

The March 11<sup>th</sup> meeting of the Rising Tide Board was called to order at 5:35 p.m. by President, Catherine Walton. Present were

Catherine Walton, President

Sarah Matel, Treasurer

Board Members: Beth McPherson, Anna Leavitt, and Jon Weislogel.

Board Guests: Dana Wilson who has been nominated to the Board and will appear on the slate of candidates; Jessica Labonté who is interested in learning about Board membership.

Also present were the following Rising Tide employees: Twewang “Sherpa” Sherpalama, General Manager; Karin Swanson, Wellness Manager and Recorder; Dwight Chamberlain, POS Coordinator.

Catherine welcomed everyone to the meeting; participants introduced themselves to one another—including the two Board guests.

Catherine began the business portion of the meeting by reviewing the Board Calendar (attached); she noted that the Board would be initiating their C reports shortly and a discussion of Board Development Needs would follow later in the meeting. She also noted that Sherpa’s 2014 budget for Rising Tide was accepted via email as was the slate for Board candidates. In addition, as part of the Agenda Review, a discussion of Board responsibility for the May Newsletter will be included later in the meeting.

The Consent Agenda was then addressed and Jon Weislogel noted that the paragraph in the February 11<sup>th</sup> minutes concerning the change in name of the Cooperative Community Fund to the Community Investment Fund needed simplification. Upon further discussion, the Board VOTED unanimously to accept the minutes of the February 11<sup>th</sup> meeting with the simplification as suggested by Jon re CCF/CIF transition; the Board also VOTED unanimously to accept the Board Calendar as submitted.

Sherpa then presented his GM report; he noted that the increase in sales through March 1 was 10.39%; GPM is at 31.42%. As part of Sherpa’s over-all report re: operations, Jon asked about the deli and Sherpa noted that though sales are up 45% and controls on purchases are in place, labor and supplies need to be figured in before optimal GPM can be realized. Sherpa is ultimately looking for a 60% GPM in deli and expressed gratitude to the deli team for the progressive changes they have implemented in the past few months.

Sherpa’s B8 Report (Board Logistical Support) had been mailed to the Board for review earlier. The Board agreed that Sherpa did not have to read the report; instead, he summarized the level of support that he is offering to the Board along with members of the Rising Tide staff. Sherpa had discussed Rising Tide’s role in supporting the efforts of the Board with Catherine and with Thane before this meeting. As an example of Rising Tide’s commitment, Sherpa or his delegate will prepare an orientation package for new Board members which would include Bylaws, Board policies, and Articles of Incorporation. In addition, given that Board members have a right to transparency in various forms, (emails, newsletters, web page, etc.) a Rising Tide staff member would be appointed under Sherpa’s supervision, to keep all

documents up to date and available for the Board and interested members. The purpose is to free up the Board members for their work pertaining to policy governance and to provide the ongoing detailed information necessary to keep the Board informed before their meetings. After further discussion, it was moved by Catherine and seconded by Anna to approve the B8 Report. The Board then VOTED unanimously to accept the B8 Report (Board Logistical Support) as submitted by Sherpa.

With respect to the Board's reporting obligations, Catherine felt that the Board was in compliance with its first commitment (Global Governance), acknowledging that Sherpa's reporting was postponed to give him time to acquaint himself with store operations and staff. She announced that C1 (Governing Style) would be due in April and asked for a volunteer from the Board to step forward for its preparation; Jon Weislogel volunteered to complete C1.

The Board then moved on to Committee Reports. Beth reported that FARMS had received an additional \$9900 in grant monies and has decided to move forward-- outfitting the kitchen area with cabinetry and stools for the island instead of building out the back room as originally planned for Phase II. It is the hope of FARMS that folks could then better envision the Community Kitchen and support its further development. Though the stovetop would not be installed until later in the summer, the costly fire suppression hood above the island would have to be completed as part of this initiative. Other alterations to the original plan include the substitution of a refrigerator/freezer for the walk-in cooler. The goal is to focus on nutrition as soon as possible as the growing season begins.

Sarah then presented the Finance Committee's report. She and Kent had met with Sherpa, Candy and Karin last week and she expressed concern about the low GPM and the net loss of \$52,000 to date. Sherpa explained that the first month of the quarter showed a low GPM due to high purchasing for a number of promotions throughout the store. As the end of the third quarter approached, ordering would be curtailed and margin should increase. Sherpa also noted that our POS system may be outdated and/or our retail prices may not consistently reflect our cost. Bulk, in particular, presents a challenge in terms of GPM and he is working with the management team to increase GPM to 40%. Sherpa is also investigating the introduction of cut fruit and vegetables in Produce—either from Seasons or hand-cut by our staff--as a way to increase GPM.

On a further financial note, Sarah reviewed her discussion with the CPA firm (PFBF) currently conducting a review of 2013 financials. The funds in the Twin Pines account are not an asset of Rising Tide and will be adjusted on our balance sheet. Nothing "material" has resulted from the review. Sarah noted that the Finance Committee plans to meet one week prior to each Board meeting.

Catherine updated the Board on the actions of the Nominating Committee. Board candidates have been identified and added to the slate. Almost all ballot materials have been gathered and the slate will be announced at the Annual Meeting on March 30<sup>th</sup>. Necessary information will be given to Elya in order to ready the ballots for mailing.

Jon then gave an update on plans for the Annual Meeting. Our event at Lincoln Academy is restricted to a time period between 1:00 p.m. and 3:30 p.m. Heather Burt, FARMS Executive Director, will be the keynote speaker to follow Sherpa's GM report. Jon volunteered to set up tables. Rising Tide will

arrange for appetizers and drinks. Gelato will follow the meeting. Day care will be provided. Since there will not be a quorum present, voting will occur via email after the meeting. The Board then VOTED unanimously to approve the agenda for the Annual Meeting as presented. It was noted that the availability of Lincoln Academy as a venue may be limited in the future because of the demands of LA's new international students' program.

A discussion followed regarding the requirement in the Bylaws that the Annual Meeting be held sometime in March of each year. Sarah proposed that this restriction be removed to allow the Board to set the Annual Meeting date anytime within the calendar year, once financials were finalized. Catherine seconded this motion and the Board VOTED unanimously to remove the March restriction and allow the Board to choose a date for the annual meeting within the calendar year once financial statements were accepted as final for the previous year. The Board will discuss options for the 2015 Annual Meeting after this year's Annual Meeting (March 30).

Catherine reminded the Board that submissions for the May newsletter would be due in late April. We will get the exact date to Catherine. Jon volunteered to write an article on behalf of the Board. Catherine will remind members once again at the April meeting and encouraged additional participation from the Board members in the meantime.

She then reminded members that the CLBD Cooperative Cafe would be held in Keene, NH on March 15<sup>th</sup>. Rising Tide employees are encouraged to attend as well as Board members. She also acknowledged that Board Development Needs would best be addressed after the Board Retreat—scheduled for April 26<sup>th</sup>. Karin will find out if the upstairs at Rising Tide is available for the retreat. Catherine felt that the retreat should offer an informal opportunity to share ideas and offered her home as a site for potluck to follow the formal session.

The discussion of The Accountability Zone article shared with the Board via email was postponed until the April Board meeting.

With no further discussion, the meeting of the Board was adjourned at 7:09 p.m. An Executive Session followed.