



## Board Meeting Minutes

8.18.2022

**Attendance:** Tanzania Ertel, Linda Myers, Trudy Springer, Cristina Rodriguez, Joanne McCaughan, Grace Cox (*Staff Representative*), Max Crabapple, Fern Moore (*Board Coordinator*)

## Agenda

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## **Agenda Review**

Joanne asked for time for the Wage Proposal discussion to be moved to Executive Session. Grace asked why. Joanne shared that it is a controversial discussion and would like it to be in Executive Session. Grace did not support that, proposal discussions should be public and transparent.

Tanzania does not believe that the Board expressed that it was a bad idea to make the change regarding the Mission to Purpose Proposal. The way it was done was a problem, and the way it had been implemented was the hurdle. She wants real conversation around this. She wants to honor what Executive Session is utilized for, but there should be room or a way for the Board to discuss in private. We were not involved in the decision regarding the Mission to Purpose and we need to be.

## **Land Acknowledgment**

We start the meeting today by taking a moment to honor the land and the people whose ancestors have been stewards of this unceded land since time immemorial.

We acknowledge the contemporary communities of Squaxin Island, Nisqually and all the people of the Medicine Creek Treaty.

## **Member Comment**

- Kate a Member attended. She is considering running for a Board position. She has been a Member for 6 years. She formerly served on the Board of Central Co-op in Seattle. When she was on that Board they implemented policy governance. She works with non profits and fundraising.
- Staff Member Jenni supports continuing to offer zoom links for board meetings. She feels that offering hybrid meetings offer folks that wouldn't otherwise be able to attend accessibility. That is really important and hopefully will be part of the consideration going forward.

Linda shared that we have never had Staff Members show up to a Board meeting. She assumed they were here for the Mission to Purpose agenda item.

Tanzania would like us not to make assumptions about the Members and people who have joined today. She would like people to speak to why they are here tonight.

- Ian, Staff. Is here to observe part of the process. They can't attend in person.
- Ben, Staff. Wanted to observe the conversation about Wage Proposal. They are attending via Zoom while on shift.
- Elaine, Staff. Is interested in observing the Boards process in making decisions that heavily impact Staff.
- Treavor, Staff. Is here to learn and observe the various layers of the Co-op.
- Adam, Staff and Member of BPC. They are here to observe and rebuild commitments in the BPC job description in having clear lines of communication between Staff and Board. He hopes to give more regular reports from BPC.
- Jeni, Staff. Is here to observe and support the process.
- Breanne, Staff. Is also interested in the discussion about the Wage Proposal. They are also in general interested in seeing how the Board meetings are conducted, as a new Staff they are still learning Co-op processes

## **Announcements**

- Tonights Meeting is hybrid some participants are attending via Zoom. Tanzania and Fern are joining via Zoom. As well as Harry who will present the Wage Proposal and Hiring Policy Proposal update. There are also 7-8 Staff Members in attendance via Zoom.
- Grace would like to have a Memoriam display at the 45th Anniversary Party. She talked with the organizers of the party about setting up a shaded area tent to bring photos stories and honor the people we have lost over the years. The time is right to think about their legacy and honor those who didn't make it to our 45th Anniversary.
- Linda continues to table for Board Candidates. There is google doc that has the schedule. Please sign up with your availability.

## Commitments Review

- ***Fern will talk to tech about upgrading Zoom for Board and Staff that can serve for both sets of needs.***  
*Not applicable.*
- ***Joanne and Grace will work together on the sandwich board for CSF outside of stores***  
*Pending,*
- ***Fern and Grace will write up a BPC report including the job description for the Board***  
*In process*
- ***Fern will ask Tech to look into Microsoft Teams***  
*Complete*
- ***Grace will send out board facilitation training materials to all***  
*Pending*
- ***Linda will ask for Wendys resignation via email and forward it to Fern for the record.***  
*Complete*
- ***Linda will resend the link to tabling document***  
*Complete*
- ***Linda will ask Arwen for the mini cards***  
*Complete*
- ***Grace will forward the petition request to all and propose an out of meeting consent***  
*Complete*
- ***Everyone will keep playing with Slack***  
*In process*

## Meeting Minutes Approval

### Proposal

### Approval of July Meeting Minutes Consent

### Proposal to Replace Mission with Purpose

Linda would like to test for Consent on this Proposal.

### PROPOSAL

**Replace the term Co-op "Mission Statement" with "Statement of Purpose"**

### Block

Joanne, Trudy and Linda

### ***Statements on the Blocks:***

Linda shared that the process was poorly handled. The initial suggestion came from Outreach. It reached Staff Consent, and from her understanding 27 out of 80 Staff participated. This is not even 50% participating. The Board was in the midst of having a discussion about this proposal and the next thing we heard was Staff consented and it was determined that it was a done deal. The Board determined this was a policy decision and it was not in the Staffs purview to make that decision

*Harry clarified that originally more people consented in the Collective meetings where it was presented. He completely agrees that the process was extremely flawed. The Staff person who presented this proposal did things they shouldn't have done. Is it possible to consider the Proposal on its merit, changing a word that some people find very offensive in colonial history.*

Joanne would like to start over and revisit it at a later time. She is not in a position to Stand Aside. We are all here for the same reason and the Staff have pushed us into a position in which the Board has to defend themselves. She wants to have an honest conversation about why this happened.

