


Board Meeting Minutes
Tuesday, April 25, 2017; 5:30-8:30 pm

Attended by:

Board Members: Dave, Heidi, Teresa, Kathy, Jacob, Lisa, Amy

CM: Kris, Shawn, Rachel M, Anthony, Rachel P, Sofie, Jenny

Member-Owners: Christopher, Naoki, Jocelyn

Guests:

Facilitation: Andrea **Minutes:** Gayle **Vibes:** Dave, Heidi **Clean-up:** Lisa, Rachel, Christopher **Scribe:** Amy

COMMITMENTS:

	COMMIT MADE	DIRECTOR(S)	DUE DATE	COMMITMENT
1	11/24/15	Jacob, Isaac	5/17	Jacob will create a process for board members to keep track of the engagement commitments they have made.
2	3/22/16	Amy, Isaac, Jacob	Ongoing	Amy, Isaac, Mallory, Josh, and Jacob committed to attending MAC engagements at the farmers market.
3	5/24/16	Heidi, Jacob, Isaac	5/17	Revise the 4.5 policy and bring back to board.
4	9/27/16	Isaac, Teresa	5/17	Isaac and Teresa will draft bylaws change on how to handle filling board seats vacated mid-term.
5	9/27/16	Dave	5/17	Dave will bring study & engagement on ethics of development.
6	10/25/16	Jacob	5/17	Jacob will scan parts of Co-op Cafe packet to distribute before next board meeting. (Email didn't go through; will put in Google drive.)
7	10/25/16	Lisa	6/17	Lisa will spearhead thinking about a Board/CM pie walk event for next year by June.
8	11/15/16	Dave, Lisa	5/17	Dave and Isaac -Lisa will discuss and present something about possible trainings for Board and CM on how to triage/de-escalate difficult interactions by March 2017. (Include what is most critical and what is more aspirational.)
9	2/28/17	Jacob, Teresa	6/17	Bring back further reflections on 2.1 (action response plan and restorative justice model) by June.
10	3/28/17	Jacob, Shawn, Rachel	6/17	Jacob, Shawn, and Rachel will create an agenda item regarding global policy 2.8.

11	4/25/17	Amy	5/4/17	Amy will refine patronage decision into a communication to be shared with CM and MOs before retreat.
12	4/25/17	Heidi	5/17	Heidi will write letter for annual report about patronage (500-700 words), with support from Amy.
13	4/25/17	Lisa, Dave	5/17	Lisa and Dave will plan a communication about patronage for annual meeting.
14	4/25/17	Teresa	5/17	Teresa will attend next patriarchy & oppression followup meeting and will include any input from board. (If anyone has any input on accessibility to board, please let her know.)
15	4/25/17	Teresa	6/17	Teresa will read through policy & bylaws to find out if process of board only talking to CM through CM Link is specified and if any changes need to be made there.
16	4/25/17	Heidi	5/17	Heidi will work on language framing why we are looking at bylaws changes regarding voting, with help from Teresa if needed.
17	4/25/17	Jacob	4/30/17	Jacob will capture the bylaws discussion proposals and offer some suggested language in next 5 days so it can be discussed and voted on at retreat, with help from Teresa if needed.

DECISIONS:

March 2017 meeting minutes approved.

Board accepts 2.4 Report as written.

Board agrees to not allocate 2016 patronage.

Board will have a special meeting at approximately noon on Saturday, May 6, for the purpose of passing bylaws language to be posed to membership for a vote and no other purpose.

NEW COMMITMENTS:

Amy will refine patronage decision into a communication to be shared with CM and MOs before retreat.

Heidi will write letter for annual report about patronage (500-700 words), with support from Amy.

Lisa and Dave will plan a communication about patronage for annual meeting.

Teresa will attend next patriarchy & oppression followup meeting and will include any input from board. (If anyone has any input on accessibility to board, please let her know.)

Teresa will read through policy & bylaws to find out if process of board only talking to CM through CM Link is specified and if any changes need to be made there.

Heidi will work on language framing why we are looking at bylaws changes regarding voting, with help from Teresa if needed.

Jacob will capture the bylaws discussion proposals and offer some suggested language in next 5 days so it can be discussed and voted on at retreat, with help from Teresa if needed.

OPEN FORUM:

- No members requested to address the board.

AGENDA REVISIONS:

- We will switch order of items 5 & 6.

MINUTES APPROVAL:

Decision: March 2017 meeting minutes approved.

ANNOUNCEMENTS:

- Three people attended info session for election (elections committee, what it's like to be on board).

AGENDA ITEMS:

1. 2.4 Report: Budgeting & Planning

Sponsor: Shawn/Kris

Purpose: decide

- Board came prepared to act.
- Really appreciate 3-year projections--very helpful and interesting.
- There are some pieces that CM may make recommendations to update and change in line with reality of what (long-term) planning is looking like. Will bring to retreat to discuss.

Board accepts 2.4 Report as written.

