

**Meeting of the Neighborhood Co-op Board of Directors
Tuesday, January 22, 2019 at the Neighborhood Co-op Community Room
1815 W. Main Street, Carbondale, IL 62901**

On January 22, 2019, the Board of Directors of this corporation met in the community room of the Neighborhood Co-op. The business portion of this corporation began at 5:58 pm.

1. Board members present: Jak Tichenor, Mary Avery, Margaret Anderson, Kristy Bender, Richard Thomas, Lauren Bonner, Barbara James, and Leslie Duram
2. Board members absent: Susan Barry
3. Officers present: Richard Thomas (Chair), Kristy Bender (Vice-Chair), Francis Murphy (General Manager) and Wendell Pohlman (Secretary)
4. Officers absent: Susan Barry (Treasurer)
5. Guests: none
6. Since a majority of the Board members were present, a quorum was met.

A. Introduction Facilitator – Trish Wright

1. Mission Statement - Margaret
2. Assign Roles
 - a. Time keeper - Trish
 - b. Scribe - Kristy
3. Review Agenda
 - a. Remove C.1 per Francis
 - b. Move C.2 and C.3 to New Business for questions
4. Previous Meeting Minutes – **Approved**
5. Owner Comment Section
6. Distribution of Board Compensation

B. Committee Reports

Standing Committee

1. Policy Development & Finance Committee – *Richard*
 - a. They have not met but are continuing to review and edit the Procedures document.
2. Boardlink Committee – *Margaret*
 - a. The committee has met in person and via email
 - b. On February 11, 2019 Jill Rendleman will present about organic farming
 - c. Later in the meeting Margaret will discuss owner survey results
3. Board Development Committee – *Kristy*
 - a. The committee have not met but have communicated via email
 - b. They have passed on the 4 Board nominated candidates to Francis

- c. They have talked about revising Board application question in regards to the family member association on the Board
- 4. GM evaluation committee - *Richard*
 - a. They are almost done with it and will have everyone review it on-line.
 - b. They will finish it on Basecamp.

C. Consent Agenda - **Approved**

- 1. Board Self Assessment
- 2. Treasurer Oversight Report (Nov. 2018 report) (posted at Dec 28th 2018)

D. New Business

- 1. B2 Planning & Financial Budgeting report
 - a. Barbara said that all the reports were incredibly thorough. She has some questions on the handout she brought. They are as follows:

STRATEGIC Plan 2017-19

- 1. *Page 10: Worse Case Scenario: Add Board's participation in austerity moves*
The Strategic Plan is updated every three years. This year, 2019 it will be updated. Francis explained that the Board has discussed this issue and at the moment the Board has cut as much as it has elected to.
- 2. *4 Year Pro Forma, page 1: Is there no actual 2018?*
Francis said we will not have an actual until 3-4 weeks into the first quarter of 2019 because of accounting processes.

ANNUAL MONITORING REPORT, Jan 11, 2019

Page 3, Board Budget: Does the Board's annual budget take into account the present financial condition of the Co-op? (Per D7.3.1)

Every year the Board discusses specifically Board compensation and in the New Business section of this meeting that will be discussed. It is hoped that with a new Governor supporting higher education, there will be an increase in sales as well as paying off the Co-op's loan next year that the Co-op will be in a better financial situation.

2018 ENDS REPORT

Page 4, Staff Survey: What were the 2 areas of relative dissatisfaction?

- 1. Reviews have not been done in a timely fashion. This is an ongoing issue with Co-op Managers
- 2. Evaluations
 - 2. A. Ends Report
 - a. Mary had a couple questions:
Does the Co-op get a sales boost during an event, for example, the Empty Bowl fundraiser that happened this past fall?

- i. Francis responded there might have been a boost in sales during that event but not enough to stand out.
 - ii. It definitely meets our “benefits to the community” mission
 - b. What have been tough aspects of the past year?
 - i. Francis said that the POS has been a hard adjustment but is working well now. Getting data from it is somewhat difficult. At the NCG meeting an authorization was signed to have a single group working with POS IT people so reduce the cost for individual Co-ops. Thus creating a larger entity to leverage better IT support for the NCG member Co-ops. Thus hopefully this will reduce costs of running and maintaining the POS and help get the most out of the system.
 - c. Mary really appreciates the honest and straightforwardness of your explanation in the Reports. – Thank you Francis.
3. Discussion: Owner survey results – *Margaret*
- a. They worked 3 hours at the Annual Owners Weekend
 - b. Asked 5 questions:
 - i. If you could use one word to describe the Neighborhood Co-op, what would it be?
 - ii. What one word describes what you value most about the Co-op?
 - iii. What one word describes the value the Co-op adds to the community?
 - iv. How could the Co-op better serve the community?
 - v. What could be done to improve your shopping experience at the Co-op?
 - c. 58 people responded
 - i. Community – Healthy – Local = top 3 words
 - ii. This is an abbreviated survey and easy for people to take
 - d. Task – Margaret will put the raw data and Power Point on Basecamp
 - e. It was asked, what are we doing with this data?
 - i. Francis, this could be a check on the ENDS policies? The top three words are in our mission statement.
 - ii. The survey and its process could be a potential Morsel article subject
 - 1. How the Survey was run?
 - 2. What the results were?
 - f. Over all this was a good event for public interaction and engaging people
4. Discussion: Board compensation – *Richard*
- a. Richard showed a graph Francis created - Governance Expense as % of Sales 2008 – 2017