Trudy feels that it has already deeply harmed us. She would too would like to let it rest. The feelings are too raw and she is not going to move forward to appease people.

*Feedback:*

Tanzania is not in a place to rehash the details of the meeting. She came here with an attitude to build rapport and work. She is volunteering her time to be a civic person and to be engaged through her community. She consents to this Proposal, to take one for the team, to build a bridge and mend past bridges. She agrees with the Board and wants to be respectful of Staff opinions. Grace said something about being discerning about using a block and asked if it will harm the organization. To say yes to this Proposal lights a fire about colonial based things. She would like to see us working to move forward with 'Mission replaced by Purpose', so that we can function and she does not think it would harm the organization to do so. She would like us to create a Task Force around colonial and anti racist language in our policy and documents. This Proposal could be included in that work. The Task Force would include Staff and native and black people on Staff. She would like us to bring that shift together and move forward.

Joanne agrees we should make an effort to work on this issue in the future and not tonight. We should take it up to another meeting. We need to spend significant time around the issue.

Linda suggests not at a Board Meeting but a special meeting. Where we can discuss the proposal with Staff and Board.

## **Wage Increase Proposal**

Harry attended to present this Proposal on behalf of the Finance CAT. He would like the Board to Consent. Finance CAT strongly supports this responsible proposal for the organization and the employees, it is timely and of vital importance.

What brought this proposal around was obvious to everybody, many Staff people have been talking about the need to address inflation. Finance CAT worked to create a proposal that was financially responsible to the organization and the inflationary trends that affect the employees. The trends that impact employees the most are housing and transportation. 5-10 Staff have moved out of town 20- 30 miles away to be able to afford housing. The cost of housing has increased 25% in three years. Often times the average cost of a one bedroom is \$1500 a month. Our average wage of \$19.5 multiplied by 40 hours a week is \$3,400 gross which is under \$3,000 net. That means more than 50% of

the income is spent on housing, which according to all metrics is not sustainable. What we set out to do was look at our budget template, look at sales, pay rates and differentials, medical, average labor as percent of sales, and inflation. We then projected a budget thru 2023 with labor at 70-75% of the budget. In the current year we budgeted 25.7% of Sales. In the original proposal, we compiled actual Sales and Margin thru first quarter and we updated that, as Sales have been strong in 2022, 6.2% West and a little over 6% East. Our Margin also came in stronger, 2022 came in at \$20,000 and that yielded an \$18,000 profit. A concern was brought up in Finance Committee, that if and when the Co-op would expand or remodel we would need to increase cash. We agreed to update the numbers through our current Sales to the end of July and update Margin and other trends. For example, since we joined 'Script Source' our Medical is running at 50% less. We decreased it to 60% in this Proposal, which we have been doing for 6 months now. When we inputted that data it radically changes projections for 2022 and shows a profit of \$221,800, this includes the \$2 raise retroactive to July 4. If we extend that out to 2023 we even get more conservative in Sales growth and overall cash would grow \$118,000. We feel like we were able to address profit and cash growth which makes it a strong Proposal.

*Feedback:*

Joannes feedback is not about the numbers and analysis, but a cultural one. Many people work fewer than 40 hours and most are in the range of 32 hours. Additional hours is additional monies. Is it possible for people to pickup hours if they need more money.

*Harry responded that that average is based on everybody and their hours. We call 30 hours full time. We have 20/20 staff that have worked over 20 hours at full time and we have part time workers. We have many Staff people that work 35- 40 hours. The overall average is brought down by people that work less by design. It has been important to us over the years in Staff and Organization wide to make a livable wage in 30 hours a week to live a more balanced life. This work can be grueling and especially during a pandemic.*

Linda requested last year figures on hours worked, she took out all the folks who have 20/20 arrangement and all of the part time people and extenuating circumstances, and that came to 32 hours a week average.

*Harry responded that if you are taking out the 20/20 you took out many people who work 40 hours a week. 21 Staff members are in the 20/20, 11 work an average of 36 hours a week and 10 work 32 hours and that is not bringing the average down. More Staff in 20/20 are working more than 35 hours in the Staff Collective. Those are average hours worked. In other organizations they include sick and vacation, thats a factor that is not in there. We had this conversation in Finance*

*Committee, he is still struggling how this ties into inflation and the money, do you not think that sucks for a worker?*

Linda shared that the we have a lot seniors that are living on social security. The Social Security cost of living this past year was the same as what Staff get. In January this year there will be another adjustment. She get it sucks and has lived it. Gas has come down this week and yes housing prices are awful. She is not opposed to a pay increase, she is questioning the two dollars now. She leans toward one dollar now and see how it pans out, and the other dollar in January. She agrees there needs to be relief, but our pay is in line with other grocery stores.

