

Medford Food Co-op Board of Directors April 15, 2019

Present: Pres. Kellie Hill, Vice Pres. Patty Casebolt, Treas. Kristi Schoenbachler, Sec. Debi Boen, Fran Batzer, Roger Noyes, Verne Underwood

Staff Present: GM Anne Carter

Guest Present: Sarah Calhoun

REPORTS

The April, 2019 Medford Food Co-op Board of Directors (**MFC BOD**) meeting was called to order at 5:30 p.m. on 04/15/19.

Minutes of the 03/18/19 **MFC BOD** regular meeting were submitted; **Verne Underwood** moved to accept the regular session minutes as submitted. **Kristi Schoenbachler** seconded the motion, which passed. Executive session minutes from 03/18/19 were also submitted. **Kristi Schoenbachler** moved to accept the executive session minutes as submitted. **Verne Underwood** seconded the motion, which passed.

GM Carter submitted and presented her written report, with updates in the areas of finance, ownership, and public events. **MFC** added 19 new owners in March, and there was one owner share redemption.

Relevant Financial Information

March, 2019 sales were at \$458K, a 9% increase over March, 2018, 106.4% of budget. COGS (Cost of Goods Sold) = \$283K, 102.6% of budget. Café sales = \$49K, 110% of budget, 10.8% of total sales. Operating expenses = \$154K, 102% of budget. Net operating income = \$21K, six times the amount budgeted. Big increase due to high sales, and quarterly COGS correction. Achieved overall store margin high of 35.8%.

Ownership-Level Issues

- Exploring Expansion Update - Met with Dave Blackburn last week to discuss sites. We haven't found one the right size yet. Next steps: continue to look for other options; talk to developers about possibilities of sub-leasing a larger space.
- Progress on store reset: purchased new bulk bins, used bulk cooler. Plan to reset bulk area in April and remaining grocery areas in May. Working on estimate for new produce dry displays.
- Attended National Cooperative Grocers (NCG) national spring meeting last week.
 - 2019 theme: Everyone Welcome - Delighting Customers and Building Community
 - CE Pugh (formerly NCG's COO) hired as the new CEO of NCG.
 - Moving to Higher Ground Initiative has resulted in several new and pilot programs available to Co-ops. The new customer feedback program is producing valuable data. New food service operations playbook available soon.
 - Working with Diversity, Equity & Inclusion experts on a multi-year initiative to improve NCG's diversity and inclusion. Aspects of this initiative may be applicable to co-ops locally.
 - Board announced new Ends: NCG exists so that member co-ops are successful, and the total cooperative grocery economy grows in size and scope.
 - UNFI's purchase of Safeway will bring change: consolidating warehouses.

Public Events Affecting Perception of Co-op in Community

- 3/27 SOLVE Award - statewide recognition for the efforts of the Bear Creek Stewardship clean-up, especially the collaboration of multiple businesses, government agencies, and nonprofit organizations.
- 4/15 Store Tour with Young Roots School group
- 4/16 Coffee with a Cop in the Cafe from 7:00-10:00 am

Significant Operational Changes

- Café hours are temporarily reduced (7:00 a.m. – 6:00 p.m.) while Café staff positions are filled.

GM MONITORING REPORT

The April, 2019 GM Monitoring Report concerned Policy B5 (Treatment of Consumers). **GM Carter** submitted reports detailing interpretation, operational definitions, and supporting data. **GM Carter** was able to report compliance with this policy.

POLICY REVIEW

Consult the tables below for monthly policy review:

2019-2020 POLICY REVIEW				
POLICY	1ST REVIEW	NOTES	2ND REVIEW	NOTES
B4	3/18/19	Ok as-is		
D Global	3/18/19	Ok as-is		
D1	3/18/19	Ok as-is		
B5	4/15/19	Ok as-is		
D2	4/15/19	Ok as-is		
D3	4/15/19	Ok as-is		
C Global	5/20/19			
C1	5/20/19			
C2	5/20/19			
B6	6/17/19			
B9	7/15/19			
A Global	7/15/19			
D4	4/15/19	Correct as submitted; PC/VU	7/15/19	
C3	8/19/19			
C4	8/19/19			
C5	8/19/19			
B3	9/16/19			
C6	10/21/19			
C7	10/21/19			
B7	11/18/19			
B Global	12/16/19			
B8	12/16/19			
B2	1/20/20			
C8	1/20/20			
B1	2/17/20			

OLD/RECURRING BUSINESS

Patronage Dividend

- GM Carter** submitted a report to **MFC BOD** in March, 2019 detailing reasoning for recommending that there be no patronage dividend for FY2018. There were several Board absences during March, and voting was tabled until the April meeting. At the 04/15/19 **MFC BOD** meeting, **Fran Batzer** moved that no patronage dividend be given for PY2018. **Kristi Schoenbachler** seconded the motion, which passed.

