

Finland Cooperative Board Meeting January 17, 2019

Present: Kaare Melby, Michelle Duhant, Stacy Breden, Matt Morris, Honor Schauland, Andy Gomez, Sue Rian. Absent: none. AM Karl Klinker comes in at 6:08pm, Manager Mike Coyle comes in at 6:09pm,

Meeting called to order at: 5:00pm for Executive Session.

Executive session closed at 6:05pm.

<Karl and Mike come in>

Minutes: MSP Matt, Michelle to accept November meeting minutes.

Treasurer's report: Balance is \$916.16. \$250 that was owed to Honor for filing with the IRS for the CCF nonprofit was repaid. Jenny Walewski submitted her required paperwork, so we need to pay her \$250. MSP by Stacy, Matt to pay her out of the board account. ***Michelle will issue her an online bill pay. *Honor will set up CCF acct so that future scholarships can hopefully be paid from that.**

Managers report - go over Accounts Receivable report. Mike has not sent the letter discussed at the November meeting yet. ***Mike and Karl will work to get that sent out to Acct #25, Acct #64, Acct #51, and Acct #43 in the next week or two.**

Go over Snapshot Report. There was a lien on the account for \$58,453 for the duration of the AEOA project that is now off since the job is done. Store owes \$75,306 for our portion of the project, which is \$16,853 for Range Cornice Roofing and \$58,453 for Radotich for heating.

Go over the Balance sheet for April 2018. Discuss how CHS pays out patronage dividends. We have \$230,137.81 in CHS stock, and also an account at Wells Fargo which was from a year when CHS issued preferred shares - \$19,329.78 - it's shares but we could cash those ones in if we wanted to. Mike also explains how the physical inventory works to adjust the sales numbers in April each year.

Mike is investigating a new overhead cigarette display for \$1,200. Printer repair guy (Tri-state Business) was up because it needed to be cleaned. Elaine got a quote for a refurbished color copier - \$3,295/\$3,595 with fax. With color, the store could print their own shares. ***Speaking of that, Karl needs shares printed.**

Karl is signed up for the Excel class in February.

<Karl leaves>

Mike report - very good margins on premium, Karl has been watching gas stuff pretty well. Fuel margins have been exceptional. Can be as low as 2% and they are sometimes double digits right now. Staffing-wise, been awhile since Cheryl left, slower now, so it seems ok. People get sick, but Karl and Mike haven't had to cover any shifts lately. Wendy, Brooke, Nick, Elaine have covered things. Mike got new insurance info. He's on Medicare now, off Badgercare. New costs

each month are \$643.95. Nice to have heat, there's still propane line on the ground. They didn't put it in the ground because ground was frozen, will need to be dealt with in the spring. Heater was installed at the bottom of the stairs in the basement - it's not perfect - still have to blow air over to the part of the building with the pipes that freeze. It's too bad it wasn't installed closer to that area. Ran a bunch of numbers for the Equipment grant, the POS was very helpful. Probably looking at hiring one more person part-time for spring.

Discuss scheduling system. Karl makes schedule on Thursday, Mike sees it on Sunday morning. Lots of flexibility. Mike encourages staff to get other staffpeople to cover their shift if needed and then tell he or Karl. Asked if Mike changes the schedule. Mike says he never changes it. Don't have to move people around from week to week, unless someone takes vacation or something. Sometimes the truck is delayed, sometimes to the next day, then we have to have people there to cover that. Right now trucks are light. Asked if you look at the schedule and there's an issue, what do you do? Usually it's a request for time off - need that in advance. Want it in writing. If someone wants vacation in March, Mike creates the schedule ahead of time. Karl is in charge of it, Mike doesn't change it, leaves a note for Karl.

Discuss incident with truck unloading/staffing on the big snow day, Mike sent Joann home, called Jackson to clean the loading dock, Karl showed up, it all worked out.

Discuss ordering system, communication with the clipboard system. Employees say Mike is overbuying. Mike says employees aren't maintaining inventory well. Mike says he needs to buy more to keep the store stocked. Back in November, Mike did a movement report for Nick on soup sale. 12-21 asked Nick to do it again, to fill in where more were needed. Got a note from Nick and Elaine saying we don't need any more soup. Talked to Nick about it, he finally confessed that he was pressured to do that. Mike went back to original movement report and got the soup on sale. Discuss how this could have been handled more thoroughly. ***Board wants to see weekly meetings with Manager and Employees.**

Discuss Propane incident - timing, contractors weren't done. Back in Oct, got contract with Federated Co-op, but needed line test - which wasn't done. Then there was a leak - Mike was gone, Karl got emergency line from NSOP, Mike wanted a contract rate, Karl did not get a contract rate, Mike called NSOP and get the rate.

