

Finland Cooperative Board Meeting January 9th, 2020

Present: Honor Schauland, Kaare Melby, Matt Morris, Julia Kloehn, Stacy Breden, Andy Gomez, Sue Rian, Manager Karl Klinker. Shareholders: Paul Hartshorn, Wendy Caroon, and Cory Holden were also present for part of the meeting.

Meeting called to order at: 6:19pm.

Stacy motions, Sue seconds to approve the minutes from the November 14th meeting. Motion passed.

Treasurer's report - \$510.66 in checking. No checks written from Board account. Stacy motions to approve, Kaare seconds. Not sure we have to do that.

Manager's report: Business as usual. Go over Snapshot report, Accounts Receivable, Expense reimbursement. We're on the list for the locks. Will be going through Gardner to get the freezer installed. Pad complete now, waiting on Gardner now. Karl shares confidential information from CHS about fuel supply. Discuss how to share the information with concerned members if asked. Discuss #1 vs #2. Each are straight fuels, not blends. #1 doesn't freeze up but doesn't have as much oomph, that's why you blend the two. We're contracted with CHS, it's time consuming to try to contract with another vendor.

Matt goes into his thing about coming to the store to try to find out about fuel supply. He doesn't want to share the info at first. He doesn't want to talk to Karl alone. Unclear why not.

Shareholder Cory Holden comes in. Paul Hartshorn, Wendy Caroon come in as well.

If CHS doesn't have fuel, can we get some from elsewhere. We're not branded, so we don't have the same set up as most gas stations. We can buy fuel from anywhere, but we have to get it transported here. They have their drivers. You call in your load and you get put on the list for drivers.

Matt claims we have lost Greg Tibbetts because of this issue. Cory Holden has concerns. Matt says we should be putting in tanks. Honor asks Matt to calm down. He does. Andy wants us to look into another distributor. Karl says he is trying to be honest, rather than lying about the blends as he was taught. He's just doing the best he can to get fuel.

Cory Holden points out that we are bottlenecked by the size of the tanks. Greg was spending close to \$300,000 a year on fuel, but Karl points out that with the small margin and the discount we give Greg, the profit on that is only around \$10,000 for the Co-op. Matt says we're in the business of selling stuff. Just upset that we've lost Greg. Matt feels that the Board has done nothing. Karl is bothered by the fact that Greg hasn't called him. His business has outgrown the Co-op. Him being upset about that makes no sense. Matt wants us to work towards investing in getting new tanks. Karl's going to look into at least two more fuel vendors. Shorthorn points out that Greg needs to talk to Karl if he has an issue with Karl. Discuss voicemail, calling Karl on his

cell. Need voicemail at the store. Numbers are supposed to be posted in the entryway. Need more capacity in the off road fuel.

Discuss store closing early. Matt makes an insinuation that there's something weird that will be discussed later. Honor asks him to discuss it now. He refuses. Shorthorn brings up Darwin Church and how he left the store and how detrimental that was to the store and the community.

Andy has a question about mileage report. Karl tries to take a deposit to the CU every time there's more than \$5,000 accumulated. Spend some time listening to Karl explain the mileage report.

Camera's installed, Kenny has been paid. It's all set. Matt asks what the final invoice is. Karl is asked to bring it to the next meeting. Add-on of router. ***Karl will send info on Slack.**

Insurance - Carol Krynski retired. Working with a gal from TH now - still going over details. Karl still doesn't have health insurance.

Food Chain Questionnaire - ***Karl will get those to the employees, and get them back to Honor once they are filled out.** Plans to survey the community, figure out ways for the Food Chain to work with the store for the good of all. Cory Holden is asked about old board doing visioning and drawings of redesign of the store in the past.

WTF Signage update - Kaare got a better deal, working on Maple Grove and Our Place and Co-op paperwork with Karl.

Perpetual inventory - Karl has high hopes for Cole with working on the POS - Cole is streamlining things, things we never even thought of. Not sure when we'll get to the perpetual inventory. Hooking ATM up to fiber optic instead of dial up..

Membership/shares/abandoned equity - need to get back on this project. Discuss shares. ***Karl/Cole: Make sure business accounts are linked with member accounts.**

New business: we have a new Assistant Manager, Cole Bauer. He moved up here around 4years ago. He worked at Lutsen previously. He used to work at IBM, he is good on the computer, he has previous accounting experience. He works especially well with Elaine. He stays up in Isabella, and he owns land down by Silver Bay. Matt brings up that he thought that the board was going to approve Assistant Manager choice. Andy says he thought so too. Review the October minutes. Nothing about that is recorded. Sue remembers Karl would report to us once he had someone hired. Honor feels that she would have recorded a request like that. Matt makes an insinuation that there are a lot of things that aren't recorded. Andy and Matt change their tune that they only wanted to see the applicants. Matt feels that the board should have some oversight over the Assistant Manager hiring.

Discuss Manager's duties of hiring and firing and the Board. Discuss communication issues. Discuss minutes and how they are recorded. Minutes review should be the time for pointing out discrepancies and/or setting the record straight. Discuss audio recording. Honor refuses to spend time outside of these meeting transcribing minutes.

Paul Hartshorn leaves.

Wade's offer - he wants to sell the property and the building, Wade has to facilitate those pumps for about 3 years. Andy's concerns - building is old, septic needs updating, difficulties of the whole thing. If the price was right...but triple that price to bring it up to par. Andy thinks we are not ready and there are too many questions. Sue agrees. Kaare notes that the scale of the project is too big for where we are now. It would be amazing if we could pull off something big and provide more retail space (for Co-op and others), but we are not ready for that. Andy motions that we pass on the offer to purchase the Mobil at this time. We aren't ready. Sue seconds. All in favor. ***Stacy will communicate with Wade.**

Discuss store being closed on New Years Day - not sure of the historical precedent for that.

Cory leaves - is thanked for coming and his insight into the board from being involved in the past.

Wendy leaves - is thanked for coming.

Executive session.

Andy makes a motion that the board writes up policy letters on employee conduct, expectations, employee dress code, policies on opening and closing, that will help Manager run the store. Clarification is asked for. Discussion. Kaare wants to see the policies. Who will be writing the policies? Kaare proposes adding that we add an individual to write up the policies to propose to the board. Sue thinks Karl should be involved since he has to enforce them. Honor thinks the employees should be involved since they have to follow them. Karl notes that Board needs to meet with the employees - haven't done so since Annual Meeting. Andy rescinds his motion.

***Karl is asked to arrange a time for the Board to have a meeting with the employees.**

Andy motions that the employee meeting be used to discuss setting employee conduct policy. Stacy seconds. Kaare proposes an amendment that Honor facilitate that meeting because of her training in group process. Andy accepts the amendment. Honor asks if the board is willing to fully participate in the process - process discussed. Group meeting, results typed up, brought back to second group meeting for approval. All in favor.

Board discusses personnel issues.

Dec 2018 total sales: \$241,922.55

Dec 2019 total sales: \$256,047.27

Over \$14,000 in sales more than last year.

Shares to approve: Paula Anderson, Mark Zellers, Ayden Williams, Brion Kallinen (the elder), Janthony Ylatupa, Greg Tibbetts, Lisa Tibbetts, Amber Holm, Paul Taintor, Andrew Mack, Laurie Kallinen. Kaare motions to approve new members, Matt seconds, all in favor.

Next meeting date - February 13th, March 24th. At 6:15.

Motion by Kaare to adjourn, seconded by Stacy, all in favor. Meeting adjourned at 9:27pm.

Respectfully submitted

Honor Schauland, Board Secretary