


Board Meeting Minutes
Tuesday, March 22, 2022; 6-8:30pm

Facilitation: David O **Minutes:** Gayle
Vibes/Celebration: Sarabell **Clean-up:** n/a **Scribe:** n/a

Attended by:

Board Members: Josue, Eleanor, Brion, Sarabell, Amanda, Claire

CM/Staff: Amina, Jen, Rachel

Member-Owners: Rossi, Alysia, Christopher

Guests:

COMMITMENTS:

| | COMMIT MADE | DIRECTOR(S) | DUE DATE | COMMITMENT |
|---|-------------|--|----------|---|
| 0 | 1/26/21 | Claire, Eleanor | 3/22 | Sarabell will reach out to Alberta Co-op Board on how they handle self-monitoring. [Update 7/27: Will bring to August work session.] [Update Aug: Move to September work session.] [Update Sept: Bumped to Oct, Jade will send info to Sarabell.] [Update Oct: Made contact, setting up time to connect.] [Update Dec: Still trying to connect.] [Update Jan: Not active. Will do another round of reach-out.] [Update Feb: No movement. Claire will check with Jade. Jenny will check with Alberta.] [Update March: Claire & Eleanor will take this one over. Claire got lots of docs from Jade. Next step: Claire will create an agenda request to discuss future monitoring. Due 5/22. (Added as new commit). Keeping this item in March minutes but will remove from chart in April packet.) |
| 1 | 2/22/22 | Eleanor, Bruno, Sarabell, Charlotte, Jen | 4/22 | Bruno, Sarabell, and Charlotte will join Grocery Story event planning team with Eleanor. [Update March: Communicating with John, next step is choosing a date. Jen will be point person for the Book Club, with help from Bruno and Eleanor.] |
| 2 | 2/22/22 | Claire | 4/22 | Claire will put together a proposal for a Work Session charter in the next month, and we can discuss it at a work session. |

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|---|---------|----------------|------|---|
| 3 | 1/25/22 | Claire | 4/22 | Claire will bring how to operationalize staggered Board terms back to the elections committee and will report back next month. |
| 4 | 1/25/22 | Claire | 4/22 | Claire will include Consent Agenda as an item in the Board Orientation. |
| 5 | 7/27/21 | Brion, Amina | 4/22 | Brion and Amina will meet to talk about policy 2.0 to address unlawful but prudent activity by April 2022 board meeting. |
| 6 | 3/22/22 | Eleanor, Bruno | 4/22 | Eleanor and Bruno will bring discussion around customer complaints to a work session or board meeting |
| 7 | 3/22/22 | Claire | 5/22 | Claire will create an agenda request to discuss future board self-monitoring. |
| 8 | 3/22/22 | Brion, Rachel | 5/22 | Brion and Rachel will get together by May to create timeline for creating board budget for 2023. |
| 9 | 1/25/22 | Claire | 7/22 | Claire will look into what other Boards do for Board compensation (consult with Jade) and also look into tax implications. [Update March: 50% of boards get gift cards, other 50% get discounts. Next step: Claire will work with CM on connecting with HR and lawyers to discuss alternative board member compensation.] |

DECISIONS:

DECISION: February minutes approved as written. (Eleanor abstained)

DECISION: Board accepts IMR 2.3 as written (Amanda abstained).

NEW COMMITMENTS:

Eleanor and Bruno will bring discussion around customer complaints to a work session or board meeting.

Claire will create an agenda request to discuss future board self-monitoring. Due 5/22.

Brion and Rachel will get together by May to create timeline for creating board budget for 2023.

M-O FORUM:

- Rossi: Would someone talk with me about what it's like being on the Board? (Eleanor will.)
- Alysia: Already in touch with board members.

AGENDA REVIEW:

- If Bruno not here for his topic, might give extra time to Brion's topic.