GM Evaluation Committee

- **Pres. Kellie Hill** reported that the final 2018-2019 GM Evaluation was presented to **GM Carter** on 4/1/19. **GM Carter** accepted the evaluation, and will provide a written response at the May meeting.

GM Contract and Compensation Committee

- A Committee Charter for the Contract and Compensation Committee was submitted for inclusion in the Policy Register at the March meeting. There were several Board absences during March, and voting was tabled until the April meeting. At the 04/15/19 **MFC BOD** meeting, **Fran Batzer** moved that the Contract and Compensation Committee charter be accepted as submitted. **Kristi Schoenbachler** seconded the motion, which passed.

Annual Meeting Committee

- Sun., May 5, at the store. Food Festival begins at noon, business meeting at 3:00 p.m. Topics for board round-table discussions were considered.

NEW BUSINESS

Board Communication

- **Patty Casebolt** submitted and discussed a model for optimum board communication. Directors agreed to add this topic to the July 20 Todd Wallace board retreat, and Directors will consider appropriate policy additions.

MFC BOD Directors

- According to Bylaw Section 4.2, **MFC BOD** may consist of between five and nine Directors. After discussion, **Patty Casebolt** moved that the optimal number of **MFC BOD** Directors should equal seven. **Verne Underwood** seconded the motion, which passed. **MFC BOD** will reword the Bylaw for clarification, and submit for a membership vote at the 2020 Annual Meeting.

Director Resignation

- **Secretary Debi Boen** submitted her written **MFC BOD** resignation, effective Annual Meeting 2020. **Roger Noyes** moved to accept. **Fran Batzer** seconded the motion, which passed.

EXECUTIVE SESSION

At 7:27 p.m., the meeting moved into Executive Session.

ADJOURNMENT

At 7:46 p.m., **Fran Batzer** moved to adjourn the meeting; **Patty Casebolt** seconded the motion, which passed. The next regular **MFC BOD** meeting is scheduled for Mon., May 20 at 5:30 p.m. The May meeting will be held in the conference room at Medical Eye Center (1333 E. Barnett, Medford). Owners are welcomed and encouraged to attend. Please see below for an Action List and a Motion Synopsis.

Respectfully Submitted,

Debi Boen

Debi Boen

MOTION LIST 04-15-19			
MOTION	1st	2nd	PASS/FAIL
Approve 03/18/19 minutes as submitted	Verne Underwood	Kristi Schoenbachler	Pass
Approve 03/18/19 ES minutes as sub.	Kristi Schoenbachler	Verne Underwood	Pass
No FY2018 patronage dividend	Fran Batzer	Kristi Schoenbachler	Pass
Set ideal board member # at 7	Patty Casebolt	Verne Underwood	Pass
Approve C&CC charter	Fran Batzer	Kristi Schoenbachler	Pass
Approve D4 changes	Patty Casebolt	Verne Underwood	Pass
Accept resignation	Roger Noyes	Fran Batzer	Pass
Adjourn	Fran Batzer	Patty Casebolt	Pass

ACTION LIST, APRIL 2019		
TARGET DATE	ACTION	RESPONSIBLE PARTY
ASAP	update official binder; write & distribute April Reg. & ES minutes; update tracking spreadsheets; update calendar; create May policy review, e-mail asstd. reports to Directors; e-mail Halle March minutes. Before May meeting: begin tentative agenda (e-mail Halle).	Debi
05-16-19	Meeting	Financial Comm.
05-20-19	Monitoring report: B1 Financial Condition	Anne
05-20-19	Policy reviews: CGlobal, C1, C2	All
05-20-19	GM Evaluation written response	Anne
05-20-19	Final recc., GM Contract	C & CC Comm.
07-20-19	Add board communication to Todd agenda	Kellie