*Harry does not agree with that. We don't compare ourselves to other grocery stores. We try to exceed it. We try to take care of people better than that. There is no plan to increase wages 2023 within this proposal. We will deal with that in the budget process.*

Tanzania thinks we are saying different things, it revolves around money and working hours. She did not realize that there was push back about this. She thinks it is important to support Staff around difficult times, thats what makes the Co-op culture special. We support people and the community. There is still so much as we don't know. A Staff Member that is leaving due to income, recently gave us a presentation on hours showing Management and Coordination that is going unfilled and also how Flex Staff are being used to fill those hours. When Joanne brings up could people work more, we aren't asking people that right now. This Proposal is to keep people in homes. She appreciates Linda's compromise and thinks its fair to be curious about hours going unfilled and the beeper system, maybe we need more understanding about these things and the structural changes on Staffs part to meet the needs of the business. It can be difficult to hear 'we want more money'. We didn't know this proposal was based on inflation. There are a massive amount of hours uncovered. She hears the argument of you want more money, you need to work more, but this discussion needs to be outside of that. Wanting this raise to address inflation is different then just giving people more money.

Joanne shared that inflation impacts our Members as well. She has concerns about how it impacts them. We are fortunate to have this Organization. She is curious what can we do for the Members and relief for them.

Linda asked Harry in the new wage analysis, she was concerned knowing that there were about 80 hours uncovered of floor shifts, 11 hours of Coordination and Management. What if we were fully staffed and shifts were covered. how would that affect this budget?

*Harry responded of course we want these shifts covered, then we wouldn't have people having to work short staffed. This wage analysis is based on being fully*



*staffed, this budget assumes that all hours budgeted for are being paid for. So reducing the number by 50 hours a week is assuming we are fully staffed. There's 50 hours of that aren't being used and therefore are not being paid, mostly those hours were in the Covid Task Force and Picking hours.*

Linda spoke to increase Flex hours by one dollar and Staff by two, that doesn't jive with what was said at the Finance meeting 'that we treat everyone's work the same' Flex workers don't get the 'Cadillac brand' of health care Staff do.

*One of the reasons is that the Flex workers get a dollar per hour bonus each quarter so they are on par with the starting wage Collective Staff Member.*

Linda asked where is that written?

*In the Flex Staff Proposal consented too by the Board. In that proposal, because we aren't offering health insurance, a dollar per hour bonus is given and we encourage people to spend it on health care services. In essence, Flex Staff are getting the same wage as a Staff person.*

Harry clarified that when it comes to budgeting Administrative hours it is variable. A Admin group could have 7 members or 5 members, it is not an exact science in budgeting Admin hours. Its true that we aren't filling all of the budgeted hours, as it is also true the we are not at the budgeted level of Collective Members. At the Finance Committee one Member kept saying our job is to analyze if we can make this proposal work. 5 out of 7 on the Committee thinks its important to implement this Proposal, not just for inflation but also for the front line hell that pandemic workers have been dealing with, and its not over. We are dealing with hurt, poor, frustrated, angry, stealing shoppers for two plus years this is a way of honoring that. If you want to compare us to other grocery stores, in LA and Seattle approved front line grocery worker wage increases and business owners shut down the grocery stores instead of honoring that. That is not who we are, and we can do this and we can thrive. We steered a ship through a pandemic and came out shiny. This is something that would be an amazing gesture to Staff. Now is the chance we can raise wages and its financially responsible to the Organization.

Linda appreciated the presentation, she got a lot of information clarified. We talked about this a lot in Finance committee, its a big chunk of money and she is looking at the big picture and how inflation hits.

Tanzania feels like this something that could become a hot issue or subject and she does not want to prolong something that is so hot for people. She is curious if we see ourselves consenting tonight and would like to respect the Staff people here on Zoom and would be open to hearing Staff if they are concise.

Tanzania highlighted what Linda just said. Linda needed to get there with her questions and concerns and that was missed in our last meeting. Part of our job is to ask these questions and ask for analysis or even ask to wait to consent and highlights the importance for us as Board members to 'get there'.

Harry is thankful to all the Staff that attended. This was good process and he hoped that it would be clear that the Board would be responsible for the decision.

Linda wanted to explore this Proposal in great detail. Its our duty to look carefully. We represent the membership. Linda would like to test for Consent.

## **PROPOSALS**

- 1. We add \$2.00/hour to every step of the Collective wage scale, effective July 4, 2022.**
- 2. We add \$1.00/hour to every Flex Workers' wage, effective July 4, 2022.**

**Consent**

**Stand Aside - Joanne**

### ***Statement on Stand Aside:***

Joanne does not think her question was answered regarding how inflation is affecting our Members in our community. She feels that we need to do something else in how we can minimize that impact to our Members on our shelves.

Harry supports Joannes idea. Finance Committee can take up brainstorming ideas about this in our next Committee meetings.

## **Proposal to Authorize new Hiring Policy**

The Board initiated this process to delegate Hiring and firing decisions to Staff. Staff like the idea and the Hiring Team took on writing a new hiring policy to facilitate this change. Last month, the Board gave the Hiring Team 60 days to implement the new hiring and firing policy. Harry is here on behalf of the Hiring Team to notify that Board that we are ready before the 60 days and we would like to propose to go forward with implementation. Everything is in place and we just need to gain consent from Staff on the new termination procedures. We are ready to hire and would like to hire the way we consented to. Linda clarified that we are seeking Consent on the new Hiring policy, because the Hiring team has approved candidates and are ready to initiate the Hiring procedure.