MINUTES APPROVAL:

DECISION: February minutes approved as written. (Eleanor abstained)

1) IMR 2.3 Financial Condition 4Q21

Sponsor: CM Link

Purpose: decide

- Thanks to Finance team for doing all the hard work on this!
- IMR = Internal Monitoring Report. Policies say what CM must not do, and IMRs show how CM is not doing what they must not do. It may sound negative, but it's actually very freeing. It gives CM more expansiveness in how to manage.
- IMR 2.3 is the only one that comes quarterly rather than annually. Most of the metrics are based on (1) Profit & Loss statement and (2) Balance Sheet. In general, CM is more focused on Profit & Loss. In IMR 2.3, most the metrics are about the Balance Sheet, looking at things like assets and net income. Note that the Q4 report is cumulative for the whole year, not just the past quarter. Note that we budget for positive net income, but for 2021, we did not, because of the pandemic. PPP loan in 2020 did not have to be paid back in 2021—this is not included as how we did. P&L metrics show both with and without that money. It's income, but not taxable income—thus not eligible for patronage dividends. Also, it was qualified for in 2020 but not used until 2021.
- Thank you for clear communication about this extra-hard stuff! Congrats to CM for breaking even (by bookkeeping) this year! Also congrats on only having half the loss expected!
- CM were able to have that financial performance in spite of making hard decisions to keep everyone safe in pandemic.
- Also, we raised wages across the board to get closer to cost of living in Portland.
- Balance sheet total sales: Looks like we had less total sales in 2021 than 2020. Any analysis about this?
 - Biggest difference was first quarter, because 2020 was normal, then huge sales (panic buying) second quarter. Rest of year was pretty similar. Analysis: People's lives changed a lot—fewer shopping trips, lots of people moving to be with family.
 - See CM FYI for more info for month-by-month data. We're starting to see sales numbers coming back.

- It took a long time for Double-Up Food Bucks to make an impact, but it's happening now, and that brings people in as well.
- Most of the metrics are about stability, etc. Recommended amount from NCG (National Cooperative Grocers) is to have 10 weeks of cash in the bank; we have about 3 months. Quick Ratio: We're very stable with more cash on hand than liabilities. Current Ratio: Assets divided by liabilities. Debt-to-Equity Ratio: Equity is made up of investments (MO shares), retained earnings, retained patronage. How does what we owe compare to what we have? Not much debt.
- Let's look at an example. In Subsection 2.3.1, CM show how they interpreted the policy, their operational definitions, as well as the data.
- Facilitator: Anyone unprepared to act? No. Anyone find operational definition or interpretation unreasonable? No. Any inadequate data? No. Does data not demonstrate compliance? No.
- Abstentions from accepting? Amanda. Rest of board consents to accept report.
- Policy reflection is very important to think about if we're asking for the right things. This can also tease out if policy needs to change or if operational definition needs to change.

DECISION: Board accepts IMR 2.3 as written (Amanda abstained).

ANNOUNCEMENTS:

- NMEC has extended application deadline. Haven't received any new ones since then.
- Starts are in the courtyard! Sprint is springing; hours extended, Farmer's Market back to 2-7.

2) Process for addressing customer concerns addressed to the board

Sponsor: Bruno/Eleanor

Purpose: discuss

- Bruno's not here, so we'll move the full conversation about this to next meeting. We also want all of our missing board members to have say in this as well. Three members are missing tonight.
- There are 2 parts to this. Maybe we could cover the part about who is designated to address urgent things that come to the board. As background, we have an accepted practice of deferring to board president to respond. Might need to have a backup for urgent responses or if other board members should reach out to president if not seeing response.
 - That is current process. President is single point of contact. The other question for me, if contact escalates/is agitated about the issue, how we handle that.
 - I would encourage defining "urgent" or a metric for when action needs to be taken. Maybe anything that hasn't been responded to in 48 hours?
 - Is there a way to respond quickly that message was received (could be sent by anyone)

- and then have president respond more robustly later?
- Eleanor: Text me if something needing response is sitting there—better than email.
- Current issue did get response in 48 hours, but it wasn't fast enough for contact.
- There will be times people are not happy. There are situations you won't be able to fix. Do what you can to make it smooth for you; you might not be able to fix it for the contact.
- Facilitator: So I'm hearing that **if there's been no response from Eleanor in 48 hours, someone should text her** so she can get back with at least receipt of message.

