

**La Montañita Food Cooperative  
Board of Directors Meeting Minutes  
August 16, 2016 – 5:30 pm**

**Board Present:** Ariana Marchello, Tracy Sprouls, Lisa Banwarth-Kuhn, James Esqueda, Tammy Parker, Gina Dennis, Julie Anderson, Greg Gould, Courtney White

**Board Absent:** None

**Also Present:** Dennis Hanley (GM), John Heckes (CFO), Deborah Good (admin assistant and owner), Jeffrey Hertz (research assistant), Jennifer Cornish (facilitator), Michelle Franklin (staff), Sharret Rose (staff), Robin Seydel (staff), Carla Baron (owner), Virginia Lawlor (owner), John Kwait (owner), Steve Zabinsky (owner), Amy Ryan (owner), Martha Whitman (staff), Jason Trant (staff), Carlota Lamadrid (owner), Hanh Nguyen (owner) Loren Kahn (owner), Stephanie Pfeiffer (owner), Michael Barrio (owner)

Following the Community Education Session (notes in Appendix A), the Board of Directors meeting started at 6:46 p.m. at the Indian Pueblo Cultural Center, Chaco III Room, in Albuquerque. Jennifer Cornish facilitated and Deborah Good took notes.

**1. Approve the Agenda**

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

Actions Taken: The agenda is approved unanimously.

Actions Required: None

**2. Member Comments**

Issues Raised:

- Speaker 1 asks whether we have to pay for this space and why we moved. Looks forward to when a feeling of safety is restored in the co-op.
  - Response: The cost for the meeting in this location is the same, and the choice of meeting at the Indian Pueblo Cultural Center aligns with our Ends related to connecting with the community. The church where we met previously no longer met our technology needs. The IPCC buys food from our CDC and then prepares it for our dinner.
- Speaker 2: A Board Handbook Revision proposal was approved at the last meeting. I was told that the proposal was internal and that it didn't have anything to do with operations. Why is the handbook not available to people outside the Board? As a member-owner, I value transparency of the Board.
  - Response: The Board Handbook updates included general information about the co-op, the Board Calendar, the committees, and who chairs each. It is a leadership document for Board members and is not shared publicly other than the Policy Manual which is available on the co-op's website.
- Speaker 3 thanks the Board for its good work.

Actions Taken: None

Actions Required: None

### **3. Consent Agenda**

- a. Board Meeting Minutes (July 19, 2016)
- b. Member Engagement Committee Minutes (July 25, 2016)
- c. Board Development Committee Minutes (July 25, 2016)

Issues Raised: James moves and Julie seconds to approve the consent agenda.

Actions Taken: The consent agenda is approved unanimously.

Actions Required: None

### **4. Management Monitoring Report – X4 Budgeting and Financial Planning, X7 Executive Succession**

Issues Raised:

- James moves and Lisa seconds to approve the report.
- General Manager:
  - Commends senior team for engaging in very hard work in their respective areas.
  - Comp sales were positive for the month of June and better than comp sales reported by grocery competitors.
  - Four Daughters beef is now available in stores. This is a local ranch with a lower price point and has so far received a very positive response.
  - The West Side store is doing well, with very high comp sales. There is a program planned for Labor Day, and a new Store Team Leader. The barbecue event last Saturday drew a lot of people. GM commends marketing department for their contribution to the improvements at the West Side store.
  - GM reports on the budget, including sales, margins, expenses, operating income, and forecasts based on current trends.
- Discussion:
  - What is our fiscal year?
    - Response: September 1 – August 31
  - What methodology is used for gauging the feasibility of the budget?
    - We run trends. Then we have the leadership comment on what they anticipate in the next year, including strategic plans and external factors like the Albuquerque Rapid Transit construction.

Actions Taken: The report is approved unanimously.

Actions Required: None

### **5. Board Functioning**

Issues Raised:

- a. Self-Evaluation Update: Deborah will send out the self-evaluation for the first half of R policies before the next Board meeting. Board members will need to complete it.
- b. Upcoming Committee Meetings, all 5:30pm at the Support Office:
  - Member Engagement – August 22
  - Board Development – September 6
  - Finance – September 12

## 6. Task List

Tasks will be added to the ongoing to-do list in Basecamp:

- Deborah to write the Co-opera article.
- Deborah to post the Self-Evaluation for the First Half of the R Policies.
- Deborah to lay out monthly cycle to transition to new hire.
- Deborah to make table tents for Board members.
- Jennifer and Ariana to print agenda template.

