

# Minutes of January 2010 board retreat

**Camp New Hope, Hillsborough, NC, Monday January 4, 2010**

**Directors present:** David Bright, Curt Brinkmeyer, Jacob Myers, David Rizzo, Ruffin Slater, Linda Stier, Rickie White

**Others attending:** Mark Goerhing (CDS consultant), James Morgan (outgoing director), Andy Sachs (facilitator)

## Business Meeting

The board convened a brief business meeting prior to beginning the retreat portion of the day. At the business meeting, the board accepted the minutes of the regular December 2009 meeting, and confirmed the draft agenda for the retreat, with minor rearranging of items. The board then decided on its officers for the calendar year of 2010. Those officers are as follows: David Rizzo is board chair, Jacob Myers is board secretary, and Curt Brinkmeyer is board treasurer.

## Retreat

### Vision discussion

The board conducted a broad visioning discussion, based on its reading of the 2003 article by Brett Fairbairn, "Three Strategic Concepts for the Guidance of Co-operatives: Linkage, Transparency, and Cognition." The board began the discussion by asking itself four questions regarding the cooperative, namely, Who are we?, Why do we exist?, What is the cooperative dimension of what we are doing?, and How should we conduct ourselves and communicate? The board stated the identity of the cooperative as being one and the same as the needs of the owners. This led to a series of other questions that were explored. What is the relationship between met needs and latent needs? Identified needs versus unidentified needs. How do the needs of the owners change over time? What about the differing needs of various owners and owner groups? The board discussed strategies for identifying the needs of the owners and answering some of these other questions. Throughout the discussion heavy reference was made to the Fairbairn article, as a structuring strategy for the conversation. An opportunity was identified in that the current political and economic environment may mean that the world's food production and distribution systems may be up for redesign in the coming years.

### Strategic/Tactical Discussion: Patronage Dividend Process

Following the past year's switch from a point-of-sale discount to a patronage dividend system, the board conducted a preliminary discussion about possible ways to distribute the dividend in the future. Three categories of portions for any dividend were identified, namely 1. retained earnings, 2. portion for consumer-owners, and 3. portion for worker-owners. Various methods of distribution for dividends were discussed as they relate to each owner group. Other outstanding issues were identified as well, such as tax implications, the role of preferred shares, and minimum distribution amounts.

### Strategic/Tactical Discussion: Board composition and election process

The board engaged in a broad discussion regarding the composition of the board as it relates to the various owner groups and other issues regarding the election and appointment of cooperative directors. Much of the issues discussed were outstanding issues that arose from the 2008 elections taskforce and its report. The board acknowledged its responsibility for ensuring that good directors come into the election process, and acknowledged the value of board experience and continuity. Sometimes those values come out of the election process, and sometimes those values come out of the appointment process. Our history has provided examples of both. The board discussed several options for the long-term future, including the abandonment of appointed positions and the establishment of some type of nominating process or nominating committee.

**Strategic/Tactical Discussion: Board Education**

The next retreat discussion centered on the board's needs for ongoing education, both within its own processes and from the outside environment. Several future challenges and goals were identified, including the need for institutionalized orientation and education, and some type of statistically valid study of the cooperative ownership and its needs and desires. Education of ownership around cooperative functions and values was also identified as an ongoing need.

**Calendar**

A multitude of priorities, both short-term and long-term, were identified for the coming year and future years. Items to be dealt with by the board in the coming year were mapped onto a calendar for future discussion and disposition.