

**Minutes of the Harmony Co-operative Grocery Inc.  
Board of Directors Meeting  
10/29/08**

Board members present: Krissy Hughes, Dennis Montgomery, William Naylor, Debbie Warne-Jacobsen, Tony Walzer, John Wilder

Board members absent: Mary Chernugal

Staff present: Greg Gasman

The meeting was called to order by Chair Dennis Montgomery. The following items were discussed and actions taken:

**Minutes and Agenda:**

- The minutes from the Sept. 24<sup>th</sup> meeting and the October 8<sup>th</sup> special meeting were accepted with a correction to the date of the next meeting on the Sept. 24<sup>th</sup> minutes.
- The agenda for the meeting was reviewed and accepted.

**Board Member Terms**

Since the new members were elected by acclamation at the GMM, we were unable to compare vote totals to determine which member would finish the remaining two year term. By a flip of a coin it was determined that William Naylor will serve out the two years on the vacant seat, his term will expire in 2010. Krissy Hughes and John Wilder will each serve 3 year terms.

It was agreed that policy D9 would be revised so that a game of chance would determine any future such situations.

**Election of Officers**

There was agreement that all officers will remain in their positions for another year. Dennis Montgomery will continue as Chair, Tony Walzer as vice chair, Debbie Warne-Jacobsen as secretary and Krissy Hughes as treasurer.

**Treasurer's Report**

Krissy reports that Paul is willing to come in and talk about member stocks and the status of financial data. Krissy will schedule meeting.

**Follow up on D10 Monitoring Report**

Tony Walzer submitted the written report for last month's monitoring for Policy D10. There were two corrections discussed and Tony will make the corrections and the corrected report will be attached to the Sept. 24 meeting minutes.

### **Manager's Report**

Greg presented, and the Board accepted, his monthly report (which was emailed to members prior to the meeting and are attached to these minutes), including the financial information required for the monthly monitoring of Policies B3 and B4.

### **Internal Monitoring Report D8**

Greg's monitoring was reviewed and accepted. There was consensus that Hamony is in compliance with this policy.

### **Direct Board Inspection C1**

A verbal monitoring report was given for C1 – Unity of Control. It was found that the board is in compliance with this policy. The board acts only as a body and individuals and committees do not attempt to exercise authority over the General Manager.

There was agreement that there should be a change to the monitoring of this policy changing it to Direct Board Inspection – Internal Report.

### **General Manager Evaluation Committee**

The GM Evaluation committee made a series of recommendations and based on those recommendations and the discussion that ensued the following was agreed to:

- GM evaluation will be done by the full board rather than committee
- Quarterly reviews will be done in February, May, August and November
- Compensation will be reviewed each November
- GM evaluations will be done in closed session
- Monitoring of this policy will be moved to February in order to review the evaluation schedule for the year
- The GM Evaluation Committee Charter will now be known as Policy C5

### **Work Plan and Goals**

The work plan and goals were reviewed.

### *B5*

One item on the list, amendment to policy B5 was discussed. It was agreed that an item would be added to B5 regarding the GM maintaining a list of needed capital expenditures and keeping board informed regarding changes or additions to the list. Debbie will update the policy and present it to the board for approval.

### *GMM*

Impressions from the GMM were discussed. The voting process was discussed and some suggestions were made on how to get more members to vote (such as putting ballot on back of coupon, and putting ballot boxes next to the till). It will be reviewed when the policy is monitored. It was agreed that the voting process also needs to be reviewed when the bylaws are reviewed.

Tony agreed to go over the member notes taken during the small group discussion and summarize and categorize. Tony also agreed to write a report about the GMM for the web site and the next newsletter.

There was discussion about next year's meeting. The board agreed it would be a good idea to present a written report at the next GMM, and to read a only a brief outline of the minutes and provide the minutes in written format.

#### **Notes on Dennis's discussion with consultant Bill Gessner**

Dennis had discussions with Bill Gessner via phone and email about rescheduling the retreat to March and the work the board needs to do with bylaws. Gessner referred an attorney, Joel Dogren, who works with coops in the twin cities. Gessner also recommended Mark Goehring, Cooperative Development Services's trainer. Dennis will make contact with Mr. Dogren and Mr. Goehring .

Gessner also recommended that the board considers joining Coop Grocers Information Network - \$300 a year membership fee. – Source of background information on coops. All board members are encouraged to visit their web site at: <http://www.cgin.coop/>.

Several dates were discussed for scheduling the board staff retreat with Gessner and possible locations. The 14-15 of March was tentatively agreed as the best date and Dennis will try and schedule that weekend.

#### **BSU Sociology Department Research Project**

Debbie gave a verbal report of her meeting with Dr. Coleen Greer, and Dr. Deb Peterson of the BSU Sociology Department and reviewed their recommendations regarding a student intern doing a research project with Harmony in which both students and faculty would participate in both qualitative and quantitative research. There was general agreement to proceed, and to set up a meeting with Dr. Greer and Dr. Peterson that includes Greg and any board members who would like to attend. The board would also like a written outline from Dr. Greer and or Dr. Peterson regarding their proposal for the research project.

#### **Monitoring Committees**

Monitoring committees for the upcoming year were discussed. Members were asked to review the monitoring schedule and volunteer for committees that they are interested in. Monitoring committee assignments will be made at the next meeting for the year.

#### **Monitoring scheduled for November meeting**

Policy B9: Executive Limitations - Environmental Policy (IR)

Policy D9: Governance Process - Board Nominations and Elections (DBI) – William and Debbie  
Agreed to serve on the monitoring committee.

#### **November Meeting**

The next regular Board meeting will be held 11/19/08 at 4:00 p.m. at the Bemidji Public Library.

The meeting was adjourned.

*Respectfully submitted by Debbie Warne-Jacobsen, Board Secretary*