


**Board Meeting Minutes**  
**Tuesday, August 27, 2019; 5:30-8:30 pm**

**Attended by:**

Board Members: Finnley, Naoki, Chris, Eleanor, Brion, Liz, JennyO, Will

CM/Staff: Rachel, Kahadish

Member-Owners: Rod

Guests:

**Facilitation:** JennyL **Minutes:** Gayle **Vibes/Celebration:** Kahadish, JennyO **Clean-up:** Will, Rod, Naoki

**Scribe:**

**(Room Setup** for next time: Finnley & Kahadish)

**COMMITMENTS:**

	COMMIT MADE	DIRECTOR(S)	DUE DATE	COMMITMENT
1	4/23/19	Rachel	9/19	Rachel will schedule the audit for late summer and report back.
2	4/23/19	Kahadish	9/19	Sonrisa Kahadish will respond to Chris's proposed edits to 2.4.5.
3	6/25/19	Chris, Finnley	9/19	Chris and Finnley will work on 2.1 language change (in collaboration with Vishal's overhaul of this policy) by September.
4	8/27/19	Finnley, Brion, Chris	9/19	Finnley, Brion, and Chris will bring a proposal next month on how the Board wants to commit its energies as a whole to member engagement as a priority of the board.
5	8/27/19	Kahadish	9/19	Kahadish will email responses to treatment of workers bullet points, and we'll discuss next month with 2.2.
6	5/28/19	Rachel	10/19	Rachel will bring back Policy 2.3 Q4 and Q1 reports when CPA has more firm numbers.
7	4/23/19	CM Link	3/20	CM will clarify and explain 8.6, allocation of net loss, in time for the 2019 patronage decision.
8	7/23/19	Kahadish	7/20	Kahadish will bring the topic of names on bank accounts back to the Board when Finance Team has another eligible person.

**DECISIONS:**

**Decision: Board accepts Jay's resignation as of today.**

**Decision: July minutes accepted as submitted (2 abstentions).**

**Decision: Board accepts 2.3 report (updated version) as submitted, with one stand-aside..**

**Decision: Board accepts 2.4 report as submitted, with one stand-aside..**

**Decision: Board accepts Officer Roles proposal with this change: “1. No officer has any individual authority to supervise or direct...”**

**Decision: Board elects JennyO as President, Eleanor as Vice President, Brion as Treasurer; Secretary TBD.**

### **NEW COMMITMENTS:**

Finnley, Brion, and Chris will bring a proposal next month on how the Board wants to commit its energies as a whole to member engagement as a priority of the board.

Kahadish will email responses to treatment of workers bullet points, and we’ll discuss next month with 2.2.

### **OPEN FORUM:**

- N/A

### **AGENDA REVISIONS:**

- Note: Jay Whitaker has resigned from the Board.

**Decision: Board accepts Jay’s resignation as of today.**

### **MINUTES APPROVAL:**

**Decision: July minutes accepted as submitted (2 abstentions).**

### **AGENDA ITEMS:**

#### **1. New Facilitator Intro**

Sponsor: Jenny

Purpose: discuss

- Jenny has been in Portland since 2001, and she became a People’s member in the first week. She has long been involved in nonprofit, co-op, and grassroots activities. Jenny lives at Tryon Life Community Farm co-housing, which uses a consensus model. She also was facilitator for Alberta Co-op and has subbed here for Andrea for several years.
- Committed to anti-oppression work in what she does, wants to help keep this a safe(r) space, calls out micro-aggressions, etc. Welcomes feedback.
- Systems thinker! Huge amount of compassion for those of us who are trying to make the world a better place. Made a colorful “mind-map” of what she sees happening at People’s. Everything is threaded together. “Yes-and”!
- Process-oriented. Serious and silly.
- What she expects of the board: Come prepared. Bring agenda items in before the agenda planning meeting, etc. Let’s take opportunities to make things better.