Eleanor and Bruno will bring discussion around customer complaints to a work session or board meeting.

3) Board Budget

Sponsor: Brion

Purpose: discuss

- Since we're missing 2 of our new members, could we share the recording on this meeting with them so they can learn?
 - Recognizing that this could set a precedent—it has not been our usual practice.
 - The proposal was specifically because we're doing this as a learning piece and 2 new people (Bruno and Jinju) aren't here. Goal is supporting orientation.
- We don't often talk through our budget. It's new for many of us! This is sort of dream space.
- This year, we have fewer fixed budget items than normal. We know we have some items we will not be spending money on; let's talk about what to do with that money.
- Year by year, our budget has decreased by small amounts (e.g., 4%), indicative of sales projection. Consultant cost has risen. We made a decision not to re-up for CBLD but use it for reserve to possibly have extra consultant time. Facilitator time has increased, and we've been asked for an hourly increase from the facilitator. Board discounts: Might change how board is compensated, like fixed amount for the year rather than a percentage, to make it more attractive to underrepresented demographics. Admin part didn't all get spent. Some things (like meals) have gone to zero until we meet in person again. Line items truly unfixed come to about \$9500. (See chart in packet.)
- When we say we see a number go up, is that CM-driven or something we have to build from ground up?
 - We have mostly just passively waited for CM to figure it out rather than actively doing it.
 - Rachel: There's a policy that 0.25-0.75% of operating budget goes to the board. Also, there's dynamic budgeting, which can cause adjustments to all budgets across the co-op. So don't feel that you must use the total money as assigned to each line item.
 - We do have discretion to spend more than allocated to board, but we'd do that in

- tandem with CM so it doesn't throw off their numbers.
- Jen: You could do that within the range percentage.
 - We want to add "CM Gift" as a line item on our budget; we started this practice the last few years and want to be sure to do it!
 - Were there notes from 2021?
 - Brion: Not in the version I had. I'll confer with Rachel.
 - Rachel: Anyone could put more notes there; usually Link.
 - Now: Dreamtime! We have 14 minutes. How do we want to spend our money? Expanding outreach; engaging community around Ends; books for book club (board or even all interested MOs); reserve for consultant; increase facilitator; hire subject-matter experts to train the board.... Let's dream!
 - Cost of speaker to come for conversation with MOs—include speaker's fee plus a gift (e.g., flowers). Also associated costs (rent space; sound equipment; etc). We'll need a sort of project manager.
 - Curious how people are feeling about an in-person retreat after the election, probably outdoors. Straw poll (1=likely, 5=unlikely): Three 1s, three 2s, a 2-3, and a 3.
 - Do we commission some art to go with our Ends work? A logo or symbol or drawing? Backdrop for John? Something to put on hats/shirts/bags? Cost of art and maybe merchandise.
 - Buying books for MOs (not just board members)?
 - Technology: We already have a board member who can't use google docs. Document management system that's easy to use and available offline? Definitely need to be hand-in-hand with CM on this.
 - Love invitation to dream. Maybe skilling up on anti-oppression work.
 - Consider paying for training videos.
 - Farm tours.
 - A benefit of being on board is gaining skills, personal development. More training for board? Nonviolent communication?
 - Brion: We have a lot of dreams, want to do a lot of good in the world! Would like to get together with Rachel to plan for more board engagement.

Brion and Rachel will get together by May to create timeline for creating board budget for 2023.

Meeting ended at 8:30.