

Oshkosh Food Co-op Board Meeting
 Date: 10/21/21
 Time: 6:30 pm
 Location: Hybrid (Remote and Blue Door Consulting)
 Minutes Recorded by: Molly

Board Member Attendance		Member, Staff & Guest Attendance
Brenda Haines x	Warren Bergman x	Staff: Jeffrey Thouron
Molly Smiltneek x	Susan Vette x	Members:
Melissa Weyland x	Jay Stoflet x	Guests:
Peter Westort x	Heidi Supple x	
Ryan Rasmussen X	Heather Seraphine (Adjunct) x	

Topic	Facilitated by	Discussion	Actions
Call Meeting To Order	Brenda	Brenda called the meeting to order at 6:35 pm	
Member Comments	All	Member Comments <i>Note: Due to the risks associated with in-person gatherings, we are meeting virtually. If you would like to submit member comments, please do so in writing and email to oshkoshfoodcoop@gmail.com</i> No member comments for this meeting.	
	All	Consent Agenda <ul style="list-style-type: none"> Meeting Minutes – October 6, 2021 Finance Committee Meeting Minutes – September 29, 2021 	

THE FUTURE IS LOCAL. The Oshkosh Food Co-op's mission is to promote the health and vitality of our community through collectively owning a grocery store to meet our diverse needs. Our co-op emphasizes local and organic suppliers to grow a place of holistic well-being.

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		Pulled Meeting Minutes – October 6, 2021 because they weren't posted. Susy moves to approve, Warren seconds. Motion passes.	
GM Reporting	Jeffrey	<p>Weekly Reports</p> <ul style="list-style-type: none"> • WSR Report – Week 40 (October 4-October 10) and WSR Report – Week 41 (October 11-October 17) <ul style="list-style-type: none"> ○ 100 more member visits than week before, \$2,000 higher sales ○ approx. 20% of members are shopping ○ would like 900 members per week to be on budget (or get sales another way) ○ customer service survey went out last week ○ still looking for input on how to get members into the store ○ Heidi: Overall what % of members have actually shopped in the store cumulatively? Tried to pull it this week but there was an error. ○ Susy: Is the target 60% of members shopping at the store? Could be as high as 75%. It is the total number of members who shop, not how often or how much they spend. Consider them active members - those who have shopped in the last year. Eventually the goal would be 60% of active members shop every week or regularly. Brenda: That seems high - think Menominee Market has about 1/3 every week/regularly. Heidi - should maybe be 60% of active members somewhat regularly possibly. That number will be important to see a trend. 	

