

MINUTES

Medford Food Co-op Board of Directors

Monday, March 15, 2021

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

Present: President Kellie Hill, Vice President Patty Casebolt, Secretary Sarah Calhoun, Treasurer Roger Noyes, Fran Batzer, Matt Dorris, Barry Robino, Verne Underwood

Staff Present: General Manager Anne Carter, Board Administrative Assistant Kathy Damas

Call to Order / Introductions

The March 15, 2021 Medford Food Co-op Board of Directors (MFC BOD) meeting was called to order at 5:30 p.m.

President Hill introduced Peggy Leviton and Dan Smith, who attended as potential MFC BOD candidates.

Previous Meeting Minutes

- Minutes of the February 15, 2021 MFC BOD regular meeting were submitted. **Barry Robino** *moved to accept the minutes as submitted; Roger Noyes seconded the motion, which passed unanimously.*
- Minutes of the February 15, 2021 MFC BOD Executive Session were submitted. **Matt Dorris** *moved to accept the Executive Session minutes as submitted; Verne Underwood seconded the motion, which passed unanimously.*

Owner's Forum

There were no additional owners present.

GM MONTHLY REPORT

Relevant Financial Information

- February sales were \$448K, a 4.4% increase over last February and 95.6% of budget. Sales reflect a return to more "normal" trends.
- COGS = \$311K, 95.7% of budget.
- Operating Expense = \$139K, 89.5% of budget.
- Net operating income = -\$2K, 19% of budget (-\$2K was budgeted amount). It isn't unusual for MFC to experience negative net income in February due to fewer days in the month and people taking winter vacations.
- Days cash on hand as of 2/28/2021 = 63.
- February On-line Shopping = \$6,278, 47 transactions, \$134 basket size.

Ownership Level Issues

- In February, MFC added 17 new owners and had 2 owner share redemptions.
- Café Update – February sales = \$30K, 104% of budget, 6.6% of sales.

Current Crisis Update

- Nothing new to report. Still experiencing occasional problems with customers refusing to wear face coverings.

Public Events Affecting Perception of Co-op in Community

- March 1 – 28: Four weeks of Savings direct mail campaign. The redemption rate of about 19% is really good for a physical coupon.
- April 7, 21, May 5, 5-7 p.m.: Oregon Food Bank's Community FEAST (Food, Education, Agriculture, Solutions, Together) program provides an event to help communities listen, organize, and act to improve their local food system.
- April 17: Bear Creek Stewardship Day. Directors requested that **GM Carter** email information about this event to them.

Significant Operational Changes

- April 5 – Store hours will be extended to 7 am to 9 pm. Café hours will remain 8 am to 6 pm weekdays, but weekend hours are planned to be added in April.
- NCG's Core Sets Program is underway. Category re-sets begin in April and continue in June-October.

Policy Compliance Updates

- An initial estimate for security cameras (just the equipment) was received. Installation needs to be figured out.

GM MONITORING REPORT

GM Policy B6: Staff. **GM Carter** reported non-compliance with the general section: quarterly safety inspections and sub policy 2: manager training. All submitted reports included detailed interpretation, operational definitions, and supporting data.

President Hill informed the Board that GM Monitoring Reports require acceptance by motion to verify resolution of out-of-compliance issues. **Barry Robino** moved to accept the GM's Policy B6 report, acknowledging that it is out of compliance and requesting that GM Carter report on resolution efforts next month; Fran Batzer seconded the motion, which passed unanimously. Severity level will be assigned at that time.

BOARD GOVERNANCE POLICY REVIEW

Policies are reviewed each month based on the schedule below.

2021-2022 MFC BOD GOVERNANCE POLICY REVIEW SCHEDULE				
POLICY	1 ST REVIEW	NOTES	2 ND REVIEW	NOTES
B6	3/15/21	OK as-is		
D Global	3/15/21	OK as-is		
D1	3/15/21	OK as-is		
B5	4/19/21			
D2	4/19/21			
D3	4/19/21			
C Global	5/17/21			
C1	5/17/21			
C2	5/17/21			
B4	6/21/21			
A Global	7/15/21			
B9	7/15/21			
C3	8/16/21			
C4	8/16/21			
C5	8/16/21			
B3	9/20/21			
C6	10/18/21			
C7	10/18/21			
B7	11/15/21			
B Global	12/20/21			
B8	12/20/21			
B2	1/17/22			
C8	1/17/22			
B1	2/21/22			
D4	2/21/22			

OLD/RECURRING BUSINESS

Committee Reports: Finance, Owner Engagement

- Finance: **Chair Roger Noyes** noted that this was a non-meeting month and had nothing more to report.
- Owner Engagement: **Co-chairs Fran Batzer** and **Sarah Calhoun** had not met so nothing new to report. **GM Carter** reported that she and staff are working on videos for the virtual Annual Meeting. The next step is to prepare the list of BOD candidates. The committee will meet again before the Annual Meeting, scheduled for May 11, 2021, at 5:30 p.m.