## 7. Meeting Evaluation

Issues Raised:

- Great how the senior team was able to contribute to the Board Study and how Jeff helped pull that together.
- Some member-owners are confused about their role at Board meetings. The Member Comments time is the only time allotted for them to speak. The rest of the Board business has been delegated to the Board of Directors. Discussion:
  - There may need to be a more clear transition to the Board Meeting after the Education Session/Board Study. Perhaps the facilitator can help with an introduction to the Education Session and then again to the Board meeting.
  - Because of the current sitting arrangement, it is not clear who is on the Board and who is not. It may not be clear to newcomers that the role of member-owners is to observe the Board do the Board's work.
  - Member-owners are welcome to express their concerns, but this is not a forum in which the Board can respond.
  - We do want input from members, but it is interfering with our work. I don't know what the answer is.
- Discussion of what went well and what could go better given the new location for the Board meeting:
  - Room set up may need to be different. There were not enough chairs; people didn't feel welcome.
  - Next time: Board members will arrive at 5:15pm to eat. Following the Board Study, Board members, GM, and direct support to the Board (facilitator, administrative assistant, and research assistant)—13 total—will move to a smaller table in the center. This will help with the transition to the Board business meeting.
  - The Board President or facilitator will introduce the Board Study and then will introduce the transition to the Board meeting, providing guidance to staff and member-owners who are present as observers.
- Feedback at Board meetings is important because it makes us aware that we need to schedule a town hall meeting, which are a more appropriate venue for discussion.

Actions Taken: None

Actions Required: None

**8. Next Meeting Agenda Construction**

Issues Raised: Annual meeting agenda to approve; Board members to complete self-evaluation

Actions Taken: None

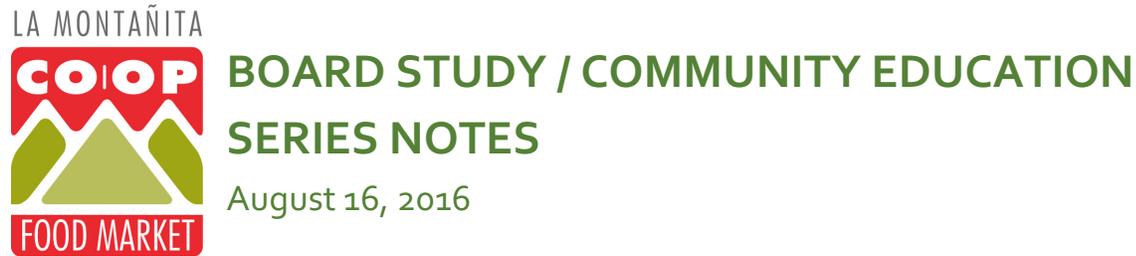
Actions Required: None

**9. Adjourn Regular Session**

Issues Raised: James moves and Tracy seconds to adjourn.

Actions Taken: Meeting adjourns at 7:49pm followed by an executive session.

Actions Required: None



## **A Second Look at the Value of Double Up Food Bucks**

**Facilitated by:** Jeff Hertz, Research Assistant to the Board of Directors

*Topic: In this Board Study, the Board of Directors and meeting attendees will cooperatively explore La Montañita's opportunities to further develop, market, and implement the Double Up Food Bucks program. Board members will also use this as an opportunity to coordinate future efforts with the New Mexico Farmers Market Association in order to leverage future state and federal funding.*

*To access instructions and materials for this Board Study, visit:*

<http://lamontanita.coop/directors/documents/>

### **Presentation and Discussion Notes**

#### *Double Up Food Bucks Update*

- August and September are very important for Double Up Food Bucks (DUFB) marketing. Karolyn, marketing director, reports:
  - La Montañita's participation in the DUFB program has been featured on several news stations and TV shows.
  - Program is also being advertised on a banner on a bus that runs Central Ave.
  - Flyers in stores
  - A DUFB event is scheduled to take place at the West Side location on Saturday, August 27, 2-4pm, featuring and promoting local food; another event is planned for October.
  - Website and Facebook
  - When you call Health and Human Services to enroll in SNAP, there is an ad to listen to when placed on hold
- Early data shows DUFB is doing well. EBT customer purchases are up significantly from a year ago. It supports many of La Montañita's goals as far as supporting local farmers and increasing access to quality food.

