

Onion River Co-op/City Market

Board of Directors Meeting

In Person, South End Community Room

December 9, 2024

Board Attendance:

Kristina Sweet (she/her), Board Member, President

Jody Landon (she/her), Board Member, Treasurer

Sam Werbel (he/him), Board Member, Vice President

Mitch Manacek (he/him), Board Member

Shannon Kilpatrick (she/her), Board Member

Absent:

Brian Tobin (he/him), Board Member

Myle Barr (she/her), Board Member, Secretary

Also in attendance:

Michael Healy (he/him), Member, Board Meeting Facilitator

Em O'Hara (any + all pronouns), Member, Board Meeting Minutes-Taker

John Tashiro (he/him), General Manager

Lauren Jones (she/her), Membership Manager

Amanda Bushor, Director of Finance

Serrill Flash, Member

Tim Johnson, Member

Sarah E. Richards, CPA, Partner, Gallagher, Flynn & Company, LLP

Jessa Murphy-Gibbons, Audit Manager, Gallagher, Flynn & Company, LLP

Preliminaries

A quorum was established, and the meeting started at 6:07 PM.

Review Agenda

Agenda was reviewed and approved as written with 5 supporting votes, 0 abstentions, and 0 dissenting votes.

Review Minutes

The Board reviewed the meeting minutes from October 28, 2024 meeting, and the meeting minutes were accepted with the following change/update:

with 5 supporting votes, 0 abstentions, and 0 dissenting votes.

Review Action Items

The Board reviewed the Action Item list and 2 items were removed.

Open Member Time

Tim Johnson spoke about a letter that he wrote to the Board regarding plastics. Serrill shared his gratitude for the Board.

Auditor's Presentation

Board Members have copies of the audit. The Board's charge is to approve the audit report.

Several of the audit results identified in the presentation:

- Unqualified report on financial systems
- No recorded audit adjustments, other than the tax provision
- No identified significant deficiencies or material weaknesses in internal controls over financial reporting
- Accounting practices selected by management are preferable
- Management's estimates appear reasonable
- No disagreements or significant issues discussed with management
- No significant difficulties encountered in performing the audit
- No matters required consultation outside of our engagement team

Other notable highlights from the presentation:

- The Co-op has consistently performed well compared to its overall fiscal year budget
- Gross margin performance and savings from labor and health insurance are main drivers for the reasons above
- Current assets have been declining due to use of cash
- Income tax receivables decrease resulted from dissolved cash (CARES Act)

Executive Session – Discussion with Auditors

The Board moved into Executive Session with Auditors at 7:00 PM. The Executive Board Session with Auditors began at 7:05 PM and came out of Executive Session with Auditors at 7:20 PM. The Board used the time to ask clarifying questions.

GM Reporting

Monthly GM Update

John presented the GM Update to the Board, highlighting updates regarding the first three months of the year were behind revenue budget, but the last two months have collectively met and exceeded revenue budget. Much of these results were attributable to Member discount day(s). Discount days saw 2,100 Members take advantage of it in October and 3,000 Members made use of a \$5.00 coupon in November. Instacart soft launch has had sales with large basket sizes. Full launch to come in January. Community safety issues centered on balancing staff, Members, transient population, and community neighbors persist.

Board Members can expect a full more completed report (with updated staff items) in January.

The Board shared personal observations and asked clarifying questions.

B4: Financial Conditions

John presented the B4: Financial Conditions to the Board, highlighting the shrinking gap between actual and budget which is driving some of the changes in compliance. The co-op is on a good trend because we are hitting our budget. Report items B4.1 and B4.3 are out of compliance related to sales; B4.5 is out of compliance as it relates to membership.

The Board shared personal observations and asked clarifying questions.

The Board found the definitions and interpretations reasonable, there was enough data to determine compliance, and the data demonstrated compliance with the policy. The Board approved the report as demonstrating compliance with the policy, with 5 supporting votes, 0 abstentions, and 0 dissenting votes.

B8: Board Elections

John presented the B8: Board Elections to the Board, highlighting continued encouragement around how to increase Membership engagement. Keeping the election dates the same to previous years (October 1 to 21) has been one effort to establish some familiarity.

The Board shared personal observations and asked clarifying questions.

The Board found the definitions and interpretations reasonable, there was enough data to determine compliance, and the data demonstrated compliance with the policy. The Board approved the report as demonstrating compliance with the policy, with 5 supporting votes, 0 abstentions, and 0 dissenting votes.

Draft Annual Report

Board Members remarked on the modernity of the new format and look forward to the final version at a later date.

~Half-time stretch~

Fall Retreat Reflection

Board members shared positive feedback about spending time in-person. Particularly effective to pair with financial review.

Board Appointment

Board decided to appoint (in 2025).

Board Education and Training

Columinate Webinars

Michael is developing new offerings (and welcomes input on anything of interest).

Other

Mitch plugged the new season of Chef's Table (on Netflix).

Kristina mentioned the article that she shared about the Plainfield co-op.

Appreciation for departing Board Members

Neither Myle nor Jen were present, yet Kristina and others expressed their appreciation. John conveyed Jen's mutual appreciation for everyone. (Both former Board Members will receive holiday baskets.)

Open Board Time

Board Members shared personal updates.

Future Planning

Open Member Time Follow-up

John will follow up on Tim (Johnson)'s letter.

January Board social

Confirmed for January 30, 2025. Board Members are encouraged to share suggestions on the program, activities, etc. by December 16, 2024.

Review Calendar

The Northeast Organic Farming Association of Vermont (NOFA-VT) conference is in February 2025. Shannon expressed interest (and others are invited as well).

Mitch to lead discussion on C1 policy. Jody to lead discussion on D1 governing style.
Sam to lead discussion on the D10 community policy.

Wrap Up

Action Items

Em presented 6 action items to the Board.

Meeting Evaluation

Executive Session with GM

The Board moved into Executive Session with the GM at 8:24 PM. The Executive Session covered the Co-op's financial statements, operational strategy updates, and the GM contract. The Executive Board Session with the GM concluded at 9:03 PM

Adjourn

The meeting adjourned at 9:03 PM

Action Items

December 2024

Kristina, Sam, John, Michael (Planning Team) to think about how to bring the "D3: Board Officers, Elections and Roles" policy review back into focus.

John will forward Tim (Johnson)'s letter to the board.

Any Board member who has ideas about the board social and/or who is interested in attending NOFA-VT to let John know by December 16, 2024.

Calendar Updates:

- Mitch to lead discussion on C1 policy.
- Jody to lead discussion on D1 governing style.
- Sam to lead discussion on the D10 community policy.