

Board of Directors Meeting Minutes
April 12, 2023 at 6:00 pm (in-person)

Present: Laura Weiss, Joseph Correa, RJ Halloran, Diane Krapf, Heidi Beierle, Adrienne Renz, Margaret Gerard, Randy Rydel, Tony Vernon, Chuck Parsons

Facilitator: Holly O’Neil **Administrator:** Annabelle Rosborough

Topic	Key points	Outcome
Welcome, agenda review		--
Consent Agenda: <ul style="list-style-type: none"> • 2/21 SPC Minutes • 3/8 Board Minutes • 3/15 BDC Minutes • 3/15 Finance Committee Minutes • 3/21 SPC Minutes • Key Indicators for March • Solar Project Memo, Holly Solar Agreement, Ecotech Solar Proposal • Monitoring Report P7 Board Donations • Monitoring Report P1.8 Cost of Governance • Monitoring Report 4.1 Scope of Authority • Monitoring Report P5 Board Chair • Monitoring Report R1.1-4.3.2 GM Oversight • GM Monitoring Report B2.1-B2.5 Membership • Boundary Policies Review Memo & Monitoring Tracker Report • Draft Spring Retreat Agenda • Investment Share Dividend Proposal 	<ul style="list-style-type: none"> • Facilitator asked if all attendees had read the packet. For those unable to read the materials sent late it was recommended that they refer to the information during the meeting or abstain from voting. • Facilitator asked if there were any questions or concerns about the consent agenda items. • Requests were made to pull the Key Indicators. 	Approved by Consensus with Key Indicators pulled for discussion.
Board Chair Report	<ul style="list-style-type: none"> • The Board Chair congratulated Joseph, Heidi, and Tony for their Board of Directors nomination. The Board Chair welcomed Tony Vernon to the Board as the Staff Director elected by the Staff Co-op members. • The Chair thanked everyone who made the Annual Meeting a success. • MAC will debrief the Annual Meeting at their retreat later this month. The Board will debrief and hear MAC’s recommendations for the 2024 Annual Meeting at the Spring Board Retreat. 	
Key Indicators	<ul style="list-style-type: none"> • The Board Admin. confirmed that the correct Key Indicators were included in the packet. Key Indicators for April and May will be included in the May packet. • The Finance Chair responded to a question noting the hours for Production were higher again than budgeted. The Finance Committee has been discussing the issue and plans for returning to budget. Chuck offered some explanations and strategies being implemented to improve hours and productivity. Plans include 	

	<p>breaking down the budgets by departments so managers can schedule based on their department budget. Production is exploring using suppliers that can provide prepared food to help with freeing up some hours and unskilled labor.</p>	
Proposals for Co-op & Board Officers and Nominations	<ul style="list-style-type: none"> • <i>Co-op Officers: President – Chuck Parsons, Vice-President and Treasurer – Jon Edholm, Secretary – Melissa Elkins</i> • <i>Board Chair: Laura Weiss, Board Vice-Chair: RJ Halloran, Finance Chair: Randy Rydel</i> • <i>Finance Committee: Randy Rydel, Laura Weiss, Diane Krapf</i> • <i>Board Development Committee: Adrienne Renz, Heidi Beierle, Joseph Correa</i> • <i>Member Affairs Committee: RJ Halloran, Margaret Gerard, Tony Vernon</i> • <i>Strategic Planning Committee: Heidi Beierle, Joseph Correa, Adrienne Renz</i> 	<p>Co-op officers – approved Board officers – approved Committee slate approved</p>
Declaration of Any Potential Conflicts of Interest	<p>All Directors were asked if they understood what a potential conflict of interest would be and to declare any potential conflicts of interest.</p> <ul style="list-style-type: none"> • Randy, RJ, Laura, Diane, Adrienne, Joseph, Heidi - No potential conflicts of interest. • Margaret - A Co-op plant vendor but not above 25% • Tony - A Co-op staff member 	
GM 180-Day Progress Report	<ul style="list-style-type: none"> • Chuck provided a 180-day progress report. He shared that he has a better understanding of the role now and what he needs to work on. Chuck is focusing on his communications, helping his managers, employee satisfaction, staff development, and making connections in the community. He is working with two mentors. He acknowledged his strong team and areas he is working with them on to strengthen their dynamic. He is in the stores every day. He wants his employees to know they can trust management. • Chuck will be engaging his team with the remodel project so they can help take ownership and learn from the process. 	
Boundary Policy Monitoring	<ul style="list-style-type: none"> • The Ad-Hoc Policy Working Group members, Heidi and Adrienne shared their process for reviewing the Boundary policies and determining if they should be accepted or not, recommendations for re-monitoring when needed, and themes and general feedback for future reports. • The Ad-Hoc Policy Working Group recommended they continue to meet ahead of the board meetings to review the monitoring reports and provide recommendations for the board. • Recommendations for re-monitoring: <ul style="list-style-type: none"> ○ Capital Projects because of the dollar amounts. ○ Staff Relations because of the recent staff survey and the Staff Relations Boundary Policy Reports were missing key data. • Chuck will use team members to gather information for his monitoring reports when it makes sense. Chuck is looking to hire an Admin. Assistant to work three days a week. 	<p>The Ad-Hoc Policy Working Group will continue to review the Boundary Policy Reports and provide recommendations ahead of the Board meetings.</p>
Local Food System Development Discussion	<ul style="list-style-type: none"> • Local Food System Development has been a big part of the strategic plan for the last 10 years. The discussion will inform strategic questions for the strategic planning process. • A Director suggested making language around the Co-op's commitment to the local food system development clearer in the next Strategic Plan. We could directly acknowledge the Co-op's role as being a promoter or a seller of local goods. The Port 	

