

**Ever'man Natural Foods Co-op, Inc.
Board of Directors' Meeting
Monday, June 24, 2013 7:00 PM
Ever'man Community Room**

Present:

Dave DeBlander– President
J.J. Stephens – Vice-President
Lauren Southern-Godwin -Secretary
Frankie Cruz– Director
Lynn Jackson – Director
Lois Stephens – Director
Johnny Ardis – Director
William Rolfs – General Manager
Robin Tillman – Board Clerical Support

Absent:

Dawn Vorthmann – Treasurer

Employees:

Joy Soper
Kate Scanlon
Andy Marr
Matt Reasoner
Elizabeth Oakes, Landrum Human Resources

Members:

Hugh Ed Turner

A. Come to Order

Dave DeBlander called the meeting to order at 7:10 PM.

B. Approval of Agenda

There were no changes.

C. Announcements/Centering

Centering - led by Lynn Jackson.

Reading of the Ends – Dave DeBlander.

D. Approval of Minutes

Lauren Southern-Godwin motioned to accept the April 2103 minutes. J.J. Stephens seconded. **VOTE:** Passed unanimously.

Lauren Southern-Godwin motioned to accept the 2013 Spring Membership Meeting minutes. Lynn Jackson seconded. **VOTE:** Passed. For: Dave DeBlander, J.J. Stephens, Lauren Southern-Godwin, Lynn Jackson, Lois Stephens and Johnny Ardis. Abstained: Frankie Cruz.

E. Open Forum

Hugh Ed Tuner congratulated Kate Scanlon on her publicity efforts while referencing the Pensacola News Journal articles on the Pathways Program and the store expansion. Kate Scanlon replied that she would appreciate copies of the Pathways Program article. He also referenced a Quinoa Tabbouleh recipe in the recipe section of last week's paper as a possible draw to the store. He asked when recycling bins would be put in the community room as there were 70 – 80 pieces of plastic to recycle after a meeting last Thursday. William Rolfs responded that the community room is not yet finished and recycling bins will be made available.

F. Board/Continuing Business

1. Board Self Monitoring: D2: Board Job Products and D3: Committee Principles:

Dave DeBlander asked the board if they agree with the governance policies or if there were suggestions for change. He asked the board to note D3.4 "Board committees cannot exercise authority over staff..." There was no discussion.

2. Committee Reports:

Nominating Committee: Lauren Southern-Godwin welcomed Tommy McGuian to the committee. He will assume the position left by Jennifer Dutton's resignation. He has helped the committee in the past. Lauren Southern-Godwin looks forward to J.J. Stephens assisting as his schedule allows. He will be filling Maria Pinochet's position. The committee now consists of Lauren Southern-Godwin, Lynn Sparks, Kate Scanlon and Tommy McGuian. William Rolfs will be able to help up to the election. Lynn Jackson cannot serve on the committee this year as she is up for re-election. It was determined by consensus that Johnny Ardis will serve instead of J.J. Stephens since JJ was also recently appointed to executive committee. Lauren Southern-Godwin is reviewing election packets from other cooperatives. She has found that Wheatsville in Austin, TX does a good job with the details.

3. Executive Committee: Dave DeBlander reported that he, Dawn Vorthmann and J.J. Stephens comprise this committee. J.J. Stephens is filling Maria Pinochet's position. A facet of William Rolf's contract was discussed in a closed meeting.

4. Reorganization Committee: Frankie Cruz reported the committee has met once. They have had much discussion via email. They still do not have many answers. She has talked with the store manager at New Leaf in Tallahassee, FL. Rainbow Cooperative in Jackson, MS recently reorganized in Minnesota as well. J. J. Stephens is reaching out to them. An attorney has been contracted for research.

Lauren Southern-Godwin initially thought it made sense to reorganize as the store expanded. But there is much member education to be completed. Also, it may appear the reorganization is to pay for the expansion. William Rolfs commented that the staff will be too busy during expansion to help with reorganization.

There was a discussion explaining why Ever'man, a Not-for-Profit, could not attempt to initiate a change to the state law in regards to incorporating as a cooperative. However, after reorganization, Ever'man can work toward this for the benefit of the community. In the meantime, members can bring this issue to their congressmen. Johnny

gave information about a workshop he attended at CCMA about possibilities of lobbying state government to change laws about cooperative incorporation.

5. Spring Meeting: Dave DeBlander reported the meeting was slow to start but turnout reached over 100 members who signed the attendance sheet. Lois Stephens remarked that many members were not aware of the meeting. William Rolfs recommended considering an evening meeting.

6. CCMA Meeting 2013 Conference in Austin, TX:

Lynn Jackson attended the “Friendliest Store in Town” workshop. Wheatsville employees are hired based upon their friendly nature. Wheatsville values people over profit and has shown that every action has an impact. She also attended “Bank Transfer Day” which started as a Facebook campaign. This movement encourages cooperatives to move from a bank to credit unions, another cooperative. She also attended “Program Flower” which is a program in New York that is keeping local organic food within everyone’s reach.

Johnny Ardis attended “Working with Local Governments” which explained how to develop a relationship with the city government. In touring Wheatsville, he was impressed by their Three Stream Waste System of recyclables, trash and compost. Wheatsville also has a large bulk foods section. The membership chooses charities for the cooperative to support. Every Wednesday, 1% of sales go to that charity and Wheatsville reports how much money was raised.

Lauren Southern-Godwin attended various workshops to study how decisions are made and how to do so efficiently and also attended workshops on staff training. She met with Ever’man’s CDS consultant and studied the visionary work of the Wheatsville board of directors.