### **PROPOSAL**

**The Board of Directors authorize the staff to commence using the recently approved hiring process (July 2022 BOD Meeting) as of Aug 18, 2022 The 60 day waiting period for the new policy and process is waived.**

**Consent**

### **Staff Report**

Grace assumes that by now the Board has read her letter of resignation from her role as Board Member appointed to represent staff. She will remain in the position until a replacement can be identified and consented to by the staff.

Training CAT is ramping up for another round of new staff trainings, getting staff members scheduled into upcoming conferences including Provender, and continuing to work with LaDonna Sanders Redmond on DEI. Finance CAT and Labor Systems CAT are starting to work on the 2023 operating budget. Tech and Facilities had a big week with installing the new produce cooler at the Eastside and completing an emergency replacement of the Lane 2 scanner scale. Working member CAT has accomplished the long awaited restart of a data base for tracking working member hours and continues to ensure the working member program is successful.

Four staff members have just returned from the National Co-op Grocer's annual Convergence Conference. Each Co-op store is required to send a department manager from grocery and wellness. The gathering includes review of NCG programs and a tabletop trade show to introduce new products. Also since the last staff report two of our certified Cheese Professionals attended the American Cheese Society Annual Conference and came back energized and excited about their departments.

Lastly, outreach staff are busy planning the 45<sup>th</sup> Birthday Party coming up on September 10<sup>th</sup>. Robyn was coordinating the party so her hasty departure has left them scrambling.

Feedback:

Linda would like to thank Grace so much for all she has done for us for 30 plus years. It is not always easy holding the torch for all the different Board Members. Board Members meaning those elected by the Membership.

Joanne asked for Graces thoughts or other things too share.

Grace responded she has nothing further to share at this moment. She has things she would share with the next incoming Staff Rep about being excluded and not being treated like a full Board member. She is willing to fill out an exit interview or participate in other restorative process.

Tanzania is interested in an exit interview of some kind. There is so much knowledge from Grace to get from her in a one on one interview. Grace has big picture questions and Cooperative experiences as well as experiences of recent that sound like they matter a lot and were impactful.

Grace agrees to take part in an exit interview.

Trudy asked if the exit interview will be held as a group?

Linda responded if Grace is interested in that.

## Committee Reports

**Advocacy** - received a quest to endorse a petition from Trudy.

*- Grace will forward link to petition to Max for the minutes*

### Proposal

The Board approves that we sign INSERT NAME HERE  
petition as the Olympia Food Co-op

**Consent**

**Board Development** - Continuing work on the Policy register. There are many upcoming webinars, we encourage people to sign up. All the free events are color coded. Any Staff can also attend those trainings. In the future Linda will forward zoom links to the webinars.

**Capital Campaign** - briefly chatted and recommitted to conversation on the fundraiser document they are reviewing on capital campaigns. The next meeting date is Monday 5th of September

**Cooperative Health** - Policy governance has taken front seat and this Committee has been on a bit of a hiatus. They had previously talked about the 20 years of various consultants and surveys as well as suggestions made. They hope to get together with BPC to go over the stuff that was still relevant.

**Eco Planning** - met earlier this month.

**Expansion** - They got an update from Habitat and their project. The City is working on a project concerning Neighborhood Centers and identified the Westside Co-op as a possible hub for a neighborhood Center. They set up in the parking lot this past Saturday and met with community members. Fern approached the people working the table and gave them business cards with Expansions email address.

**Finance** - half of their recent agenda was about wages. Corey has been in conversation with our bank about how to bust up monies and make them as liquid as possible. This could include investments or money market accounts. Some of them are getting set up. We are moving a million in cash to those. Second quarter statements show that we are growing ahead of inflation. A lot of Co-ops are not

keeping up with inflation. Margin came in solid and was an indicator that we are keeping up with inflation. A question came up about money spent on Working Member appreciation. The Working Member discount card is not billed to Working Member recognition, so we will not see a direct correlation. Inventory is up a little. Liabilities have not increased and all the ratios are looking good. Margin is steady with what we intended to do. It all looks really good. Finance did want to make an announcement to Board, which is happy news but will create work for us in the future. We have a Bonus Policy that includes a percentage of profits made to be given in a Staff bonus and 10% of profit is given to community via the Board to donate anyway the Board seems fit. This profit from 2021 amounted to a little under \$39,000. In years past the Donations Coordinator put together a list of ideas based on how donations requests were that year. Since the pandemic, Donations requests have dropped considerably because events aren't happening. We should talk about how to develop a Proposal to distribute the funds.

***- Grace will send the Bonus Policy to all***

***- Everyone will bring ideas to Bonus distribution discussion next month***

Trudy shared an idea to consider, the University of Utah is giving free scholarships to Native Americans. She would like to talk about partnering with Evergreen to give money to Native American students.

**Local** - not active

**Member Relations** - Discussed the Annual Meeting and will discuss the Agenda

**Personnel** - no report

**Standing Hiring** - has not met

## **Adopt Policy Governance- Implementation Timeline**

The Board has been talking about Policy Governance for a few months. Linda got intent from the Board to move forward on developing the idea. Today she is seeking the Boards Consent to that intent. We are not consenting to the policy register, as it is still being developed. We are Consenting to the intent of moving forward with this process and implementation.