Discuss Elaine's issue - RCB collections, talked to Elaine, Mike signed the stuff, sent it to payroll, \$40 a week, over a period of 5 months or so. Finished and paid off.

Discuss Mike's vacation time - last summer was working 3 days, mon, tue, wed, then took vacation for the remainder to bring it up to 40 hours. 11-12 hour days, then 3 or 4 hours vacation to make up the difference. Hasn't taken vacation since it's been cold. Talks about not shopping some days. Try to leave by 5pm to try to make it to the bank, but that doesn't always work. ***Mike is asked to track his time at the store.**

Discuss shopping issue - Mike thinks each employee should be assigned an aisle and then make their lists. ***Mike will have staff meeting, sit them all down, assign each an aisle, they each have to fill out clipboards on what is needed to stock the store. REGULAR STAFF MEETINGS MUST HAPPEN!**

Discussion on how payroll works - Mike fills out a thing, makes a copy of the schedule, puts it in with timesheets, make copy of distribution of pay of slots (regular, vacation, etc), sends copies to Maruska (now Licari), they send back email with spreadsheets, compare numbers to make sure they're the same, then put in folders, distribute checks or paper copies (for direct deposit folks). Vacation is usually awarded on their employment anniversary, but if they leave, it can be calculated up to the date - based on hours. Mike has 665 vacation hours (he had 700 some but has taken some recently) accrued. Mike is willing to pay some of it out in cash, then maybe make a use-it-or-lose-it policy at some point. There was never much of an opportunity to use it until recently. ***Board wants Mike to give us a report on accrued vacation for all employees since it would give us a snapshot of how that works across the board. *Mike will bring a copy of what he is paid to show the board each month.**

<Mike leaves>

<Karl comes in>

Karl continues to work with employees making sure their interests are represented. Karl and Mike have differing views of the AEOA projects, believes Mike is unclear about it when they communicate, therefore miscommunicates to others. Bulletin board project, got back to Karl that he was supposed to fix it with materials that he can't find. Wasn't aware there were materials, and that was on his plate. Worried that we may lose employees over store issues when they express concerns to him and he looks into it. He doesn't want to be a go between in relation to them and management and that's why he is in support of employee/manager meetings. Karl's approach is a team dynamic that benefits successful store and employee relations, hoping Mike feels the same. Soup story from Karls perspective now. Karl outlines his idea of how leadership should work. Karl describes the review process - set out clear goals for people and go over them each year. Provide training, clear expectations. Tuesday on schedule from 8am to 7pm - Mike showed up at 10am and left at noon. Wednesday in at 11am. Karl needs to ask him what he's doing. Karl doesn't think over-shopping is the main issue. The main issue is employee manager communications being the problem what he communicates or how he communicates. The other issue along those lines is questions of story changing - disagreement if it did and the ramifications.

Vacation time for Karl - Karl should have been awarded vacation time at his annual review. Board will resolve at the next meeting. Karl won't give up on this job, will keep communicating and trying.

<Sue R has to leave>

AEOA update - waiting to get the finishing touches done so store can write them a check. Three vent grates and a light. Glad to have it be over with.

Honor gives updates on GFAP Equipment grant and Food System project. The deadline is today, January 17th and the co-op's application has been submitted! The Food Project Steering Committee decided it was a great opportunity both for the store and likely the future Food Project, and even though the Food Project is still being planned out, they decided to support the grant proposal by paying Marc Smith to write the grant with Honor advising. Marc Smith did a great job on the proposal, which is asking for \$45,000 to replace the walk-in cooler and walk-in freezer. Live Well Lake County - SHIP Office, OCA AgroEcology Center, and Co-operative Development Services all contributed letters of support for the proposal, which will really help our chances. Manager Mike and Karl did a great job pulling together financial information and construction estimates for the proposal. Copy of proposal attached.

Discuss patronage policy. ***Honor will send the policy to the board on Slack. *Board members should add themselves and other people to the Membership/Governance channel on Slack. *Board members should read the patronage policy before next meeting.** Tables for next meeting.

Question about new shares and timing and how to get those out quickly. A new member is asking about a membership card. ***Karl will track her down.**

MSP Honor, Andy to adjourn at 9:40pm.