

Member Meeting Minutes
December 19th, 2011 // 6pm to 8pm
Location: Co-op, 1500 Burns St
Facilitator: Ben

Members present: Jess Glebke (co-chair), Ben Weiss (co-chair), Jack Rowan (Treasurer), Anne Little (member), Kate Keller (coordinator), Emily Lincoln (director), Terri Roberts (director), Greg Ernie (member), Martha Nowell (member), Scott Morris (member), Christian Russell (board), Pat Little (member)

Not Present: Val Coulter (coordinator), Kate Meinig Smith (Secretary)

Welcome, Introductions

Additions to the Agenda (5 min)

- Ben: Suggestion Box

Announcements (5 min) -Welcome Christian to the Board

- Congratulations Jess and Christian for “volunteering your soul” to the Co-op!
- MT Food Bank Network setting up a food collection box 1/9 to MLK Day. (Kate)
- The artists in the NE corner of building have moved out and Real Deals has moved in with a one year renewable lease up 10/12. Looking forward, the lease is written with a priority to food operation. (Jack)
- Bistro project update: by January 1, 2012 we should know more about the opening. It could potentially open as a full café 3/1/12. (Jack)
- We will be saving \$50 each time it snows by shoveling our own snow!! Thanks to our members who have volunteered their time in this service. (Jack)

Open Floor for Members (15 min)

- Scott inquired about membership and Kate informed that we have roughly 300 active members, which seems to be an unintentional cap. The demands of the job are increasing and we will need to discuss this.
- **Suggestion Box:** we need those hockey stick thingy to pull stuff to the front of the shelf? Kate's on it!
- **Suggestion Box:** It would be cool to have the web site always say what week it is! Kate is on that too!
- **Suggestion Box:** Carpentry crew: order separators to divide multiple check outs.
- **Suggestion Box:** Install ATM. Per Kate, MisFed is updating their machines and will not have any available for a couple of years.
- **Suggestion Box:** Can we get a doorstop for the back door? Jack can take this one and also make it more apparent that there's a doorbell back there too.
- **Suggestion Box:** There should be an ABCD calendar on the web site for the whole year. There is one!
- **Suggestion Box:** Community board easier to post on, healthy recipe email weekly, common items that are less expensive, etc. (See Ben for full list).
- **Suggestion not-box:** Email reminder about board meeting with week announcement.

BOD Discussion Items (55 min)

- BOD Executive Committee "election" will be held at the January meeting
- Co-op's protocol for endorsements: Occupy Missoula, Alexandra Estates, etc.
 - Jess: Every time we send a politically related email I get an email that we should not take a political stance.
 - Are there ways that we can educate without endorsing? Perhaps with a message board on the website or with the community space. There is a spot on the facebook page for this kind of communication. We have a diverse membership and while we want to engage in some common discussions, we do not necessarily endorse the same things. On a message board we would need to have some sort of moderator.
 - On our member calendar we enable people to post events that may be of a political nature, but any email or communication coming from the actual Co-op need to be more neutral. General discussion surrounded the idea of education versus advocacy and the Co-op's role as an organization in supporting or speaking out about various issues. The boundaries are not clear. What is the nature of our relationship with the Community Food and Agriculture Coalition?
 - There is discussion about the weekly Co-op emails and whether they should remain completely related to the Co-op, and separate from the open forum. According to Constant Contact, our Call To Action emails tend to be opened more frequently than weekly emails. This is slated for further discussion among the board.
- ***Relationship with Burns St. Bistro***
 - What will be the nature of our business relationship with them? Would we like them to order from us? They already have ordered in bulk from us, but at this moment their membership in the actual co-op and status as working members is uncertain. Can we discern between the Bistro ordering through the Co-op and someone who has a table at the Farmer's market? Having one of the Bistro team here to unload would be important if the order is over a certain amount. Perhaps what they order could come in on a separate palate, depending on what they order. They would pay 20% and at some point maybe get the volume discount. The Bistro is a completely separate business entity from the Co-op, but we are clearly intimately connected in space, so we have a unique relationship. The board agrees that Jack – and Val- are going to suggest to the Bistro that we are interested in fostering our relationship and we will work out details at a later point. The board will continue to discuss the relationship and will come to consensus on how to articulate our relationship. **This will be discussed at the next meeting.**
 - The Co-op has been unable to pursue some of the required licensure of serving prepared foods, which may be aided by our relationship with the Bistro. This may also prevent competitive overlap.
 - Do we need to have written policy detailing our relationship with the Bistro so that we may better answer community questions on the topic?
- Request to redeem preferred stock (Jack)
 - We have a former active member who purchased preferred stock (\$1000); this person has not been active for 2-3 years and is moving out of state. This would mean writing a check for \$1,000, which if we chose, we could offer it as 4

payments of \$250. There is nothing in our records that specifically address how to redeem preferred stock. As there is nothing to hold or guide us on this action, we need to establish a means for addressing this issue. We generated \$19,000 from our original campaign. Last year members encouraged us to spend some of this money in the remodel and we liquidated these assets. We do have the reserves to pay this stock either in one lump sum or in installments. Previously we have denied a request to transfer a member's preferred stock into a loan because it was not in the financial interest of the Co-op. How we handle this situation could set precedent.