### **Proposal**

**The Olympia Food Co-op Board of Directors agrees to adopt and implement Policy Governance as soon as the policies are completed and approved by the BOD.**

**Consent**

**Stand Aside - Grace**

### ***Statement on Stand Aside:***

Grace has no intention of Blocking, with her status as lame duck on the Board, she has chosen to Stand Aside. There are good things about Policy governance. Once she has finished her duties as Staff Rep the Board will proceed as they see fit. She made a promise to herself that she would never engage with policy governance after her experiences in working with it. She had never seen such inappropriate behavior in those two instances. She was the one reporting to the Board then. She saw intense mistreatment of people. She never wants her co-workers to be faced with that. She offers that as her personal experience. She has genuine worry and every system can be abused. It takes everyones integrity to govern in anyway. But Policy governance is not the panacea that it is sold as. She saw too many people crying at the end of every meeting. Its a costly experiment in terms of labor. She will Stand Aside as clearly this is what the Board has chosen to happen.

Feedback:

Linda appreciates Grace Standing Aside. She looks at the Staff Collective as an experiment as well. We have to adjust as we go on. We as a Board can adjust how we use policy governance. Its a living document and a way to develop conversations.

Tanzania spoke to how she hopes that Grace has faith in the Board to utilize whatever system and programming to do the work we are assigned to do as the Board. We aren't toxic tyrants that are causing harm to the organization. She has seen recent examples of people holding the opinion that we are. She has seen places that policy governance works really well. She hopes that as Grace is stepping down from the Staff Rep position, she will have more faith in us as a body, and try not to focus on negativities of Graces past experiences.

Linda will be before Staff Collective meetings in October. Those meetings will probably not be the only time she will present policy governance to Staff. She wants Staff to understand what its is. She wants to hold their hands and our hands.

## **Annual Meeting and Elections**

The Annual Meeting is scheduled for November 5th at the Senior Center Downtown. The meeting will be two hours long. Member Relations still needs to put the Agenda together.

The Board will have an agenda item at our September meeting to confirm and consent on the number of seats up for election and confirm the term lengths.

### **Proposal**

**The 2022 Board Application period will be open from August 15th to September 30th**

**Consent**

## **Minute Taking Guidelines**

Linda has a big concern about the style of our Board Minutes. Attorneys have always said leave details out as well as opinions that can leave us up to lawsuits. That kind of detail is not necessary. She found an article regarding Board Minutes and shared that document with the Board. It is about finding a balance of a long transcript not relevant to the business of the Board and detail. There was an instance at another Co-op regarding Minutes in which the individual sued for slander and they won.



Feedback:

Tanzania agrees. We don't need as much detail. She spoke to point that its not court. It is great to describe it, the problem is in the practice in how its done. She does not think the way it is was done maliciously. Its difficult to do it in that level of detail without putting it in detail. The details made her feel very embarrassed. We are imperfect humans and agrees it is not relevant to our work and taint our relationships. She shares this perspective and needed to speak it due to our last meeting.

Grace thinks its critical that the notes/minutes do contain enough narrative that people can understand later what happened. What happened at the last meeting impacted decisions tonight and when we go back and reflect on the tenor and tone of the conversation you can understand a lot a more why decisions are made and how they are impacted. She thinks its important the history of the organization is available in writing. She was subject to a lawsuit during her work with the Board, that living record makes us subject to lawsuits. She wants to find balance in naming people and what they say.

Tanzania agrees with Grace. Minute taking protocol should be agreeable and relevant. We are not trying to take away history and detail. We are unable to type as a court reporter, to try writing it as perfect note taking is problematic.

Max is willing to do what the Organization and Board needs, as she takes on the role.

Joanne looks forward to the new minutes taken by Max.

Tanzania honors that. She strongly appreciates our transparency as an organization and wherever we can include that. Thank you Grace, for sharing that transparency is incredibly valuable to our organization. I agree that the Board minutes on the Website should be truncated and "business only", but I feel a more nuanced record is important. Like the last meeting minutes, an important reference for people who weren't present to figure out what occurred. Thank you Max for what you have shared that you have done with other groups and being open to doing it differently.

***- Max will send out the board coordinator job description to all***

## Commitments

*- Joanne and Grace will work together on the sandwich board for CSF outside of stores*

*Pending,*

*- Grace will send out board facilitation training materials to all*

*Pending*

*- Grace will forward link to petition to Max for the minutes*

*- Grace will send the Bonus Policy to all*

*- Everyone will bring ideas to Bonus distribution discussion next month*

*- Max will send out the board coordinator job description to all*

## Meeting Eval

The Board would like discussed continuing to meet in person.

Feedback:

Linda wants it to be in person.

Tanzania does not want 'in person' to sound so final. It sounds not inclusive and also understands the need to have in person meetings. If we are unable to create the space to support a hybrid meeting she agrees to not have a zoom link available. Its personally fine with her as she lives in town, but not everybody does. Staff were able to attend tonight because of the hybrid meeting option. Are we saying Board only in person or Board and Staff only? We should be clear.