Townsend Co-op Strategic Plan language is very clear. One of their strategies starts off with "Increase quantity and diversity of local and regionally produced food through the co-op". They are being clear in recognizing their position as a seller and wanting to up the quantity of local food. That is the best way the co-op can support local food system development.

From the Co-op's Values:

"Promote a sustainable economy by supporting organic and sustainable food production "

1. How do we do this now?

- The Community Food Co-op is the best store in town to buy local organic food. Just because we're doing it doesn't mean we stop there and say we are done.
- As a shopper you can see you can find almost all produce organically produced.
- Create a clear and transparent process for how a new vendor gets in.
- The Co-op is revamping the new vendor application on the website and making the new item selection process more collaborative. Identifying the criteria by which applicants are ranked. Rank sustainable and organic high.
- It is a task force, vendors, consumers, store managers, GM, someone from the board - put a think tank together to decide how we accomplish that.
- Interested in "promote" for what we can do now. Important to make clear in stores what's local and organic. Highlight farmers' stories to show this is how it is raised to get an idea about sustainable and food system. It's not only local but as an example "Here's Bob, the chicken that laid your egg".
- Continue to bring in food from local providers.
- Note: Our value statement does not include "local".

2. How important do we think this is to our members and our community?

- A lot of people shop at the co-op as it is the best place in town get local and organic food.
- Educate members so they can do one step more to support local food system and more organic approach.
- We would assume this is important to our members. As for the community at large, it might not be important for them. They may come with the belief that it is too expensive to buy local and organic.
- We can use data to see how important organic vs conventional purchases are as trending over time. We can use SPINS data looking at the larger market place of co-ops and grocers.
- Very important to current consumers and we can make it more important to the community at large.
- We need continued engagement. We had been on the food network and helped start the food system committee. Find opportunities to engage in larger projects to keep stimulating growth because the Co-op can't grow every new farmer.
- Ask in a member survey about local. Important to include non-members we haven't won over yet to get their thoughts.
- Very important. It is what distinguishes us in the marketplace is our availability to promote local foods and produced goods.
- It is important to our shoppers. 39% of our products sold last year were organic.

	<p>3. From your perspective at this point, what would success look like for our co-op?</p> <ul style="list-style-type: none"> • There should be metrics correlated with the goal. Another food co-op makes a point to have the percentage go up every year. • It is a percentage of local produce that is in the store. Increase and grow upon it each year. Utilize SPINS data and marketing avenues. • Success looks like bringing in line whatever our members and potential members want. • Finding a way to balance the local, financial viability, and low cost food access so we have a gateway into our stores. Margin by mission. • People know what's local and they come to the co-op to get it. The farmers are satisfied. The people providing local food are in a partnership that is mutually supportive. <p>Discussion:</p> <ul style="list-style-type: none"> • We are trying to keep up with the larger grocers. The secret in supply and demand is volume to get better pricing. It all comes down to price. Organic products fit our model, but some things are hard to sell. Chuck shared he is considering collaborating with other similar entities to have more buying power. Commercial farmers agreements to ensure the demand will be there. If we can get controlled pricing, we can get more competitive with the bigger grocers. • Chuck would like the Co-op to be able to make its own product. A product that reflects us. If you have Co-op's name on it the price becomes a secondary factor. • There are hundreds of local farmers and local producers within 50 miles radius of Bellingham. Around 50 are currently supplying to the Bellingham and Skagit Co-ops. • When buying local you are squeezing out on land, wages, and resources. We want our farmers to have a living wage and not barely getting by. It is a challenge between having more buying power to get price stability but how do we ensure we aren't looking for that squeeze. It comes down to highlighting where local buying goes. The reason people come here because produce tastes great. It tastes great, your neighbor got paid, we kept the dollars local instead of sending the dollars to some other region or country. • A balancing act between the values we hold and the price point. There is always a tension there as people can be price sensitive. We have to decide are we trying to be all things to all people or are we going to say yes, it's going to be more expensive to shop at the Co-op because of all the reasons. We can't provide all this value, support local farmers, pay living wages, and do all the things we value and be as cheap as some of the larger entities. 	
Adjourn	<ul style="list-style-type: none"> • Meeting adjourned at 8:00 pm. 	

These minutes have been approved by the Board of Directors.