- Definition of our preferred stock: we have common and preferred. Each member gets one share of common, but preferred stock enables you to buy multiple shares. It is distinguished by the fact there is no guarantee of return, but if we reach a point of excess revenue generation, the preferred stock holders would be the first to receive dividends. In the event we cease operations, the preferred stock owners would get paid any remaining assets before the common shareholders. This is also a matter that is up to board discretion, this is stated in the preferred stock agreement.
 - Can we raise more preferred stock?
 - Do we consider economic hardship as a disbursement criteria?
 - Should we encourage the member to find a private party to take over ownership?
 - In March or April our next set of loan payments come up, so we would need to arrange a payment schedule to accommodate this if we opt for the 4 @ \$250 installment plan.
- There is a stipulation by Montana State that you cannot create a secondary market for preferred stock, so this member could not make it publically available for sale.
- What would the impact of buying back preferred stock have on the loan repayments? Jack requests that we discuss with other preferred stock holders the idea of converting stock to loans. Jack will contact the relevant parties.
- The board has asked to develop a couple of different payback installment plans to review further; options that would make it economically feasible for us without making it too much of a hardship. No one believes this will cause an onslaught of redemptions from other preferred stock holders.
- Open shop days
 - The sales are up a little bit, Friday sales were \$1378, pretty good for a Friday which is closer to \$1000; Saturday and Sunday hovered around \$1800.
 - The marketing committee did a lot of rallying to make this a success. The efficacy may not be measurable in sales right now. People may have come in and not shopped. Although the gift items, jewelry and chocolate, have increased in sales.
 - There is discussion about having regularly scheduled open shop day/days, which has support from the member base. Marketing will continue to work on this.
- Alcohol application update
 - This is still in process. Forms are being filled out for the Feds, waiting for documents from the Department of Revenue. Things are happening! Recall that

from initiation of the application we were advised it would take about 6 months to get through the process, in large part because of front-end paperwork. The final application should be submitted by January.

- Our staff may have to take a class required by the state if we are going to sell alcohol.
- Now is the time to start seriously considering what we are going to sell and how we are going to display it. There has been previous discussion about this documented in the minutes. Jack has been keeping his eye out on Craig's list for appropriate "coolage" needs. Refrigeration is not necessarily something we need to have nailed down before we start selling. Previous discussions have focused on relatively local beer and wine that's somewhat regional.
- We are hoping for a March 1, 2012 sale date!!

BOD Action Items (15 min)

- Meeting Minutes Approval –September, October and November
 - The minutes are approved, minus some horrible name misspellings that will be corrected.

Reports

- Coordinator (5 min) // Kate K
 - We are still fighting the same battle. Unless we see a dramatic increase in working members this is not going to work. The model cannot be supported without more member investment. This isn't new information. We cannot expect our staff to pick up evening shifts after they have been working all day. It is not fair to our staff to keep pushing them. What is the best way to get our members more actively engaged. We need a concerted effort.
 - The idea of a coop has been cooped. We are constantly struggling against this notion that we have a working member co-op and a "natural" food store.
 - How do we actually impress this upon our members? Should we close our doors when people aren't showing up for their shifts?
- Marketing (5 min) // Kate S
 - Suggestion from Ben: Mary McCourt with the Health Department is involved with Active Kids combating childhood obesity. To engage the neighborhood, Mary suggested we make simple quarterly meals from our ingredients and serving the community! This could also be a great opportunity to partner with the Bistro.
 - Could we apply for a neighborhood grant?
 - Should the Co-op look more like a grocery store to appease to the neighborhood? Our primary distributors do not carry common brands, and if they do, their volume requirements may be too high to meet. We do have children from the neighborhood as working members. We also reached the neighborhood with our Halloween candy.
 - Going forward we are going to hit the University and do some tabling there. Clearly we need to target our own inactive members who are not signed up for shifts!!! We need to start speaking to our own members. What kind of incentive can we offer our delinquent members to get them back in the door?! The

committee will continue to explore ways to resolve this issue. Perhaps we could tie this in to the New Year.

- We could also target some of these alternative schools because they have a lot of parents that have someone who stays at home.
- After Thanksgiving we received a testimonial by a member who bought the bulk of her meal from the Co-op – could this be used in our marketing? The committee is working on a newsletter that would include this testimonial.
- Facilities (5 min) // Jack –Snow removal update
 - See above regarding snow removal. There are 3 members interested in doing snow removal. As it stands, 2 of the members are splitting the month and they are on call the entire week.
 - Clark Fork does the sidewalks that are not co-op owned.
 - We are building more shelves and looking at maybe purchasing some! We are working on a non-food pump bottle shelve on the wall to the office. We need to acquire some shelves to fill space on the counters where these items are moving from, to make these shelves more usable. There are lots of things “abrewin.” Our first priority is to custom build, and then secondly to get it cheap where we have to. The highest priority needs to be on getting a back-stock freezer as the coils froze up in one of the existing freezers.
 - To prevent future freeze up, we need to defrost more than twice a day to three times a day, the recommendation on the machine is actually 4 times a day, which is what it is now set to do.
- Financials (5min) // Terri –Sales update
 - We are doing quarterly financials, so next month will be the big update. We made over \$1000 for our fundraising efforts at the annual meeting. Thank you to the members who really put in the time to make that event happen! (KUDOS!!!) We have a new \$500 loan program participant.
 - A non-member but supporter of the co-op purchased a \$1000 gift certificate for the Missoula Food Bank. THANK YOU!!

**Next Member Meeting:
January 23rd, 2012 6 pm**