Linda shared that it would be great to have Staff attend but in person.

Tanzania feels that we need to clear about allowing a hybrid for people.

Trudy feels that in person meeting means everybody in person. 90 % of communication is body language. In person shows commitment and it is more important to have a sense of community.

Joanne acknowledges that we are in a transitional period. We are trying to go back to normal. Only in person will keep some people out of participating.

Cristina shared that at the beginning of this meeting there were many Staff people in attendance and this gave insight to the themes. They also shared reasons why they couldn't be there in person. Hybrid is difficult but it presented an opportunity for significant attendance having it open to folks to attend via Zoom.

Max saw the hybrid format escalating last meeting and in this meeting it was deescalating. She witnessed amazing sharing and process tonight.

Grace shared that hybrid meeting is hard. The layout of the room and equipment may be able to change to accommodate us and the participants better.

Trudy wants guidelines for hybrid participation, including Zoom participants turning on their camera if speaking, as well as the screen to be moved.

The Board is not closing the door on outside facilitation. We could use it how we want to. It could make us more efficient and our work more clear. The Board is open minded to having an outside facilitator in the future.

## **Next Facilitators**

Trudy/ Cristina

## **Decisions out of Meeting**

None

## Next Meeting

### Proposal

The Board approves the October meeting date to change to the 27th

Consent

## Attached Documents

### 1. Resignation of Wendy Davis

August 30 2022

As of August 1, 2022 I have resigned from the Olympia Food Co-op Board

Wendy Davis

### 2. Proposal to replace Mission with Purpose

EDIT: This proposal was edited with Staff feedback.

June 10, 2022

Submitted by Robyn Wagoner with approval of Outreach CAT

#### **PROPOSAL: Replace the term Co-op “Mission Statement” with “Statement of Purpose”**

##### BACKGROUND

1. The word “mission” originated mid 16th century (denoting the sending of the Holy Spirit into the world) and was first used by Jesuit Missionaries: from Latin missio(n- ), from mittere ‘send’.
2. The word “mission” conjures images of colonialism, oppression and genocide, especially for indigenous inhabitants of North America. Here in the Pacific Northwest, the intergenerational trauma caused by these Jesuit Missionaries is continually evoked by “mission” structures which still stand today.
3. We are a secular organization, and the religious connotation of the word “mission” is also offensive for members of our Co-op Staff.
4. Even our own “Staff Purpose Vision and Values Statement” would not pass with Collective consent until the term “mission” was removed, over a decade ago.

5. The statement which we have come to know as our “Mission Statement,” never actually uses the term “mission,” but instead states, “The purpose of the cooperative is to...” The statement appears this way in our bylaws and foundational documents where it does not bear the title, “Mission Statement.” This title was never officially added to our bylaws and is only associated though common usage after the fact.

6. Organizations can use a “purpose statement” or a “mission statement” interchangeably.

Therefore, as an organization that is committed to standing against oppression wherever we find it, including in our own language, it is long past time that we remove the offensive term “mission” from the written and spoken representations of our organizational purpose.

#### METHOD

One method to enact this change could entail editing each document in real time as it is being utilized. When a Staff or Board Member downloads a document that uses the terms “Mission Statement” or “Mission,” we could agree to edit the document to replace this wording with “Statement of Purpose” or “Purpose,” respectively.

After the change is made, we could agree to email the updated document in one email addressed to the group(s) that are directly utilizing the document, and ccing staffpages@ and website@ (as some documents also appear on our website.) The subject line could include \*Update Purpose\* or another coded reference so that the person maintaining documents would know that they needed to replace that document in the file.

We can begin immediately by changing over all public mentions on the website and outreach materials that are currently in use. Over time, our internal documents that are actively being utilized will all reflect this change. Archived documents not in active use would be unaffected.

**PROPOSAL: Replace the term Co-op “Mission Statement” with “Statement of Purpose”**

### **3. Wage Increase Proposal**

7/11/22

TO: STAFF, FINANCE COMMITTEE, BOD

FROM: FINANCE CAT

RE: WAGE INCREASE PROPOSAL

Inflation and COVID have created a new normal, and we believe that the wages at the Co-op have not kept pace. In 2018, our starting wage crossed the \$15/hour threshold. The current starting wage is \$16.42. Everyone’s dollars are being stretched thinner

and thinner, but probably the greatest impact on staff has to do with housing and transportation costs.

**HOUSING AS A BAROMETER:** The cost of housing in Olympia has increased more than 25% in the past 3 years. The median home sale price is now above \$540K. One year ago it was around \$330K. Rental rates have come to reflect that increase, and the average cost of a one bedroom apartment is now around \$1500/month. Landlords typically require that applicants' monthly income is at least 3X the amount of rent. The starting wage of a full-time worker at the Co-op used to adequately meet these levels, but now they do not.

In addition, several of us can no longer afford to live in Olympia. This means that we commute to work, some of us 20-30 miles each way. Increased fuel prices have taken a huge bite out of our wages, so any savings that came from moving out of town has been erased.