2. Patronage Discussion & Next Steps

Sponsor: Kris

Purpose: decide

- What do you guys want to do?
- I really like the strong recommendation from finance team. Any discussion with membership yet? Any considerations need to be made?
- No, not yet.ashed, etc. Labor estimate is on the low end--doesn't take into account checks that don't get cashed, etc. Just initial labor for design, printing, etc.
- Something to note: Right now, we have to mail out every voucher, even if it's a very low amount. It would be helpful to change this in the bylaws to only send vouchers for some minimum amount.
- Are you clear on the difference between allocating patronage and not allocating something for patronage, and the idea that there's a required 20%?
 - Yes.
- Any questions or concerns about proposal to not allocate patronage from 2016?

Board agrees to not allocate 2016 patronage.

- How should we communicate this decision? (to CM and to member-owners)
- What does board want to communicate to member-owners?
 - So small that it's not worth the expense.
 - Not big enough tax incentive to warrant allocation.
 - Labor to create vouchers would divert energies.
 - Collective wealth value: small checks together can make a difference.
 - Why are we doing this?
 - Expect low payments during the LTP process.

- Potential changes.
- Without LTP expenses, it would have been possible, but we need to take the LONG VIEW.
- Be careful how we frame this.
- We are still operating the store in a way that is profitable--1.4% net profit prior to these expenses.
- Our job is to protect the long-term health of the co-op.
- This is why we need LTP--this is a piece of the puzzle.
- Fiscally responsible decision.
- Recommend focus on collective wealth and excitement of long-term plan.
- Could have a card or some kind of note in the annual report in lieu of the voucher. (Going to print May 17.)
- Would be cool to have that include message about collective wealth and long-term planning.
- Possibly have a MO social to discuss this?
- Haven't had great turnout, but maybe with the right signage, we could have something at farmers' market along with Meet the Candidates.
- What about prior to that--have board members attend farmers' market and talk to people about the decision?
- Or do something at annual meeting? Breakout group option?

Amy will refine patronage decision into a communication to be shared with CM and MOs before retreat. Heidi will write letter for annual report about patronage (500-700 words), with support from Amy. Lisa and Dave will plan a communication about patronage for annual meeting.

3. Patriarchy Training: Board Actions

Sponsor: Jacob/Teresa

Purpose: discuss

- Several people on board and CM attended patriarchy training meeting.
- Well-facilitated event, very thoughtful questions.
- Mostly, it brought out a lot of awareness of how we are living with patriarchy and how it may affect us in ways we haven't thought about before.
- We broke into groups based on board, CM, MOs, to take it through a process of issues, sources, and how they are institutionalized--displayed this on a tree-like graph.
- One person from each group are continuing to meet as a group to continue addressing things, such as possibly having day care here so people can shop and have their kids be watched.
- I agree--presentation was well thought out, even-handed, comprehensive. Interesting how it proposed a structural approach.
- I see some similarities to colonialism--in colonialism, everything was for export, so entire infrastructure supported that.
- Great foundational work around academics and facts. What I valued about the space was that people got emotional about the realities of what they were facing. Got to the point where we could actually start talking about it, acknowledging that it might be messy. Not like a corporate HR process--this focused on people's emotions rather than intellects. It felt like People's. Collective and collaborative.
- Would we need a policy change to allow board to talk directly to CM rather than going through CM Link, or is that just a perceived obstacle?
- Talked about MOs having patriarchal view of board of directors--someone suggested we call ourselves "volunteer administrators" instead of board of directors.
- Want to be sure to avoid tokenism. Don't sacrifice having most qualified person in a role in order to have a minority represented.
- Recognize the pain that patriarchy inflicts on everyone.

- Often don't have a lot of repeat terms on board. Might be helpful to have someone shadowing each officer to make transitions smoother and to be able to relieve each other when things pile up.
- Identified a lot of systemic oppression and how that shows up for individuals, but not much about how it shows up in our processes. What have we unwittingly institutionalized? Is there any needless bureaucracy? Should something be in policy register about this? E.g., should we codify something about accessibility on the board?
- Everyone on board except Amy and Lisa were there.

Teresa will attend next patriarchy & oppression followup meeting and will include any input from board. (If anyone has any input on accessibility to board, please let her know.)

Teresa will read through policy & bylaws to find out if process of board only talking to CM through CM Link is specified and if any changes need to be made there.

4. Retreat Planning

Sponsor: Jacob

Purpose: discuss

- Agenda is mostly in place. Please let Jacob know if you need any background information on any of the items.
- Retreat packet will be distributed by Friday.
- There might be a farm tour.
- Please sign up for carpools!
- Camping? Gayle will find out.
- Sofie will pick Mark up at airport 9 pm Friday.