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		<ul style="list-style-type: none"> ○ Jay: Is member participation number being skewed by whether or not we're asking for a member number at the register? How confident are we that member numbers are being recorded accurately? There is now a prompt on the cash register telling the cashier to ask you if you're a member. Melissa: No matter what, there will be some missing. There is a lag when people sign up, people will forget to ask. Would be good to have an estimate of a % of how many are missed. How to measure that? Suggest looking at comparable data from a similar store. May be more effective than asking in a customer survey unless have plan for action with data collected ○ Warren: Do the cashiers also have a prompt to ask if you want to Round Up? No prompt but there is a sign on their monitor. Brenda: Seems more often than not they don't ask. ○ Heidi moves approval, Ryan seconds. Motion passes. <p>Monthly Reports</p> <ul style="list-style-type: none"> ● Human Resources Report – October 20, 2021 <ul style="list-style-type: none"> ○ Marketing Coordinator now posted; expect to hire as early as the first of the year. ○ Molly: It is not clear if there was any progress made on hiring since the last report. I think there are no hires, and if not, what is the typical timeframe to hire? Could we add a row to the "current batch of hiring" table to indicate any hires? <ul style="list-style-type: none"> ■ Hired two cashiers but are still looking for more. People want to work, but not the hours we need them. Takes a few people to fill the slot we need. ○ Brenda: In future reports, please include (1) efforts made to recruit and retain a diverse workforce, including management and supervisory level employees, (2) efforts made to provide staff D/E/I training, and (3) efforts made to provide staff overall operational training as requested in approved GM Reporting Expectations. 	
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		<ul style="list-style-type: none">○ Molly moves approval, Warren seconds. Motion passes.● Ends Report – October 20, 2021<ul style="list-style-type: none">○ Nothing is surprising; have tagged local items in POS. \$1800 collected in Round Up at the register so far. Added in comments on prior promises.○ Brenda: wanted to make sure you saw the notes that Be Well was in for a tour of the store, conversation about food systems, trying to find a focus. They are interested in how we can make a more healthful food system. Curious about barriers during start up. They were interested in a Hub/Distributions concept. Trying to create a good bridge. No action, just exploratory○ Susy moves approval, Melissa seconds. Motion passes.● Sources & Uses Budget vs. Actual, Restricted Funds – Expended vs. Available – October 19, 2021<ul style="list-style-type: none">○ Last version of this report nothing was in Quickbooks; now everything is in Quickbooks.○ Variance to budget is about 1/2 the overrun allocation; if that's true, we have a good amount of overrun left. There are some costs outstanding that may need to use that allocation○ All known major invoices are accounted for in this document○ Brenda: Amount in leasehold improvements totals more than Greenfire has approved and was the Board Approved amount. Can you help me understand the discrepancy? Is there anything in leasehold that is not Greenfire? Not easy to discern, let's send this portion back to finance.○ Brenda: The equipment line in the 9/21/2021 Sources & Uses report is less than 10/21/2021 report, the line item shows as less. It was higher in July. We've had additional Retail Planit expenses, expenses moved from fees to this line, a couple of double payments have been offset, but it seems like it should be higher than last report. How can we explain this change?<ul style="list-style-type: none">■ Jeffrey: Greensboro purchase was split into two and put in 2020.■ Heidi: Shouldn't that carry over as an overall total?■ Jeffrey: Some are in as fees and asset v. expenses account. Difference between July and now is where those fees are captured.	
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		<ul style="list-style-type: none">■ Brenda: But the fee number didn't change.■ Jeff: Know we paid given amount in equipment because of ledgers and bills paid by OACF.■ Heidi: For the purpose of this, let's pull this back and hash it out in finance.○ Brenda: I'd also like to recommend that we refer to Finance Committee treatment of the additional memberships sold above 1500. They are shown here in the Sources & Uses. However, the operating budget also includes the sale of 350 memberships in Year 1. If we include the 300-ish memberships above 1,500 in Sources & Uses, I believe that means we would still need to generate an additional 350 memberships yet this year to be on budget. Given the current pace of membership growth, that seems unlikely. Therefore, we may want to reclassify memberships above 1,500 for Sources & Uses to the operating budget.○ Motion to move entire report to Finance for review and resolve outstanding issues by Molly, Melissa seconds. Motion passes.