**STARTING WAGE:** Our current starting wage is \$16.42/hour. At 40 hours per week, that's \$34K/year. One-third of that is \$950/month. Using the above goals and assumptions, to cover \$1200/month rent, our starting wage would need to be \$20.76. To cover \$1100/mo rent, \$19.03. \$1000/month, \$17.30.

Of course, these are simplified, average assumptions, and everyone's circumstances are different. But this does give a snapshot using one common livable wage metric. A general living wage calculation can be found [here](#).

Competing employers such as Storman's, Fred Meyer, Safeway, and Whole Foods advertise starting pay of \$16-18 per hour. Some offer full benefits, some offer "retention bonuses" if you stay on the job for some minimum amount of time. Certainly none of them come even close to our level of medical coverage, paid time off, scheduling flexibility, and management autonomy that we enjoy as Collective members. But those benefits can't pay for housing, food, or fuel.

**INFLATION RELATIONS:** We've done some analysis of our wholesale costs over the past several quarters to try to help us understand how much of our recent sales growth can be attributed solely to inflation. We believe it's been about 5% year-over-year for 2022 compared to 2021. NCG has also provided an analysis of Average Retail Prices (not costs), which shows that we're experiencing about the same as other Co-ops. So we're surmising that at least 5% of our growth in 2022 is purely due to our price increases.

**HOW TO BUDGET:** So what to do? For those of us who have been through the budgeting process at the Co-op, we know that this can be a complex process. We need to make plans that are sustainable, responsible, and forward-thinking. We don't want to give ourselves a pay raise that would need to be retracted in the future. We have taken pay cuts before and it is not fun.

Some of the issues we pondered:

- Inflation has made our prices go up, so sales look stronger. It's unlikely that prices will go back down, so sales levels have a highly inflated baseline right now.
- Pay differential between highest and lowest hourly rate. Our annual wage adjustment (formerly known as Co-op COLA) applies the same dollar increase across the wage scale, effectively reducing the gap between highest and lowest. The 2022 wage increase added 6.5% to the lowest wage and 4% to the highest. In 2021 the lowest wage was 61% of the highest, in 2022 it's 63%.
- Average Labor % of sales since 2021 is 24.5%. Our target for 2022 is 25.7%. Labor % of Sales has fluctuated over the past 3 years. Beginning of COVID sales were down and labor was up, the past 12 months has been the opposite.
- Medical represents more than 20% of the labor budget - it's hard to know how inflation will affect our medical costs.
- Big Sales growth started May/June 2021. How long will it last? How much of that is purely from inflation?

### **ASSUMPTIONS IN THE 2023 PROJECTION**

We've created a budget template (well, Corey did) into which we could change scenarios and assumptions, so that we were able to see increases to the average wage in the context of the operating budget. We tested several assumptions, and settled on the following, which are reflected in the attached budget sheet:

- **Inflation rate and Projected Sales Growth** - We think we should budget conservatively and just project 2% growth in 2023, which would include both sales volume and inflation. More specific department budget projections (sales, margin, SPLH) will still happen when we create the actual 2023 budget.
- **Budget Goals** - Break-even 2023 with no loss of cash. We are flush, and breaking even would keep us that way.
- **Hours Reduction**- This budget assumes a 50 hrs/week hours reduction. This reflects the amount of our actual hours usage, which is below budget. Here also, we will make specific changes when we create the actual budget.
- **Wage increase amount** - we included a scenario of adding \$2.00/hour to the average wage.
- **Flex Workers** - The Flex Coordinators think there should be a pay difference due all of the added expectations of being a Collective member. The coordinators will work on updating the Flex wage scale if this is approved by staff.
- **Medical Roulette** - We have about \$100K in our medical savings as a safety net for budgeting a lower amount of the worst case scenario. This represents about 10% of the worst case for medical. The overall medical budget has been coming in at between 50- 65% of worst case for the past 4 years. We recommend budgeting medical at 65% of worst case.

This budget projection was created for the sole purpose of determining whether a wage increase could be feasible. We believe that it would be. This does not replace the 2023 operating budget, or any of the process to create it, with the exception of wages. The budget planning process typically begins in August.

## **PROPOSALS:**

- 1. We add \$2.00/hour to every step of the Collective wage scale, effective July 4, 2022.**
- 2. We add \$1.00/hour to every Flex Workers' wage, effective July 4, 2022.**
- 3. When preparing the 2023 Operating Budget, this wage increase will count as the 2023 annual wage adjustment (AKA Co-op COLA). Other than existing step raises, there will be no additional wage increase in 2023. Proposal to Authorize new Hiring Policy**

## **4. Proposal to Authorize new Hiring Policy**

FROM: Harry for the Hiring Team  
TO: The Board of Directors  
RE: Proposal for Staff Hiring

Hi Board:

At the bottom of this document, is the proposal that you consented to at the July meeting regarding the Staff Coordination of hiring and firing. We love the proposal. We thank for initiating this and consenting on it.

We would like to clarify one piece. The last sentence of the new policy says this:

*This Policy will begin 60 days after the Board of Directors consents to the proposal.*

We are very happy that we have a couple of months to create a new staff focused firing process.