#### *Veteran Farmer Project Updates*

- The project is going well. Local product from the Veteran Farmer Project (VFP) is being channeled into the Nob Hill and West Side stores in order to help provide more local product for

DUFB shoppers. Veterans are happy for this new distribution opportunity instead of selling primarily at Farmers markets.

- This project, which helps veterans connect with and contribute to the agricultural community, is very connected and aligned with the Ends. We have six core members. Others come and go.
- We just hired a vet on staff to help build this program.
- The program is also hoping to purchase hoop houses, which has the potential to extend growing season for local produce.
- Study group in the DTL meetings is focusing on how the work of the co-op aligns with the Ends, and how future community development work can help achieve the Ends. The Ends are being distributed on cards to all the staff.
- How do we define a veteran and a farmer? This is important in identifying other grants and funding we could apply for.
  - Definitions appear in the 2014 Farm Bill, the USDA, and the IRS. Jeff has posted the Government Resource Inventory on the website as one of the materials for this Board Study.

*Discussion: What is going well? How might the co-op further support local produce sales through DUFB?*

- Recommendations from the New Mexico Voices for Children Policy Brief on DUFB [as presented by Jeffrey Hertz]:
  - Promote the program directly to SNAP participants through the New Mexico Human Services Department
  - Increase training and outreach to statewide Income Support Division personnel who work directly with SNAP participants
  - Create marketing materials (and translate into Spanish) that can be more widely disseminated in libraries, banks, post offices, DMV locations, child care sites, and schools
  - Conduct more outreach via cooking demos on site and other community locations
  - Work with health professionals to spread the word about the program
- The UNM location is now SNAP and EBT eligible, which is great for students.
- Do we do anything in connection with preschool and Head Start program? Not right now, but that is a good idea.
- We have the firepower of 40 years and local. The more we can do education and marketing without cost, the better. The more we have people and groups coming to us, collaborating with us, the better.
- La Montañita has been very good at doing a lot with a small budget. The kinds of community development we do, we do on a shoestring. Making big impact with little finances means we have to be strategic how we deploy our resources.
- Question: Do we have the DUFB signs in Spanish and English? Yes.
- Staff comment: Kudos to all your department has done on a shoestring budget, but I see a lot of waste in produce departments, throwing out food. I am not a produce manager, so I don't know if this is just the way things have to be.
  - Response from GM: We will be implementing a new distribution process that will give us a better handle on the amount of waste from each store. A number of factors can

contribute to that waste—ordering quantities, prices. Going into September, we will be setting benchmarks to reduce waste.

- It is normal to have some waste because a portion of the case of produce is already bad. But we want the best and freshest possible, so the waste is less.
- Member-owner criticizes the co-op for changing vendors. GM response: We have not changed vendors. We are ordering from the same places.
- We are feeding the chickens at the VFP with the compost from the West Side store.
- There is not much winter farmers' market activity in Albuquerque. That is part of why La Montañita's participation in the DUFB program is so important, because it ensures year-round access to local produce.
- This fall, we should see a bumper crop in apples. Other than that, local farmers have had a tough year, challenged by weather and insects. For the apple bumper crop, the CDC is working with growers on a sizing method so that we will have the premium size in our stores. And to achieve as much as possible full utilization of the apple product, apples that get called out will go to cider-makers.
- Produce deflation in 2016 has been the highest of the past 25 years.
- La Montañita is offering a scholarship for a New Mexico student at UNM in the Sustainability program—students qualify in a number of ways including based on need. It is called the La Montañita Co-op Marshall Kovitz Memorial Scholarship.

Next Board Study: Michelle Bloodworth from Apex ([apexeval.org](http://apexeval.org)) will lead the Board Study focused on data collection and measuring hard-to-measure outcomes.