J.J. Stephens stated he feels that all managers should attend CCMA, at least every two to three years. This is a cooperative conference and is different from the food and vitamin conferences they attend. He wants to see explanations to the membership that Ever’man is a leader in making the community beautiful and sustainable. He went to “Food Access” workshop which is important to Ever’man as it is located in a food desert. He learned about ways other cooperatives are serving food deserts economically and through education. He discovered that Ever’man’s price margins blow other cooperatives out of the water, although there is a cost of living difference. He would also like to see more community supported agriculture.

Johnny Ardis added that many cooperatives around the country promote the cooperative culture in their community, not just in their store. Austin, TX has food cooperatives, child-care cooperatives, bakery cooperatives and more. The CCMA meeting next year will be held in Madison, WI.

7. Board Calendar: A consensus was reached to discuss this at the board retreat in July.

8. Treasurer's Report: The board budget is in the meeting packet. No report given since Dawn Vorthmann was absent.

G. Manager's Report

General Comments: William Rolfs introduced Elizabeth Oakes, Human Resources Manager from Landrum. There was a discussion regarding William Rolfs submitting reports earlier versus the board voting on the reports a month later. Frankie Cruz motioned that the board will vote on the general manager's reports one month after submitted per the current calendar. J.J. Stephens seconded. **VOTE**: Passed. For: Dave DeBlander, J.J. Stephens, Lynn Jackson, Frankie Cruz, Lois Stephens and Johnny Ardis. Abstained: Lauren Southern-Godwin.

William Rolfs reports that the flooring in the new community room has been replaced and he is looking at furniture for this room. The parking lot should be re-opened within the month. In the interim, courtesy clerks are helping people to their cars and returning carts. Refrigeration racks and walk-in coolers are expected on Thursday. The new grocery manager is Brett Beamer. Currently sales are flat. Ever'man has formed a kickball team and joined the Pensacola Kickball League.

Elizabeth Oakes reported that Ever'man is held to a higher standard and Landrum must look at its own industry outside of the greater area. Ever'man is a leader in pay and has substantially better benefits. Ever'man is well below average for the industry and the local area in turnover and accidents, especially during the change of expansion. The increase cost to health insurance is due to the Healthcare Act. There will be some changes at the end of the year but Ever'man is already above and beyond the bare minimum of the Healthcare Act. Landrum's survey had similar answers. This means there is not a significant decrease in morale due to the expansion.

B1: Staff Treatment: Lauren Southern-Godwin motioned to accept the report. Dave DeBlander seconded. **VOTE**: Passed unanimously. Discussion: Frankie Cruz asked to see a report in August on what is being done to create a sense of fairness and equal treatment among employees. Lauren Southern-Godwin would like to know the action plans for addressing the staff issues. She understands major changes will not come in August but would like to review the priorities. William Rolfs stated that reports are generally based on previous actions and the forward thinking processes are not included the report. He also stated that there are rumors in any business and employees are not going to know what happens to other employees. However, Elizabeth Oakes sees every action taken with employees. Elizabeth Oakes stated some of the problem is marketing. The initial goal should be to build the foundation of trust of the management group. Some individuals have come to Landrum and felt more confident afterwards. Only one exit interview has been returned but employees can return for one at any time. Board members discussed various employee training options.

B4: Financial Condition & Activities: A large tax bill was received since the Spring Meeting and has been accounted for in the report. Some of the assets have not been depreciated yet due to expansion. Lauren Southern- Godwin motioned to accept the report and J.J. Stephens seconded. **VOTE**: Passed unanimously.

Lauren Southern-Godwin motioned to add to B1 “the GM shall not fail to set priorities for the coming year in regard to staff training and other Human Resource training issues, using survey result for input as applicable. William Rolfs stated that communication does not work if the other party refuses to accept the information. Morale is hard to measure. Elizabeth Oakes said she is working on 6 month, 12 month and 2 year plans. This will show priorities and include timelines. Dave DeBlander stated he is more comfortable with the wording of “goals” over “priorities.”

William Rolfs stated that the board is concerned about consistent treatment overall. A lot of it is due to him walking on eggshells around employees. He cannot make a correct business decision without becoming concerned with what will happen in the board meeting. He feels beat up even when he goes through many progressions to dismiss someone. J. J. agreed this is the reason clear training and expectations are needed and stated the board stands behind the general manager. Elizabeth Oakes stated there are inherited problems from the past which make the employees feel like there is disparate treatment. William Rolfs stated his problem is the perception that the employees are treated badly. Lauren Southern-Godwin said the board knows they are not and that some employees will be upset all the time.

Frankie Cruz suggested changing priorities to goals in the motion and stopping at one year. Kate Scanlon stated that goals are infinite. How would these be measured and what would happen if they are not met? J.J. Stephens seconded Lauren Southern- Godwin’s motion. Frankie Cruz withdrew her comment. It was stated that this won’t be reported on for a year but the board could ask the general manager to check in throughout the year.

VOTE: Passed. For: Dave DeBlander, J.J. Stephens, Lauren Southern-Godwin, Lynn Jackson, Lois Stephens and Johnny Ardis. Opposed: Frankie Cruz. Lauren Southern-Godwin will update the policy by the next meeting.

Expansion Update: Building is behind due to some issues concerning the steel. However, the parking lot is ahead of schedule. The well for irrigation has been sunk. The pervious pavers allowed the low areas to be raised nine inches in the green space. Interior work will begin soon. Rachel DeToro and Sean Brown are working with plants for landscaping. One palm tree will be transplanted.

Lauren Southern-Godwin suggested participation in My Co-op Rocks next year in the new building will be good for morale.

H. Closings

Adjournment: Lauren Southern-Godwin motioned to adjourn at 9:36 PM and Frankie Cruz seconded.