


peOple's
 FOOD CO-OP **Board Meeting Minutes**
Tuesday, November 28, 2017; 5:30-8:30 pm

Attended by:

Board Members: Naoki, Jenna, Kathy, Jenny, Dave, Lisa, Isaac

CM: Kahadish, Sofie, Ashley, Rachel, Shawn

Member-Owners: Brian, Mark, Ellen, Christopher

Guests:

Facilitation: Andrea **Minutes:** Gayle **Vibes:** Lisa, Naoki **Clean-up:** Rachel, Jenna **Scribe:** Dave

COMMITMENTS:

	COMMIT MADE	DIRECTOR(S)	DUE DATE	COMMITMENT
1	9/27/16	Dave	12/17	Dave will bring study & engagement on ethics of development.
2	11/15/16	Dave, Lisa	12/17	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.)
3	2/28/17	Teresa, Lisa, Kathy	1/18	Bring back further reflections on 2.1 (action response plan and restorative justice model) by June. Lisa and Kathy will bring Urgent Response Policy agenda item in August.
4	3/28/17	Jacob, Shawn , Rachel	12/17	Jacob, Shawn , and Rachel will create an agenda item regarding global policy 2.8.
5	4/25/17	Teresa -Lisa	12/17	Teresa -Lisa 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.
6	8/22/17	Shawn	12/17	Shawn will email board to respond to the question of the financial indicator for considering using NCG DC.
7	9/26/17	Jacob, Teresa , Kathy	12/17	Develop a proposal for Board Policy Change re. Report Calendar.
8	9/26/17	Naoki, Isaac, Kathy	1/18	Review current policies and develop a proposal for updates to guide board response to email communications.
9	9/26/17	Naoki, Rachel	1/18	Bring a proposal regarding non-confidential board agenda packets for MOs.

10	10/24/17	Rachel	12/17	Rachel will ask Padrice to respond to Jacob's question re: how confident CM is of compensation and benefits metrics.
11	10/24/17	Lisa, Jenna	12/17	Lisa and Jenna will draft questions for the lawyer, circulate them to the board for feedback, then pass along to CM.
12	10/24/17	Lisa	12/17	Lisa will update MOs who had questions about the issue of sharing financial information with where we are with this issue.
13	11/28/17	Gayle	12/17	Gayle will look at commitment previously #12 (now #6) in August minutes to find more context for Shawn.
14	11/28/17	Naoki	12/17	Naoki will follow up with Christopher about the non-confidential packet.
15	11/28/17	Jenny	12/17	Jenny will follow up with Mark about non-voting shares.
16	11/28/17	Gayle	12/17	Gayle will email the board a link to the board calendar Google doc.
17	11/28/17	Rachel	2/18	Rachel will add trends data to next 2.3 report.
18	11/28/17	Lisa	12/17	Lisa will send info about potential board candidates to the board in the next 3 weeks.
19	11/28/17	Gayle, Rachel	12/17	Gayle and Rachel will find most current version of policy register, and Gayle will send a link to everyone.
20	11/28/17	Isaac	12/17	Isaac will work on evaluating Policy 2.5 for board authority and suggest any needed changes.
21	11/28/17	Lisa, Dave	12/17	Lisa and Dave will work on evaluating Policy 2.3 and 2.4 for board authority and suggest any needed changes.

DECISIONS:

- **Decision: Board accepts updated October minutes as submitted.**
- **Decision: Board agrees to the Policy 2.1 extension request.**
- **Decision: Board accepts 2.3 Policy report as submitted.**
- **Decision: Board accepts 2018 board budget as proposed.**
- **Decision: Board accepts Teresa Koper's resignation, effective immediately.**
- **Decision: Board is in favor of pursuing a qualified someone to serve on board until next election.**
- **Decision: Next meeting will be Jan 2, 2018. (Agenda planning will be Dec 19.)**

NEW COMMITMENTS:

Gayle will look at commitment previously #12 (now #6) in August minutes to find more context for Shawn.
Naoki will follow up with Christopher about the non-confidential packet.

Jenny will follow up with Mark about non-voting shares.

Gayle will email the board a link to the board calendar Google doc.

Rachel will add trends data to next 2.3 report.

Lisa will send info about potential board candidates to the board in the next 3 weeks.

Gayle and Rachel will find most current version of policy register, and Gayle will send a link to everyone.

Isaac will work on evaluating Policy 2.5 for board authority and suggest any needed changes; Lisa and Dave will work on 2.3 and 2.4.

OPEN FORUM:

- I want a packet!
- Would like more information about LTP. Also wondering if non-voting shares are still being considered.

Naoki will follow up with Christopher about the non-confidential packet.

Naoki will follow up with Mark about non-voting shares..

AGENDA REVISIONS:

- We need to set the date for the December meeting. We'll change #6 to that since there was no Chili Cook-off.
- Tabling #7 since haven't heard back from lawyer. We will expand time for #6 and #8.

