

Medford Food Co-op Board of Directors March 18, 2020

NOTE: Due to COVID-19, meeting conducted online via Zoom

Present: Pres. Kellie Hill, Vice Pres. Patty Casebolt, Treas. Roger Noyes, Fran Batzer, Sarah Calhoun, Verne Underwood

Staff Present: GM Anne Carter, BA Kathy Damas

Absent: Sec. Debi Boen

Call to Order

The March 18, 2020 Medford Food Co-op Board of Directors (**MFC BOD**) meeting was called to order at 5:35 p.m.

Previous Meeting Minutes

Minutes of the February 17, 2020 **MFC BOD** regular meeting were submitted; **Roger Noyes** moved to accept the minutes as submitted. **Fran Batzer** seconded the motion, which passed.

Minutes of the February 17, 2020 **MFC BOD** executive session were submitted; **Patty Casebolt** moved to accept the minutes as submitted. **Roger Noyes** seconded the motion, which passed.

Owner's Forum

There were no owners present.

GM REPORT

General Manager (GM) Carter submitted and presented her written report, with updates in the areas of finance, ownership, The Café, and public events.

Relevant Financial Information

- February sales were \$423K, a 6.9% increase over last February and 96% of budget. COGS (Cost of Goods Sold) = \$277K, 95% of budget. Operating Expense = \$146K, 94% of budget. Net operating income = \$2.6K, about \$6K over budget because February had a projected loss.

Ownership Level Issues

- In February, **MFC** added 18 new owners and there were no share redemptions.
- Cafe Update: February sales = \$46K, 99% of budget, 10.8% of total sales, and 8% increase over last Feb.
- Work has begun on developing a Crisis Communication Plan. Consultant Mark Dennett is creating the first draft of a plan after attending a team meeting.

Public Events Affecting Perception of Co-op in Community

- March 6: Lunch meeting with the RV Co-ops GM/CEO's resulted in plans to meet more regularly.
- Mar 9: **GM Carter** attended a Nonprofit Fundraising and Board workshop hosted by the Nonprofit Association of Oregon. She attended as a board member of RVFSN and noted that the content was also relevant for **MFC** board development.

Significant Operational Changes

GM Carter outlined current operational changes that are being made to adapt to the unfolding COVID-19 challenges.

- Communication with stakeholders is taking place as follows: daily with staff; owners - weekly email campaign; customers - daily update to web blog, signs in store, staff talking points.
- Restricting all Self-Serve - hot/cold bar closed in the Café; removed bulk greens in produce; bulk being serviced by staff.
- Hours - store hours remain the same, Café hours reduced to 8 am to 6 pm.
- Staff - **MFC** will cover sick leave for all staff.

- Purchase limits - Set limit of 4 of each item in grocery, meat, wellness. Limit of 5 pounds in bulk.
- Special orders have been suspended
- Events and Promotions - cancelled all April events and in-store demos. Suspending Fresh Deals, will honor Co-op Deals sale prices but not hanging signs in store.
- On line orders - starting 3/30, **MFC** will offer limited on line ordering for people who are vulnerable.

In light of the rapidly changing situation, the **MFC BOD** expressed their support of **GM Carter** and **MFC staff**, offering to help however possible.

GM MONITORING REPORTS

GM Carter reported that B4 is in compliance. Although there were not many changes from last year, she noted the decline in attendance at the annual meeting while member participation in the election increased significantly. This increase was due to owner’s ability to vote electronically for the first time and the opportunity to select Positive Change recipients.

- This report included **GM Carter’s** Patronage Dividend Recommendation for FY2019. She reviewed the pertinent data required to allow the BOD to make a decision, and she recommended allocating none of the patronage income to dividends based on net income and cash reserves. **Treasurer Roger Noyes** added that the Finance Committee agreed with this recommendation, especially in light of the recent COVID-19 effects. **Verne Underwood** moved and **Roger Noyes** seconded to accept **GM Carter’s** recommendation that no patronage dividends be allocated for fiscal year 2019. The motion passed.

POLICY REVIEW

Consult the table below for the monthly policy review schedule.