## **2. IMR 2.3: 2Q19 Financial Condition & Activities**

Sponsor: Rachel

Purpose: decide

- Celebrate: Net income was 1.02%, even when sales declined. Awesome! Also, thank you for the hard work on the report!
- When report was prepared at first, it was done on the previous version of this report. Rachel distributed updated first & second pages.
- Changed (Rachel?) calculation from RFF. They also calculate Days of Cash differently, but Rachel thinks ours are more accurate.
- There are a lot of things being measured here that I don't clearly understand (Quick Ratio, etc).
  - Bike rack: Financial terms review at orientation.
- Did anyone come unprepared? No.
- Did anyone find operational definitions unreasonable?
  - Question about net income definition: Is this inclusive or exclusive of LTP?
    - Exclusive. But might need to go back and revise it.
    - Problem writing this report: This was the last year that LTP will be separate. It will be included in regular operations budget. So didn't want to make a specific reference to LTP.
      - So can this be seen as "net income is x% unless a specific project has been approved separately?"
        - Yes.
    - Overall, I still have no concerns about this report, which seems to be saying that the co-op is in decent shape.
    - I am uncomfortable with an open-ended exception.
      - Forcing a positive net income without exceptions feels hampering to the CM for helping the co-op move forward.
  - Did anyone find inadequate data in this report? No.
  - Did anyone find that the data in latest version does not demonstrate compliance when compliance is asserted? No.
  - Any unresolved concerns or questions? No.
  - Does anyone stand aside? One (because I do not think current LTP activities should be held separate rather than treated as an ordinary rather than extraordinary business expense).

**Decision: Board accepts 2.3 report (updated version) as submitted, with one stand-aside.**

## **3. IMR 2.4: Business Planning & Financial Budgeting**

Sponsor: Rachel

Purpose: decide

- Celebrate: I like the 3-year projection table and the comment that sales growth does not equal profitability.
- Celebrate: There is a lot of data to look at!
- We did the budget based on the first number; budget software populates the rest of the budget. Put in revised number, and software rolled out an updated budget.
- So 0.25% and (Chris?) doesn't take into account (Rachel?) This would correct the (Rachel?)
- This is the first time this has come to the board with a negative number. But it's also the first time LTP was included in the calculations.

- Did anyone come unprepared to act? No.
- Operational definitions unreasonable?
  - I do wonder if there is a multi-year plan.
    - No, but there is a plan for compliance for a multi-year plan. Plan is to bring it back to the October board meeting; RFF will be finished in September.
- Inadequate data?
  - Has there been any engagement with MOs about 10-year plan?
    - All the engagements have been based on the LTP. Addition is about (Finnley?)
  - Looking at plan, it shows goal of 1.6%.
    - That is not the goal, it is a projection.
    - My concern in looking at 2019 is that expenses are based on certain sales growth, but we had a negative sales growth. If we're trying to plan how much teams can spend the rest of the year, are you going to have teams spend 10% less? Yes Every month when sales are entered into spreadsheet, it shifts everything (that it can) .into what can now be spent.
  - So are we planning decreased sales for the rest of the year?
    - We have a dynamic budget, so if a month comes in not to previous budget, the spreadsheet updates the budget for the next month.
- Does data demonstrate inadequate compliance?
  - (Chris?)
    - This is not a budget. (Rachel?)
    - Chris is talking about (what column Chris?).
      - The other one doesn't include LTP, and this one does.
    - This has never been based on (Rachel?)
    - How do we know (Chris?)
    - So once budget is complete, we'll know how this will be accomplished? Yes.
    - It looks like we won't meet these numbers for 2020 and 2021.
      - We don't have those numbers yet. But we'll get this report back soon after the budget is updated.
      - Define Budget, Projection, Plan.
        - We will adjust the budget to adjust the projection to meet the plan.
  - Any unspoken concerns?
    - One stand-aside because of "my concerns that the data does not demonstrate compliance with my understanding of 2.3 (connected to stand-aside for 2.3)" and because "2.4.5 requires that owners be "engaged" with development planning. The planning phase is in a very different place than it was 2 years ago, and I don't think that round of efforts is adequate for what's being done today."
  - 2.4 normally comes in May after budget has been developed after all the actuals from previous year are in.
  - Vibes: After our conversation this weekend about gender and roles, I just realized that the people asking questions are mostly he/him.