MINUTES APPROVAL:

- **Decision: Board accepts updated October minutes as revised.**

AGENDA ITEMS:

1. Policy 2.1 Extension Request

Sponsor: Rachel

Purpose: decide

- Date listed in packet is past. Did this get submitted?
 - No. Finished but not submitted.
- **Decision: Board agrees to the Policy 2.1 extension request.**

2. 2.3 Policy Report: Financial Conditions

Sponsor: Rachel

Purpose: decide

- Is board prepared to act? Yes.
- Does board accept report as submitted?
- Any policy reflection?
 - Are we having an audit this year?
 - No; last year it was decided not to schedule. Every year, the audit committee (CM link, treasurer, and board volunteer) get together and decide whether there should be an audit the following year. Board policy says we should have one every 4 years and a review every 2 years. NCG requires it every year.

- I don't understand why we are not compliant with #1.
 - We budgeted for more than we ended up with.
 - Board can decide what to do, if anything, with the assertion of noncompliance. (Plan for compliance, accept it as is, change policy, etc.)
 - What we're going through is common with a lot of co-ops. We could adjust our margin or cut back on some budget items.
- Of course we're concerned. But we're working on it.
- I would like to know more about whether we should adjust margins or have a stretch goal.
 - In the past, we had stretch goals and usually did not meet them, which was a morale hit. We preferred to write it as is.
- How can we request a view of the trends so we don't have to bring the packets from 3 months ago, etc? This is not a policy reflection but a request for more data. In 2.3.1 and other places where there is a ratio, can we show 4 quarters' worth of information so we can see trends?
 - Board is in agreement that it would like this added to the report.
- Monthly sales are interesting, too.
 - That's provided in the CM FYI.
 - There seems to be some uncertainty on the board about finances. Would the board like a finance overview?
- Why do we accept it if we won't be able to hit this number?
 - It's a symptom of what is going on.
 - And there's a plan for getting into compliance.
- **Decision: Board accepts 2.3 Policy report as submitted.**

Gayle will send a link to the board calendar Google doc to the board.

Rachel will add trends data to next 2.3 report.

3. Budget

Sponsor: Rachel/Dave

Purpose: decide

- If we find partway through the year that we need to adjust the budget again, we can ask for that.
- Board has a minimum amount of support (between 0.25 and 0.5%) from the co-op, so if we reduce it too much, we would actually be out of compliance with that. We are currently in the middle of that range.
- Where does money for board committees (e.g., Elections Committee) come from?
 - Board budget.
 - We should just get rid of the line in the Elections Committee write-up that says we shall not spend more than \$_____.
- We should work on revising the Member Engagement Committee and keep that budget line item so we can get that happening.
- CBLD 101 and Co-op Cafe are about \$60 per person. CCMA (about \$700) (annual co-op conference) will be in Portland next year, but we get a price reduction for helping.
 - CM has had to cut back on some training. Board should spend training budget wisely.
- **Decision: Board accepts 2018 board budget as proposed.**

4. Board Member Resignation/Appointment

Sponsor: Kathy

Purpose: decide

- Teresa Koper has resigned her board position, so we need to officially accept her resignation.
 - Also an opportunity to notice that this may have been because of time commitment to be on board.
 - It might be more effective for everyone to be more aware of whether items can be done by one person rather than automatically asking for a second person to work on an item.
 - If board drops below a certain number, it must appoint a replacement, but if it's not below that number, board can decide whether or not to replace. It can be an appointment until ext election or until end of full term.
 - With all the work we have right now, I think we should have a full board.
 - Caveat: Bringing someone on who is not filled in on all the board orientation-type information means they will need to be trained, and time needs to be committed to getting them up to speed.
 - I am worried about making the time commitment issue even worse by bringing someone new in at this point. It has taken us 3 months to really be up to speed.
 - How can we solve the time commitment issue?
 - A lot of the issue was all the additional LTP-related work.
 - Last year, we did a lot of policy revision; not so much this year.
 - What about asking a former board member to step back in?
 - I've talked to several and have not found any that are willing.
 - Facilitator: We have heard some strong advocacy for appointing as well as strong reservations. Temp check: A lot of "tepid."
 - If no past board members are willing, my vote would be Nay.
 - Lisa is willing to do all the on-boarding training.
 - With the time commitment it takes to get up to speed, is it the best way to spend our time to bring someone new?
 - Do we have to make our decision today? Nope. Sense of the room is that we're leaning more towards no.
 - We could say "Board will appoint if a qualified candidate is found."
 - The person, if appointed just till next meeting, could run in the next election for a full term.
 - New temp check: Still a lot of tepid but some shift toward appointing someone not for full duration of Teresa's term but just until next election.
 - Next steps: Lisa will provide information about candidate(s) to the board over email for discussion. Top candidate would have to be appointed in an open meeting.
- **Decision: Board accepts Teresa Koper's resignation, effective immediately.**
 - **Decision: Board is in favor of appointing someone to serve on board until next election.**

Lisa will send info about potential board candidates to the board in the next 3 weeks.

