the \$4,500 to \$5,000 range for cost.
 - d. She replied back to Co-Op Partners but haven’t received a response regarding not being able to increase payments to additional \$2,000 at this time.

- e. The meat department and deli are still not pulling profits, need to bring back up the consultant reports to go through the meat department with that report.
- f. Troy signed a 5 year contract with G&K, they have been letting us run out of paper products, if they continue we can document and break contract without penalty.
- g. Kupper has mentioned that the service department could have a feature to donate X amount of each oil change or a similar type program.
- h. The average hourly rate is around \$16, should be around \$15 per Michael, so there's room for labor costs to still go down.
- i. The keys for the office are the same as key for outside door, so will be rekeyed this week. Carmen discussed there could be a need for a safe.
- j. Discussed trying to sell on Bismarck the extra shelving rather than storing it if it will never be used.

III. Committee Reports

- a. Finance – Amanda will be updating the annual report to be ready for the annual meeting. Carmen mentioned that member loans will be coming up for payment for the members who chose 3 year plans.
- b. Marketing - No updated at this time
- c. Election – Election is open, ballots have been getting turned in. There will be voting during meeting, there will be laptops set up rather than paper ballots.

IV. Old Business

- A. Annual Meeting Planning
 - a. Agenda – There will be review of last year's minutes, annual report, manager's update
- B. Truck – Paul talked with Tyler last week, still haven't heard back from him since.
- C. APUC Grant Update – Glen received an email Friday that there's some missing items. Glen has a phone call on Friday with them to discuss what reporting requirements changed and what is still needed.

V. New Business

- A. Glen provided a historical overview of BCFC. Riverbound put on Facebook for people to contact BCFC regarding not paying local producers, saying that there was a "policy" for not paying local first. We opened May 2016, but that opening kept getting pushed back which led to extra costs. In August 16, Tyler got calls from lenders regarding unanswered calls and

emails, as well as hearing from employees about lack of policies. In November 2016, Becky (office manager) discovered invoices that hadn't been recorded, so the balance sheet at the annual meeting last year was not accurate. Certain purchases were made, some things weren't paid (WSI insurance) that led to penalties accruing. The search for a new gm took much longer than expected. The consultants said to hire someone with retail coop experience or natural food experience, which was very difficult to find. 4 consultants came and helped make a lot of improvements and recommendations. Troy & Desiree were interim general managers. No inventory count was done, they were supposed to get professional team in but did not follow up with them. This led to overpurchasing, and also to approval of purchase of nonlocal foods. Arranged payments (made by board members who had vendors contacting them because they were not getting ahold of interim general managers) were not followed, and the board had to intervene in departmental decisions. The interim general managers stepped down to a new one, but their salaries did not decrease, which was only found out once the board requested payroll reports. The board had to correct the employee policy to get necessary policies in place. The termination of Desiree was due ultimately to unauthorized raises, and the matter is with the police department now. The board hired Darby, and he did help reduce overstock and COS, an inventory was done, however Darby didn't follow through with board direction on many occasions. Darby continued the lack of vendor contact, despite telling the board that he had been in contact with vendors. The board unanimously agreed to terminate his employment during his probationary period. Michael Valente was brought in, to run the store and to find one or two employees to promote within. Upon arrival, he had no resistance whatsoever with staff, which he said was rare. While Michael was here, new vendor forms were provided to be filled out. Brian and Angie had told Casey they were not happy, and when Carmen heard, she discussed with them (while she was not yet GM). They were happy to hear from her since Darby had not talked with them. They, Carmen, and Michael sat down on September 11th to discuss where payment was at. They discussed how much was needing to be paid to KeHE each week to get back on terms. They said they no longer wanted to sell to the store, and we were able to pay them \$2,000 that first week, the following week was payroll week, so we could maybe do \$500, however that payment was missed. The following week Robyn was sick so check was missed again, at which point they then called on Monday and received \$1,000, however they were expecting \$1,500.

Michael told them that he would see what we could do (he needed to talk with Robyn first to see if an additional amount could be paid then), at which point they went on Facebook with their post. At this point we will be paying \$1,000 a week until it's paid off. Ellen noted that the board should have reached out to invite them to this board meeting to discuss the issue, and the board agreed. Two board members did individually talk with Brian to see if he was going to be here, but it wasn't on behalf of the board. Glen remarked that as a producer, he has some of the longest outstanding invoices on AP report, yet that is not stopping him from selling to the co-op. Ellen also noted that an email or other public announcement needs to be made about Carmen being the new GM. Discussed that efforts have been made to be more transparent to those that can't make meetings. A 3 ring binder is downstairs with minutes and financial reports for people to see, and the minutes are also online. Jamie discussed that he has had conversations with other vendors, and they are appreciative of how Carmen is handling communicating with them so far.

VI. Other Business –

- a. The 3rd Monday of November, the community room is already booked, the board will book for the 29th, but will discuss if that will work for the new board at the meeting on the 6th. Since votes are taken at the annual meeting, Monday following Kevin hopes to have final tabulation and ideally will be reaching out to elected candidates that afternoon or evening, and then make announcement 31st so then the new board will be at the meeting on the 6th, at which point officers will be appointed.
- b. Amanda motioned to approve Casey as additional check signer and Robyn as authorized communicator for all financial information at CCC. Paul seconded. Motion carried.
- c. Mandy complimented the election committee for organization this year, Kevin noted that the template had been provided by Mandy so thank you to her. She remarked that she is seeing that the web was very tangled, and it is becoming untangled. She suggested that there be very clear policies of who is in charge of creating policies. Transparency is key. She shared frustration that products she regularly comes in for haven't been on the shelves. Carmen said we are in a financial bind right now, so we can't order everything we used to for now. Carmen mentioned there are special order forms and product request forms to fill out to request a particular product, and members can get 10% off if they buy a case of product.

VII. Adjourn – Paul motioned to adjourn, Kevin seconded. Adjourned 8:22 PM