As for Hiring process, we are ready to go. All the pieces are in place. The only difference between how we decide on hires now is that we spend hours writing hiring recommendations and sending them to the Standing Hiring Comm and the Board for consent. All of our other work is the same including detailed interviews, thorough reference checks, and consensus based deliberations.

We are currently in the middle of a hiring process for up to 6 new Collective members. We would love if the Board authorized the start of the new hiring procedure as of this Board meeting. The reasons:



- 1) It saves time and money because we would not need to write the detailed hiring recommendations
- 2) It allows us to hire these candidates as soon as we decide. We are likely to reach decisions next week. If we are able to immediately offer jobs, we are more likely to retain candidates and we can also help fill our positions sooner.
- 3) If we go through the past hiring process, we could only produce recommendations by around Aug 25<sup>th</sup>. The Board in the past has preferred that we present recommendations for consideration in Board meetings rather than consenting by email. Thus, we might have to wait an additional 3 weeks until the Sept Board meeting and could not realistically offer jobs until after the next meeting on Sept 15<sup>th</sup>. New Staff would not start until the end of Sept.
- 4) This procedure requires no changes to how we currently select, interview and choose candidates. It simply eliminates the steps after we choose candidates and it's much timelier and more efficient. New Staff would be able to start in early to mid September.

## **PROPOSAL**

**That the Board of Directors authorize the staff to commence using the recently approved hiring process (July 2022 BOD Meeting) as of Aug 18, 2022. The 60 day waiting period for the new policy and process is waived.**

Here is the proposal passed last meeting.

### **Proposal**

The Board of Directors delegates decision making regarding hiring and firing decisions for all Collective and Flex Staff positions to the Staff Collective. Specifically:

### **Hiring Procedures**

- \* The Interview Team will interview all applicants for all paid positions at the Co-op. They will write written recommendations for finalists in both Collective and Flex positions.
- \* These recommendations shall be reviewed and approved by the Standing Hiring Committee of the Board.
- \* The Interview team will then conduct 2nd interviews with approved finalist candidates and make final decisions on which candidates to hire.
- \* The Interview Team will report hiring decisions to the Board (either through the Personnel Committee of the Board or directly to the Board)

## **Termination Procedures**

- \* The Humane Resources Team will be responsible for determining the firing process.
- \* The Humane Resources Team of the Staff will initiate termination procedures as specified by the Employee Handbook.
- \* Other Personnel groups shall carry out termination procedures as specified in the Employee Handbook.
- \* Termination recommendations shall be made to the Humane Resources Team. The Humane Resources Team will make final decisions regarding termination. These decisions will be reported to the Board of Directors (through the Personnel Committee of the Board or directly).
- \* Any appeals throughout the termination process as outlined in the Employee Handbook will be reviewed by the Personnel Committee of the Board. The Board shall review the documents regarding the steps made in the process to determine if they were in accordance with policy.

This Policy will begin 60 days after the Board of Directors consents to the proposal.

## **5. Policy Governance Implementation Proposal**

### **PROPOSAL**

**The Olympia Food Co-op Board of Directors agrees to adopt and implement Policy Governance as soon as the policies are completed and approved by the BOD.**

Policy Governance® was developed by Dr. John Carver and is an integrated operating system for boards that incorporates the following key elements:

- Accountability of the governing board to those key stakeholders on whose behalf the board governs
- Setting of organizational purpose and performance expectations
- Delegation that empowers management to operate within boundaries clearly established by the board, and

- Monitoring of organizational performance to ensure that the board's expectations are being met.

The 10 powerful principles of the Policy Governance® model promote the following:

- A results-driven organization with clarity of organizational purpose
- A system for effective ongoing monitoring and evaluation of Management performance
- Clarity of roles, authority and accountability: board, individual board members, board officers, Management, and staff
- Clarity of relationship between Management and board chair
- Empowerment of Management and staff within clearly defined boundaries
- Effective organizational control without board micromanagement
- Board committees supporting the work of the board
- Board meetings that focus on the really important governance matters.

Not surprisingly, within Policy Governance®, board policies occupy a central place. Board policies define the expectations of the board for itself and for management. There are four categories of policies:

**Ends Policies.** These policies define the impact or results the organization intends to produce, for which people and at what cost or worth. The board's thinking about Ends is informed by its ongoing interaction with the organization's "owners" – those persons on whose behalf the board governs and to whom it is accountable.

**Executive Limitations Policies.** These policies provide the boundaries within which Management is empowered to operate the organization. Such policies specify situations and activities that are not permissible and are to be avoided in such areas as treatment of customers, personnel, finance, asset management, and communication and support for the board.

**Governance Process Policies.** These policies specify expectations regarding the board's own structure and process and may include policies such as the board job description, board code of conduct, board officers, board committees, and board agenda development.

**Board-Management Delegation Policies.** Such policies define the relationship between the board and management and may include policies

such as delegation to management, accountability and evaluation of Management.

With clear policies in place, the Board delegates operational authority to Management and holds Management accountable for the achievement of Ends and for the avoidance of unacceptable situations and activities. Comprehensive ongoing monitoring is in place to ensure compliance with the board's expectations.

Presented by Linda Myers at August 18, 2022 OFC Board of Directors meeting