**Decision: Board accepts 2.4 report as submitted, with one stand-aside..**

#### **ANNOUNCEMENTS:**

- We were featured in the WW Finder. Yay! (But they called it a worker-owned store. Boo.)
- CM Retreat is happening at end of September. Are there any Board members who would like to volunteer to cover store hours? Email Kahadish.

#### **4. Office Roles Update**

Sponsor: Naoki

Purpose: decide

- Proposal is taken from Columinate’s templates. Simpler definitions of officer roles.
- If officers have no authority to supervise or direct CM, what if Board makes a policy and it’s not followed?
  - Facilitator: That’s a question about policy governance.
  - This can be fixed by adding the word “individual” into line 1 (see decision below).
    - This change is (Brion?)

**Decision: Board accepts Officer Roles proposal with this change: “1. No officer has any individual authority to supervise or direct...”**

#### **5. Officer Elections**

Sponsor: all

Purpose: decide

- Proposal: We will revisit the Member Engagement aspect of the Nominations committee for 2 months so that a subcommittee can focus on how the Board wants to commit its energies as a whole to member engagement as a priority of the board. As part of this, Finnley, Brion, and Chris will bring a proposal next month on how the Board wants to commit its energies as a whole to member engagement as a priority of the board.
  - Consultant had some concerns about how MEC was structured, which led to the impasse that this proposal was meant to address.
- Proposed slate:
  - Jenny: President
  - Eleanor: Vice President
  - Brion Secretary/Treasurer
    - Or Chris as Secretary, Brion as Treasurer (if subcommittee does not bring it back in 2 months)?
    - Or leave Secretary unfilled for now?
      - Secretary presides over MEC, so that committee would be stalled if there’s no Secretary.
    - Stand-asides? No. Blocks? One (because the role of Member Engagement is very important, and this proposal is a way of “de-funding” MEC for reasons I do not understand, and I think we need MORE engagement with members, and this seems to be a step in the wrong direction).

**Decision: Board elects JennyO as President, Eleanor as Vice President, Brion as Treasurer; Secretary TBD.**

Finnley, Brion, and Chris will bring a proposal next month on how the Board wants to commit its energies as a whole to member engagement as a priority of the board.

#### **6. IMR 2.2 Extension Request**

Sponsor: Kahadish  
Purpose: decide

- [We didn't get to this item.]

## **7. Treatment of Workers**

Sponsor: Kahadish/JennyO  
Purpose: discuss

- [We didn't get to this item.]

Kahadish will email responses to treatment of workers bullet points, and we'll discuss next month with 2.2.

## **8. Deeper Goals Brainstorm**

Sponsor: facilitator  
Purpose: discuss

- [We didn't get to this item.]

## **MEETING EVALUATION**

### **Celebrate!**

- Good facilitation
- We got to see a block.
- Appreciate board's involvement.
- We accepted some reports.

### **Opportunity for change:**

- We could have moved more swiftly through the meeting so we could include Kahadish's item.
- More communication about impasse ahead of time.
- Too much on agenda!
- Concerned with board's ability to reach consensus.
- Concerned about Member Engagement Committee--what is happening??

**NEXT MEETING: Tuesday, September 24, 2019, 5:30-8:30 pm**

### **Next meeting agenda brainstorm:**

- 2.2
- Officer elections
- 4.4 (officer roles)
- Farmer's market anniversary that just happened, 50<sup>th</sup> anniversary that is coming up.

## **BIKE RACK/FUTURE MEETING TOPICS:**

- Ends reflection.
- (Chris??)
- (Jenny from Andrea?)
- Bike rack: Financial terms review at orientation