

Common Ground Food Co-op  
 Board Meeting Minutes  
 February 11, 2019  
 6:15 pm to 8:15 pm  
 Urbana First United Methodist Church, 2<sup>nd</sup> floor Parlor – Urbana, Illinois

Present: Karen Carney, Charles Delman, Yusuf Hermes, Margaret Johnstone, Kathleen Moreno, Marissa Stewart, Evelyne Tardy, Julie Zilles

Absent: Magdalena Casper-Shipp

Others Present: Gary Taylor, GM  
 Stuart Levy, Owner  
 Jeffrey Chandler, Minute Taker

<b>Proceedings</b>	
<b>Meeting called to order</b>	<b>At 6:15 pm by Marissa Stewart</b>
<b>1. Preliminaries</b>	<p><b>A. Guests/Owners</b></p> <p>Gary Taylor, GM          Stuart Levy, Owner          Jeffrey Chandler, Minute Taker</p> <p><b>B. Public Comment</b></p> <p>Stuart Levy noted part of the reason for wanting a staff member to be on the board was to create a better path of communication from the board to the staff and vice versa. Wants to make sure staff are included in giving input on the performance of the GM.</p> <p><b>C. Agenda Amendments</b></p> <p>None</p>
<b>2. Board Study</b>	<p><b>Financial Metrics</b></p> <p>Gary Taylor reviewed the metrics that appear in EL B1. Gary noted the NCG recommendation for sales growth is 0.5%, a level that probably allows for survival but not much more, and his own goal for the store, which is 3%. He noted the lack of compliance regarding the ratio of assets to liabilities, and suggested meeting</p>

	<p>this metric would require a ratio of 1.25%. There was discussion regarding the annual reporting done by Wegner’s, versus the quarterly in-store reports, and whether that might be affecting this ratio. Julie Zilles suggested checking with Wegner’s to clarify the optimal ratio, and aligning the target accordingly. Gary explained how financial responsibilities are distributed between Wegner’s and the staff. Debt to equity ratio, or solvency, has an NCG benchmark of being below 3%, which the co-op is achieving. Gary also reviewed the financial limitations he must follow to meet compliance. Kathleen Moreno reviewed the general success of 2018, and how the quarters factored into the overall challenges and accomplishments of the year. There were savings in payroll, consulting, and fees (e.g., “Cash is cooperative” campaign), as well as increases in departmental sales and market competitiveness. Gary explained how fixed asset depreciation and net equity are calculated. Profits remain positive, despite new stores in the area such as HMart and Fresh International. Julie explained that when the co-op has a profit, it can re-invest it in the business, save it, or return it to owners via a dividend program. While saving might be the most reasonable choice right now--as had been done previously when profits were saved in anticipation of a second store--Julie noted that another option might be to think about developing a profit participation plan for staff, so that they too could share in the store’s success.</p>
<p><b>3. Consent Agenda</b></p>	<ul style="list-style-type: none"> <li><b>A. Public Minutes from January Meeting</b></li> <li><b>B. Private Minutes from January Meeting</b></li> <li><b>C. GM Operational Update (MORe)</b></li> <li><b>D. Monthly Financials</b></li> </ul> <p><b>Action Taken</b></p>

	<p>The board approved the consent agenda as a whole.</p>
<p><b>4. GM Monitoring</b></p>	<p><b>A. Executive Limitations B1 – Financial Conditions</b></p> <p><b>Action Taken</b> The board unanimously accepted this report with acknowledgement of non-compliance.</p> <p><b>Action Taken</b> The board unanimously approved changing the financial reporting back to quarterly basis now that sufficient financial progress has been established.</p> <p>The board applauded the efforts by Gary and staff to regain financial compliance.</p>
<p><b>5. Board Monitoring</b></p>	<p><b>A. Board Management Relationship D1 – Unity of Control</b></p> <p><b>B. Board Management Relationship D2 – Accountability of the GM</b></p> <p><b>C. Board Management Relationship D3 – Delegation to the GM</b></p> <p><b>Action Taken</b> The board unanimously found themselves in compliance with all three policies.</p>
<p><b>6. Committee Updates</b></p>	<p><b>A. Board Development Committee</b> Margaret Johnstone noted the board study session calendar was provided prior to the meeting and is always subject to change.</p> <p>The board discussed changes to the schedule allowing for ample discussion time on key topics and</p>

others to give enough time for event and election planning.

**Action Taken**

The board unanimously approved the board study calendar as amended.

**B. Owner Outreach Committee**

Evelyne Tardy reported the committee met with Gary regarding the FinMOO. She advised food has been ordered, content is being organized, and activities to encourage participation and a fun atmosphere are being considered. The event will be at the Independent Media Center on April 11<sup>th</sup>, from 6pm-8pm. The committee noted alcohol will be available for purchase. Discussion about including a video presentation from operational department heads noting accomplishments and appreciation.

**C. Policy Committee**

Charles reported the committee has been working on the bylaw change allowing staff members to serve on the board, as well as the communication paths between the board and staff. He presented a draft staff survey prior to the meeting for review and input. The board discussed whether it was appropriate for individuals to be able to respond anonymously, and suggested more information about the purpose of the survey and how data collected would be used.

**Action Taken**

The board unanimously approved the staff survey.

Charles reviewed the timeline of the survey, group discussions, and interviews. He added the survey and discussions would focus on determining the need for additional bylaw

changes in light of the recent change, and additionally any changes needed to other policies in order to accommodate staff members serving on the board. He also indicated the need to work closely with Board Development in their work to update the Election packet. The committee has considered the timeline that would be necessary to propose and evaluate any additional bylaw amendments prior to the MOO.

**D. Visioning Working Group**

Karen Carney reported the committee had reviewed the applications from owners interested in serving on working groups, and proposed a slate of chairs and members prior to the meeting. She reviewed a draft message that working group chairs could send to members detailing their responsibilities, as well as a general code of conduct agreement for working group members. There was discussion regarding the logistics and space available for the working group meetings. Charles noted a potential need for administrative support to collect resources and data to discuss specific topics, though others discussed the working group members as the persons who would do the research and develop the ideas. Karen noted this inclusion of people could be a good opportunity to identify future board members.

**Action Taken**

The board unanimously approved the working group membership as presented.

<b>8. Closing</b>	<b>A. Next meeting March 11, 2019</b> Urbana First United Methodist Church <b>B. Outreach calendar assignments</b> <b>C. Check-out</b>
<b>Meeting Adjourned</b>	<b>At 8:05 pm by Marissa Stewart</b>