5. Decide on December Board Meeting Date

Sponsor: all

Purpose: discuss

- **Decision: Next meeting will be Jan 2, 2018. (Agenda planning will be Dec 19.)**

Announcements

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6. Current Moment Planning Update

Sponsor: Rachel

Purpose: discuss

- Synthesis committee has met 3 times. Another Dec 7, and at least one more meeting after that in Dec or Jan. For short term, Ashley will be LTPC link to the board.
- Shawn's PM position is still open. Hiring a new DM for Shawn's old role there.
- There will be LTP socials for CM to digest financial performance information. Survey results are being actively used by the synth cmte. Look for email from Shawn inviting board to a social.
- Plan to have a check-in and next steps proposal, not a decision, by ???.
- Devon is working with contractor to determine feasibility of on-site expansion.
- Right now, committee is trying to figure out next steps with Daniel's resignation and Shawn's new role.
- Question about whether synth cmte meetings should be open.
 - It's not a board meeting or a board committee meeting, so requirement to have it open is not there. There is a lot of work to do and need to focus.
 - Expressing support for the way that committee was put together and the way the meetings are put together.
 - The official decision is that they're open via minutes but not open physically due to constraints of space where they are held.
- Soimilar question re openness of Elections committee (which actually IS a board committee).
- Does anyone know if Devon is including use of the shared driveway as part of the on-site expansion investigation.
 - Architect consultant said shared driveway probably not, but courtyard, porch, etc.
 - What about purchasing the rest of the driveway and garage next door?
 - That was oart of the conversation.

7. Non-Disclosure Information/Follow-up From Consultants

Sponsor: Lisa/Jenna

Purpose: discuss

- DEFERRED--need more follow-up

8. Long-Term Planning Decisions/Board Authority

Sponsor: Lisa/Jenna

Purpose: discuss

- We have realized that there has been a lot of confusion about board authority, particularly in light of the complexity of the Long Term Planning effort.
- To make this more clear, we might want to revise policy language (in packet).
- Note that LTP and development projects are not necessarily the same.
- The multi-year plan as it was was not as comprehensive or well-defined as board had wanted. This is why the Board and CM recognized that we needed to create a Long Term Plan.
- Multi-year plan is in board policy, and (until LTPC) CM mostly plans one year at a time.
- Not all multi-year plans are development plans.
- Does everyone agree that there is confusion? Yes! So we want to update the policies to make it more clear.
- List of places that affect board authority:
 - 2.3.1 Inadequate net income
 - 2.3.5 Acquire, encumber, dispose of real estate
 - 2.3.4 Incur debt

- 2.3.3.1 Debt to Equity ration of more than 3:1
- 2.3.2 Liquidity
- 2.3.8 Use restricted Funds
- 2.4.5 Create significant development plan without engaging MOs
- 2.4.9 Operate without a multi-year plan
- 2.5.11 Change name or substantially alter identity
- 2.4.10 Capital projects exceeding \$5000 without a project manager
- 2.5.10 Endanger organization's public image
- So that's what we have currently. Do we want to continue that way, or should we clarify these policies?
- It seems to me most of these policies are fine, but they are in a sense reactive, so considerable time and effort is put into proposals before they are evaluated.
- Anecdote: I know of a co-op where the GM wanted step-by-step affirmation that the board wanted each point as it was brought forward. Something like that might be helpful.
- Currently our board policy gives the board jurisdiction to have to approve if the CM moves towards taking any action that we have in our policy.
- When members elect a board, it is authorizing the board to make decisions for the co-op in its interests. Board delegates some of this authority to CM. Board policies are in place so board can see if CM is in compliance with the specifics of the delegation.
- The reason we are looking at all of this is to address the concern of the membership about whether the board should have more authority or at least to do a check before we go further down the LTP road.
- Temp check on whether board should revise these policies in the near future: Some Yes, some tepid, no No.
- First step is figuring out what we've already said (much of that work is done by the list we just generated). Next, figure out what delegated authority we want to pull back to the board, and what we want to fully delegate to CM.
- Strong support for at least getting this part figured out, even if we don't change the policy just yet.
- Could we chop it into parts and give multiple people the task to research a specific chunk?
 - Isaac is willing to do 2.5, Lisa and Dave 2.3 and 2.4.

Gayle and Rachel will find most current version of policy register, and Gayle will send a link to everyone. Isaac will work on evaluating Policy 2.5 for board authority and suggest any needed changes; Lisa and Dave will work on 2.3 and 2.4.

MEETING EVALUATION

Celebrate!

- Yay to Lisa for bringing up the policy work
- Andrea got a gift
- Discussion was lively and thoughtful

Opportunity for change:

- No Jacob
- Inconsistent policy registers
- bodacio.us

NEXT MEETING: Tuesday, January 2, 2018, 5:30-8:30 pm

Next meeting agenda brainstorm:

- Update on synthesis committee
- 2.1 monitoring report
- NDA/lawyer followup
- Non-confidential packets
- Member engagement
- Possible new board member appointment
- Bandwidth issue

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)