● GM Operations Report – October 19, 2021<ul style="list-style-type: none">○ General Overview of How Things Are Going, Member-centric Strategies Related to Product Mix and Sales Growth Strategies Number of New Members and Total Members○ Molly: Has any action been taken in any of the items in the "Lead Activities" chart?<ul style="list-style-type: none">■ Jeffrey: Have an endcap rotation schedule, first change tomorrow, then week after that, have other areas scheduled for merchandising changes, changes to impulse coolers coming next week. Have connected with 4 direct vendors in process (including Village Hearth and Palmeros). Low cost conventional items are still the biggest issues; feel we're being ghosted by SuperValue haven't gotten catalogs. Holiday vendor may be an option (tip from Billy). Customer survey - went out last week.○ Molly: What does "Complete Price Rounding Rules" in Price Perception mean?<ul style="list-style-type: none">■ When shopping you want to see things ending in a '9' and have to modify slightly off of margin. UNFI tags were on	
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		<p>monthly payment? Are all current members inputted into the ECRS system such that when cashiers look them up they appear?</p> <ul style="list-style-type: none">■ Jeffrey: We are doing the process membership committee wants me to do right now; could accept right now but have to merge it with nationbuilder. When webcart is working it will be the same as buying in store. Previous nation builder data has been imported. Having a "4th lane" will be a better member experience, the question is the data migration piece.■ Molly: Who is responsible for putting together that plan? There are multiple systems that don't talk to each other now.<ul style="list-style-type: none">● A lot of data isn't going to be migrated to ECRS (like donor history). Will have more information on the 29th when the webcart is online. <ul style="list-style-type: none">○ Molly: Regarding WIC: what is the timeline to application?<ul style="list-style-type: none">■ No timeline currently. Need to get product groups on the shelves that aren't there yet.○ Brenda: There were other punchlist items with Retail Planit and Greenfire, we are getting closer to having them paid, how can we get those punchlist items completed?<ul style="list-style-type: none">■ Jeff is handling Retail Planit. Jeff views the Greenfire punchlist as with the Board, but he can take it.■ Brenda: We were doing retail planit at that time too so wanted to make sure they were all transitioned over. It was one google list. Brenda will send Jeffrey the list from before open.○ Susy: In marketing tactics - do you track the impact of tactics?○ Know redemption rates of coupons, have a count when hand things out. Hard to measure effectiveness and return to store, or why a person became a member.○ Heidi moves to approve Monthly Operations report, Ryan seconds. Motion passes	
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		<p>Policy Governance Reporting</p> <ul style="list-style-type: none"> ■ B2 – Business Planning and Financial Budgeting – October 2021 o C4 – Communication and Direction – October 2021 <ul style="list-style-type: none"> ○ This is our first real policy compliance report; he hasn't done it exactly like this before. Not scary to be out of compliance as long as you have a plan to get back in compliance. ○ 4 Items out of compliance: <ul style="list-style-type: none"> ■ some financial statements not timely - made improvements to system, ■ hasn't been reporting on Key Indicators - usually reported to finance committee, will give to Finance next week, ■ 20% of inventory is current interpretation, ■ BIPOC haven't explicitly encouraged to have goods sold at store - will address in next two weeks ○ Brenda: On the top of page 6 of this report – Interpretation, you note that all budgets in use are budgets that the GM did not participate in creating. My understanding was that the operating budget was your budget – as it contained your recommendations related to sales, wages, staffing, etc. Can you say more about what you mean? <ul style="list-style-type: none"> ■ Jeffrey: Normal budget process: GM creates, Finance reviews, compared to previous years, submit to board. What we have now is from the pro forma, labor % and everything is built according to the pro forma. Not that he created. In future annual budgets and 3-5 year budgets should be created if pro forma is obsolete or outdated. ■ Brenda: Interesting interpretation because the board revised the pro forma based on the budget. ■ Peter: Employee discounts and other items were also added. 	
