

**La Montanita Food Cooperative
Board of Directors Meeting Minutes
January 20, 2015 – 5:30 pm**

Board Present: Marshall Kovitz, Ariana Marchello, Martha Whitman, Lisa Banwarth-Kuhn, Jessica Rowland, Leah Roco, Tracy Sprouls, Jeff Ethan Green, Rosemary Romero

Board Absent: None

Also Present: Jennifer Cornish (facilitator), Deborah Good (admin assistant), David Hurley (research assistant), Terry Bowling (general manager), John Mullé (staff), Sharret Rose (staff), Karolyn Cannata-Winge (staff), Bob Tero (staff), Michelle Franklin (staff), Ian Cohamn (staff and member), Elizabeth Chestnut (member), Peter Chestnut (finance committee), David Ritchey (finance committee)

The meeting starts at 5:32 p.m. at the Immanuel Presbyterian Church in Albuquerque. Jennifer Cornish facilitates and Deborah Good takes notes.

1. Welcome – food & refreshment

Issues Raised: All present introduce themselves.

Actions Taken: None

Actions Required: None

2. Approve the Agenda

Issues Raised: Ariana moves and Rosemary seconds to approve the agenda.

Actions Taken:

- One adjustment is made to the agenda. The General Manager will introduce the marketing manager before presenting the Management Monitoring Report.
- The agenda is approved unanimously.

Actions Required: None

3. Member Comments

Issues Raised:

- A staff member who is also a member/owner shares a concern. He states that La Montanita is not doing enough to manage organic waste and recycling. Specifically, he notices that leftovers from the Board meeting are often put into the trash can. He suggests packaging the leftovers for board members or, at the very least, composting. There is also other edible waste in the co-op that is put in the trash, but there are other options. La Montanita needs a policy on this.

Actions Taken: None

Actions Required: None

4. Consent Agenda

- a. Board Minutes - December 2014
- b. Member Engagement Meeting Minutes – January 12
- c. Board Development Meeting Minutes – December 17

Issues Raised:

- Martha moves and Marshall seconds to approve the consent agenda.
- A board member requests two changes to the Board Meeting Minutes in the Board Study (Appendix A). Deborah will make these changes.

Actions Taken: The consent agenda is approved unanimously, with the noted changes.

Actions Required: None

5. Introduction of Marketing Manager

Issues Raised:

- The GM introduces Karolyn Cannata-Winge, La Montanita’s relatively new marketing manager. Karolyn was hired this fall and started the second week of October, following the resignation of long-term marketing manager, Edite.
- Karolyn expresses excitement about her job—the opportunity to help the co-op achieve its goals through marketing. She appreciates the co-op’s values.
- Under Karolyn’s leadership, La Montanita will be launching a six-month awareness campaign to reach an expanded demographic. This will be followed by a one-year marketing plan, and then a three-year marketing plan.
- Karolyn will be evaluating and measuring the marketing plans as they are implemented.

Actions Taken: None

Actions Required: None

6. Management Monitoring Reports – Financials X3-X3.10 + X5.2

Issues Raised:

- Ariana moves and Lisa seconds to approve the report.
- General manager:
 - The GM provides the quarterly financial report (actual and budgeted figures) for each store and the CDC. This budget was intended to be more realistic—and not as easy to achieve—than budgets have been in the past.
 - X5.2 is usually reported in December, but the GM made a request that it be moved to January this year.
- Discussion:
 - Board member: What did you decide about running for president of NCG Board of Directors? GM: I have not made that final decision yet.

Actions Taken: Monitoring Report passes unanimously

Actions Required: None

7. Board Study – Annual Financial Review – Finance Committee

Issues Raised: Notes from this presentation are available to members upon request.

Actions Taken: None

Actions Required: None

8. Board Functioning – All

Issues Raised:

- Board Self-Evaluation, 2nd Half of R Policies
 - R5.1 needs to be revised to reflect the fiscal year. The Policy Development Committee will prepare a proposal in time for the March Board meeting.
- Scenarios for Discussion: 2nd Half of R Policies, facilitated by David Hurley
 - Instructions: These scenarios are part of a series developed by Miriam Carver and Bill Charney to help board members confront any issue that comes before a board from a policy perspective. Prior to the meeting, Board members were asked to identify which policies are relevant for each scenario, particularly any policies from the second half of R.

- *Discussion of Scenario 3 – An ends monitoring report discloses GM interpretations the board considers reasonable, but the data presented are simply an account of the extensive efforts (meetings, programs, and so on) that staff have taken to achieve the ends. What should the board do?*
 - Board members identify relevant policies: R5.4B, R4.4, R4.2B
 - We went through this with the general manager recently.
 - The data didn't show compliance. The data need to be more refined to show compliance. The Board wants outcome data, not process data.
 - What does the board do? The Board might look at whether the ends are quantifiable, and rewrite them if necessary. They might also determine that the GM is not in compliance and ask for another report.
- *Discussion of Scenario 2 – The board is made aware that at least part of the membership is dissatisfied with the performance of the co-op. Vocal community members have expressed their belief that the co-op's GM should be replaced. How should the board respond?*
 - Board members identify relevant policies: R3, R3.1, R3.2, R5, R4.5
 - The point of the policies is that the board evaluates the GM based on policy compliance, not based on feedback from owners-members and others.
 - B1.1 is also relevant because it explains the policy governance process, as well as B1.2, which explains that the Board should not be led astray by a stakeholder group.
 - What should the board do? Board should undertake greater communication to the membership about how the board measures performance and the reasons for standing by the GM. The board may need to look at changing policy to better reflect what the membership wants. But more often, these are concerns of a small group that has trouble with a GM's style, and not a broad-based concern requiring policy change.
- *Discussion of Scenario 1 – When providing the board with an “operational update,” the GM asks the board if certain organizational activities are acceptable. How should the board respond?*
 - Relevant policies: R3 and R3.2, which explain how the board delegates operational matters to the GM.
 - R1.1 states that members have no binding authority to direct the GM.
 - R5 is also relevant as it explains the board's role in evaluating the GM's performance.
 - The correct response is that the board should not answer the GM's question. If the GM is seeking approval first, then it is very hard for the board to hold the GM accountable for his actions.
 - Is this a sign that there is a trust issue if the GM is asking for pre-approval?
- *Discussion of Scenario Exercise*
 - Was this exercise helpful? Board members respond that it was.
 - David will post to the Board Study project in Basecamp the link to the source where he found the scenarios.

- Basecamp– how it’s going so far, questions, etc.
 - Board members discuss challenges they are encountering in Basecamp, many of which can be addressed with changes in settings.
 - Contact Deborah, Ariana, or others on the Board with questions.

Actions Taken: None

Actions Required: None

9. Administrative Assistant Duties

Issues Raised: Tasks will be added to the Ongoing To Do list in Basecamp:

- David: Post to the Board Study project in Basecamp the link to the source where he found the policy governance scenarios.
- Policy Development Committee: Develop a policy proposal to revise R5.1 to reflect the fiscal year.
- Finance Committee: Discuss possibility of a new policy that would identify key financial trends that the board should pay attention to, building on policies the board already has.
- Deborah: Send out Board Self-Evaluation for the First Half of B Policies
- Deborah and Ariana: Talk about transitioning agenda and other meeting-prep tasks to Deborah

Actions Taken: None

Actions Required: None

10. Meeting Evaluation

Issues Raised: The meeting was long but worthwhile

Actions Taken: None

Actions Required: None

11. Adjourn Regular Session

Issues Raised: Martha moves and Marshall seconds to adjourn.

Actions Taken: Meeting adjourns at 8:16pm.

Actions Required: None