2019-2020 MFC BOD GOVERNANCE POLICY REVIEW SCHEDULE				
POLICY	1ST REVIEW	NOTES	2ND REVIEW	NOTES
B4	3/18/20	Ok as-is		
D Global	3/18/20	Ok as-is		
D1	3/18/20	Ok as-is		
C7	3/18/20	Special Request Review: Accept as updated SC/VU		
B5	4/20/20			
D2	4/20/20			
D3	4/20/20			
D4	4/20/20			
C Global	5/18/20			
C1	5/18/20			
C2	5/18/20			
B6	6/15/20			
B9	7/20/20			
A Global	7/20/20			
C3	8/17/20			
C4	8/17/20			
C5	8/17/20			

B3	9/21/20			
C6	10/19/20			
C7	10/19/20			
B7	11/16/20			
B Global	12/21/20			
B8	12/21/20			
B2	1/18/21			
C8	1/18/21			
B1	2/15/21			

OLD/RECURRING BUSINESS

Collect BOD and Committee Member Acknowledgment of Code of Conduct Forms

- **President Kellie Hill** noted that **Secretary Debi Boen** had pointed out page 49 of the existing Policy Register, the BOD Code of Ethics and Conduct. Discussion followed about this document, which pre-dates the Governance Policy. **Patty Casebolt** and **Sarah Calhoun** will review all three documents and align them for clarity. **Verne Underwood** agreed to edit. Updated approval of the revised Codes of Conduct will be addressed at the April **MFC BOD** meeting.

Discussion of Bylaws Revisions

- **President Kellie Hill** is in the process of determining the procedure for replacing old bylaws with a revised version.
- The **BOD** discussed and clarified each section of the revised bylaws. **Verne Underwood** will make the revisions discussed and email the **BOD** for final review before the April meeting.

Committee Updates: Finance, Owner Engagement, Bylaw Revision

- **Finance: Director/Chair Roger Noyes** reported that at the time of the Finance Committee meeting, the financials were normative and on budget. This is now changing since the COVID-19 issue began.
- **Owner Engagement: Directors/Co-chairs Fran Batzer** and **Sarah Calhoun** reported on a productive meeting, at which three events were identified to pursue in 2020. They proposed tabling in the Co-op, hosting educational events, and celebrating the success of Positive Change at the annual meeting. They are also scouting venues for the annual meeting.
- **Bylaw Revision: Director/Chair Verne Underwood** had nothing more to report.

Board Training Webinars

- **President Kellie Hill** asked for updates on which Columinate training webinars the **BOD** members are signed up for and when, encouraging participation from all.

NEW BUSINESS

Submit Self-evaluation

- **GM Carter** submitted her annual self-evaluation. **Verne Underwood** moved and **Roger Noyes** seconded to accept **GM Carter's** self-evaluation. The motion passed.

Resolution Amendment (RCU Signature Update)

- **President Kellie Hill** tabled this item until the April, 2020 meeting.

NCG Resolution

- After a brief discussion, **Roger Noyes** moved and **Patty Casebolt** seconded to sign the NCG (National Co+op Grocers) Agreement Resolution. The motion passed.

EXECUTIVE SESSION

From 7:33-7:51 p.m., after dismissing **GM Carter**, **MFC BOD** moved into an executive session.

ADJOURNMENT

At 8:03 p.m., **Patty Casebolt** moved to adjourn the meeting; **Verne Underwood** seconded the motion, which passed.

The next regular **MFC BOD** meeting is scheduled for Monday, April 20, 2020, at 5:30 p.m. at the conference room at Medical Eye Center (1333 E. Barnett, Medford). Owners are welcomed and encouraged to attend. Please see below for a Motion Synopsis and an Action List.

Respectfully Submitted,

Kathy Damas Kathy Damas, Board Administrative Assistant

MOTION SYNOPSIS 3/18/2020			
MOTION	1st	2nd	PASS/FAIL
Approve 2/17/2020 regular minutes as submitted	Roger Noyes	Fran Batzer	Pass
Approve 2/17/2020 Executive Session minutes as submitted	Patty Casebolt	Roger Noyes	Pass
Accept GM Carter's recommendation of no patronage dividend distribution for FY2019	Verne Underwood	Roger Noyes	Pass
Accept updated Policy C7 with extended Board Committee Principles	Sarah Calhoun	Verne Underwood	Pass
Accept GM Carter's self-evaluation	Verne Underwood	Roger Noyes	Pass
Sign the NCG resolution	Roger Noyes	Patty Casebolt	Pass
Adjourn	Patty Casebolt	Verne Underwood	Pass

ACTION LIST 3/18/2020		
TARGET DATE	ACTION	RESPONSIBLE PARTY
ASAP	Write & distribute March minutes; update Policy Register; update tracking spreadsheets; create April policy review, email assorted reports to Directors; email Halle Feb. minutes. Before April meeting: begin tentative agenda (e-mail Halle).	Kathy, Debi
Prior to Board Meeting	Conduct meeting	Committees
4/20/2020	Review C of C Acknowledgment forms, incorporating BOD Code of Ethics and Conduct language, if needed, and making edits	Patty, Sarah, Verne
4/20/2020	Sign & submit BOD C of C Acknowledgment forms	Board
4/20/2020	Review Bylaws updates	Board
4/20/2020	Bylaw updates; research procedure to replace old with new	Kellie