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		<ul style="list-style-type: none">■ Jeffrey: I didn't create the pro forma or budget. Comfortable adding a line saying that he prepared the budget based on pro forma. Usually GM creates a budget.○ Brenda: B2D - The interpretation of this says Board/staff are currently in alignment with sales expectations as laid out in the budget. Would it be appropriate to note here that while in alignment on the definitions, we are not in compliance with the sales growth targets? Or, which policy would you typically report something like that under?<ul style="list-style-type: none">■ Jeff: Expectations for all come from the same place: market study, pro forma, etc. That would be in the B1 report where reporting on sales. This report is on financial planning and budgeting.○ Brenda: The compliance report references production of Key Financial Indicators report, which you've included as pages 11-12. Do you plan to show whether we are compliant with the indicators in some way?<ul style="list-style-type: none">■ Jeff: This will go to finance.○ Brenda: Margins vs. projections are referenced as a part of monthly reporting - Will that be possible if we are doing inventory quarterly? Monthly inventory is mentioned - Do we need to add some context here that inventory will be estimated monthly with an actual inventory quarterly? Or, are you doing a count in produce/ prepared foods monthly?<ul style="list-style-type: none">■ Jeffrey: could do estimated margin v. projection. Jeff will prepare this based on written language and if it proves to be a problem, we'll modify the language of the EL. Margin will always be estimated in a month○ Molly: In B2.B, operationally, it has been very clear and there has been indicated agreement/consensus by the Board and GM that Monthly financials are due the 20th of every month. Additionally, in the Period Lock and Closing Checklist on P. 25 of 30 in the Finance Manual, it indicates that the GM shall <i>generate income statement, balance sheet, and cash flow statement comparing current period to prior year and budget. Post to shared file system for retention</i> to be due by the 20th of every month. Operationally this is to allow required information to be posted to NCG and the	
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		<p>OFC finance committee to provide thorough review and revision and then the Board can all have timely review.</p> <ul style="list-style-type: none">■ Molly moves, Heidi seconds to amend the Oshkosh Food Co-op Accounting, Finance and Budgeting Means Policies and Procedures Manual to read:<ul style="list-style-type: none">● In "Monthly <Period> Reports", sub. 1: Financial Statements should be prepared within 20 days of the month <period>end.● In "Quarterly (4, 4, 5) Reports", sub 1: Quarterly Reports should be produced within 30 days of the end of the quarter.● Also change word "Month" to "Period" and insert (4,4,5) after Quarterly■ Motion passes.○ Motion to approve Jeffrey's B2 governance report as presented. Molly moves, Peter seconds. Motion passes. Warren and Melissa abstain.○ Continue to work on language and what board steps should be in acceptance and finding GM in or out of compliance. <ul style="list-style-type: none">● C4 – Communication and Direction – October 2021 - 4. Communication and Direction<ul style="list-style-type: none">○ Moving through each section of policy C4<ul style="list-style-type: none">■ The Board, through normal approval processes, has a right to obtain information about activities in the areas delegated to the GM.<ul style="list-style-type: none">● Board feels we are in compliance.	
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		<ul style="list-style-type: none">■ All Board authority delegated to staff is delegated through the GM, so that all authority and accountability of staff is to the GM<ul style="list-style-type: none">● Board feels we are in compliance■ The Board will not give direction to persons who report directly or indirectly to the GM, with the exception of staff whose job description includes facilitating the Board's work. This does not prevent collaboration by Board and staff as authorized by the GM. An exception to this policy applies where the Board must act to address severe performance issues of the GM as outlined below in <i>Monitoring of the General Manager's Performance</i>.<ul style="list-style-type: none">● Board feels we are in compliance. We were out of compliance in the past but have since modified our communication.● The exception is a whistle blower clause. Would be very rare, if ever.○ The Board will refrain from evaluating, either formally or informally, any staff other than the GM.<ul style="list-style-type: none">■ Board feels we are in compliance<ul style="list-style-type: none">● From time to time in board meetings, Board members will make comments that XX staff is great, is that a problem? A compliment isn't deemed an evaluation (snap shot in time v. review).	
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Governance		<ul style="list-style-type: none">• GM Reporting – October 2021 Scope and Timeframe (ratify electronic vote)<ul style="list-style-type: none">◦ Motion to ratify. Warren moves, Jay seconds. Motion passes.	
Executive	All	Board/GM NCG budget training with Amy Fields - schedule it for 30-60 minutes: Tentatively scheduled for November 1 at 5:00 pm	
Board-only Session	All	The Board may meet in closed session immediately following the regular board meeting.	

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		Susy moves, Heidi seconds to move into closed session. Motion passes. Meeting goes into recess at 10:50 pm; Board resumes closed session at 6:10 pm on 10/25/21. Discussions and actions taken with respect to contingency planning and confidential personnel matters and related expenditures.	
Adjourn		Meeting adjourned at 8:38 pm on 10/25/21.	