- i. We are a medium – small Coop comparatively to National wide Co-ops.
- ii. CLBD – the \$6,000 cost is a large chunk of the \$23,900 of the Board’s budget
- iii. Next year the Co-op will be retiring the large bank loan the Co-op took out to fund the move to the new store.
- iv. 12 payments of Compensation – for our 10 meetings and the Annual Owners Meeting in April.
- v. Please make comments:
 - 1. We could pay only for meetings Board members attending
 - 2. There is work done behind the scenes not just at the Board meetings
 - 3. There are a lot of Boards in the area that need good people. The Co-op Board needs to recognize that we spend out valuable time doing our work
 - 4. It would be hard to it take away and then reinstate
 - 5. Co-op is a business – not a non-profit
 - 6. It is good to review this question every year.
 - 7. Has Francis heard anything negative from anyone about the Board and their compensation? – No
 - 8. It was agreed that there will be no change in Board compensation

5. Discussion: Generative discussion continued – *Richard*

- a. Richard asked -What do we do in the near term to make things happen?
- b. Kristy brought up that it was discussed through Board Education in previous meetings the idea of Patronage Dividends and having the CPA come and present to the Board
 - i. Francis spoke with Bruce at the Co-op’s CPA firm – (Bruce is a very knowledgeable about Co-ops.)
 - ii. He doesn’t have a Power Point prepared this particular issue and would charge \$500; he is willing to do it.
 - iii. At the agenda planning meeting the Chair and Vice Chair decided it was too much money at this time to go forward in light of the current budget
 - iv. It is a large expense when we are not clear if the amount of dividends available justifies the processing costs – See annual report
 - v. The Coop is not in a fiscally sound place to actually process Patronage Dividends.
- c. Leslie- Scott Martin (the bee/honey guy)– is knowledgeable of diversity issues in Carbondale
- d. He knows a lot of different groups locally and understands the diversity issues in the area.

- e. Should he come speak to the Board?
- f. Kristy – Board Education –What is our end goal? We need a cohesive agenda
- g. Trish asked - What is your greatest need for professional development?
- h. Kristy said that when Jak Tichenor and Gary Williams spoke to the Board that was a great start and really informed the Board of what was happening statewide and citywide, respectively.
- i. Could we get John M. Dunn (SIUC Interim Chancellor) to come speak to the Board?
- j. Jak thinks he might be open to it.
 - i. Mr. Dunn will be here for 2 years, and he is from Pinckneyville, IL
 - ii. Task - Jak will ask if Mr. Dunn would come talk with the Board. Hopefully for either our February or March Board meetings.
- k. Lauren – Glenn Poshard suggested that SIU should become a part of the U of IL system. SIU has no endowment. It would take someone who doesn't have a stake in it to suggest such a move. It has been discussed in various other venues as well, Jak, Leslie and Kristy concurred. SIU has staying power because of the research side; it is very strong.
- l. Trish - educating us, the Board, on external circumstances that factor strongly in how they affect the Co-op is very important.
- m. Francis - understanding our community more by having Scott Martin's come speak about what his experiences and understanding of diversity in the Carbondale community would help the board.

E. Announcements

- 1. Next Meeting: Tuesday, February 26, 2019
- 2. Monitoring Report:
 - a. Treasurer Oversight Report
 - b. B3 Financial Conditions
 - c. C1-4 Board – General Manager Relationship
 - d. D7 Governance Investment
- 3. Facilitator: Trish Wright
- 4. Items that did not fit earlier

F. Closing

- 1. Review Decisions
 - a. Board decided to keep Board Compensation as is.
- 2. Review Tasks
 - a. Task- Jak will get in contact with Mr. Dunn's office
 - b. Task – Margaret will post the survey results on Basecamp
- 3. Evaluation of Meeting

- a. Did everyone get to speak who wanted to speak to a particular issue? Yes
 - n. Have we heard the opinion that challenges the wisdom of the day on this issue?
 - i. Good exchange for Board Compensation
 - o. Have all opinions been heard--especially those not present in the room?
- 6. Evaluation of Board activities between meetings
 - a. Work on Committee timeliness
- 5. Adjourn at 7:42pm

G. Parking Lot

- 1. Further exploration of what to do with the information from Leslie Watson regarding 3 recommended co-ops where the economic driver is something other than education level.
- 2. Review our 2025 Vision
- 3. With the new information from NCG 2017 report the Board needs to review Strategic Plan. The Board states the “Ends” and the GM is responsible to achieve those “Ends”.

EXECUTIVE SESSION did not meet