5. Bylaws Changing re Voting

Sponsor: Jacob/Teresa

Purpose: discuss

- This is in regard to allowing electronic voting and fixing some other problems with our bylaws.
- This did not make packet, so here's what we will do tonight: Handout with current and proposed language; break out into small group to discuss tonight and identify questions and concerns; then work toward agreement that we will have a special session at retreat to discuss this further and make formal change to bylaws in time for annual meeting.
- Handout is based on lawyer's feedback from questions sent by Shawn, Teresa, and Jacob.
- Back in large group after breakout sessions: Let's build that list of questions.
 - 3.4: Where did 15 day minimum come from? Could it be 30?
 - 3.4: Can we say "at least 15 days" (or whatever number we come up with) instead of "note less than" lawyer-speak?
 - 3.6: Same as above.
 - 3.1: What happens to the candidates forum?
 - 3.4: Change "mailed or delivered" to specifically include email.
 - General: How will this be framed to MOs? (Add a "Why" column?)
 - 3.6: "One member, one vote" is protected in Articles (or in Oregon law).
 - 3.6: Is there a buffer between transitioning from mail to electronic voting? (Once we make the change, elections could be all electronic.)
 - 4.3: Noticed we say patron directors vs MOs. What about candidates? (Clean up legacy language.)
 - 3.6: Should we point articles of incorporation and/or Oregon law?

- General: Are minors allowed to vote?
- 3.1: Not a very inclusion description of what our annual meeting is/should be.
- 3.7: If there is a meeting where there will be a vote, there should be paper ballots available.
- 3.4: Could there be a special meeting held electronically if it's posted clearly?
- 3.4: If there is a special meeting, does there need to be a provision for people not at that meeting to vote?
- 3.7: Not making a provision for people who cannot attend a special meeting could be an inclusion issue. Should there be a provision to still give them a way to vote?
- Do we need to ask lawyer about this before we proceed?
- Due date for Grass/Roots article is May 19.
- Send further input to Jacob within 3 days so Jacob can get it out in 5 days.

Heidi will work on language framing why we are looking at bylaws changes regarding voting, with help from Teresa if needed..

Jacob will capture the bylaws discussion proposals and offer some suggested language in next 5 days so it can be discussed and voted on at retreat, with help from Teresa if needed.

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6. Non-voting Stock Proposal, Member Engagement, Questions

Sponsor: Shawn

Purpose: discuss

- Might change terminology to non-voting shares or booster shares.
- Need more time to make sure this is what we want to do rather than member loans.
- Miles will be asking CPA about meaning of legal implications of raising over 1 million dollars on member loans.
- Would like to hear more information about how this percolated to top of stack. Seems like many CM don't know about it.
- Many co-ops around country offer "booster shares," and it's something that NCG assessment has a question about.
- Mostly those discussing it are the LTP committee--they know we need to raise a bunch of money and need to figure out how to do that in a way that is best for the co-op. This seems beneficial in that co-op has more control on how to use it and when to pay it back.
- How do these dividends work with the patronage dividend? These shares (preferred stock) will be mostly accessible to wealthier people, so it would feel weird to pay them before other MO patronage dividends.
- Assuming member loans and stock options are not mutually exclusive. Could we do pros and cons of each and see how they balance out. (This is already in the works! Starting to get more info from other co-ops, too.)
- We could do both, but note that there is additional admin expense for each. There is no minimum in Oregon, so could make some available for low amounts; need to consider admin costs. Finance is working on figuring this out.
- We will need at least a million dollars (probably 2-3 million); NCG recommends that we have 30% in cash in order to qualify for bank loan. Need to do pro forma. This is down the road roughly a couple of months.
- I think we should keep looking into this. Curious about what bylaws changes would be needed.
- Would need to put change to Articles of Incorporation to a member vote.
- Would help to show examples from other co-ops to MOs to make this easier to understand and less scary. Will take a lot of communication and engagement.
- Any reason we couldn't do both loans and shares? We could, but would need to be clear about why.

(More admin, but might be worth it.)

MEETING EVALUATION

Celebrate!

- Guests, including potential board candidates
- Fresh eyes on bylaws language
- Jenny O
- Non-voting stock/financial growth
- Welcoming to new people
- Worked together well
- Great reflection on patriarchy workshop
- Work session made the meeting lively and participatory

Opportunity for change:

- Ground rules should be on back of guest agenda and pointed out at beginning

NEXT MEETING: Tuesday, May 22, 2017, 5:30-8:30

Next meeting agenda brainstorm:

- Take-aways from retreat
- Elections update
- 2.5 Report: Assets Protection

BIKE RACK/FUTURE MEETING TOPICS:

- Revisit policy 2.7.1 Compensation and Benefits
- Accountability loop between CM and BOD– how is it actualized? – Refer to policy 3.4 Monitoring CM Performance
- Revisit whether or not to change Patronage Refund to Patronage Dividend in the bylaws
- Creating a policy for when new directors can vote
- 5-10 year planning on patronage trends and opportunities
- Discussion of how to communicate the Meeting Guidelines other than just having them
- The “staggering” clause of Article 4.3
- Further developing the “CM nominates/Ownership elects” proposal
- Look into 80% insurance issue within 3 months (2.5.1.1)
- Submit a more developed Share Cost policy to the agenda committee (4/23/13)