Board Stipend Proposal (Ad Hoc)

- Directors supported new language developed by the committee which presents the options of either a) giving each Director a choice between an MFC gift card or the current discount, or b) continuing the current discount. Directors discussed the relevance of the profitability requirement, deeming it unnecessary under this new plan. **Verne Underwood** moved to accept and send the Board Stipend Option Proposal to the ballot with the profitability requirement language removed; **Roger Noyes** seconded the motion which passed unanimously. **President Hill** noted that the Board Emeritus Stipend discussion has been tabled until next month.

Nominating

- In addition to Dan Smith and Peggy Leviton (in attendance), **President Hill** noted three other potential BOD candidates who have expressed interest but not yet submitted applications. Due to prior circumstances and the former Bylaws language, the length of terms will need to be adjusted for three positions this year to prevent multiple simultaneous vacancies in the future. Consensus was reached that after the next election, the BOD will have a conversation with all Directors about term lengths and will pursue options for adjusting them within the year.

NEW BUSINESS

Articles of Incorporation (Aol) – Certificate of Designation

- The committee presented a proposed amendment to MFC's current Aol which would enable the sale of a series of preferred stocks. Making this change now will prepare the way for more options as expansion efforts occur. **Barry Robino** moved to accept the proposed amendment to MFC's Articles of Incorporation and to present it to the ownership for a vote at the 2021 Annual Meeting. **Matt Dorris** seconded the motion, which passed unanimously.

Recommended List of Board Candidates

- **President Hill** thanked Peggy and Dan for attending and excused them from the meeting. After a brief discussion, the Board agreed to recommend three incumbent candidates (Fran Batzer, Patty Casebolt, and Roger Noyes), along with two current applicants (Dan Smith and Peggy Leviton) for the 2021 slate of Board candidates.
- March 22, 2021 will be the deadline for candidates to submit applications. Moving forward, the Board determined that the day before the March BOD meeting (for a May Annual Meeting election) will be the Director application deadline to allow time for Board review of applicants. **BA Damas** was asked to add this language to the Board policies.
- Discussion also included the option of opening a spot to increase the Board to nine Directors as allowed in the Bylaws. **Roger Noyes** moved to increase the number of MFC Board members to nine with the 2021 election; **Barry Robino** seconded and the motion passed unanimously.

ADJOURNMENT

At 7:13 p.m., **Patty Casebolt** moved to adjourn the regular meeting and move into Executive Session; **Fran Batzer** seconded the motion, which passed unanimously.

The next regular MFC BOD meeting is scheduled for Monday, April 19, 2021, at 5:30 p.m., via Zoom. Owners are welcomed and encouraged to attend. Please see below for this meeting's Motion Synopsis and Action List.

Respectfully Submitted,

Kathy Damas

Board Administrative Assistant

MOTION SYNOPSIS

MOTION	1 st	2 nd	PASS/FAIL
Approve 2/15/2021 regular minutes as submitted	Barry Robino	Roger Noyes	Pass
Approve 2/15/2021 ES minutes as submitted	Matt Dorris	Verne Underwood	Pass
Accept GM B6 report with request to bring into compliance by the April BOD meeting	Barry Robino	Fran Batzer	Pass
Accept Board stipend option proposal; present to ownership for vote at Annual Meeting	Verne Underwood	Roger Noyes	Pass
Accept Articles of Incorporation Amendment; present to ownership for vote at Annual Meeting	Barry Robino	Matt Dorris	Pass
Increase number of Board members to nine	Roger Noyes	Barry Robino	Pass
Adjourn to Executive Session	Patty Casebolt	Fran Batzer	Pass

ACTION / ONGOING PROJECT LIST

TARGET DATE	ACTION	RESPONSIBLE PARTY
ONGOING		
Within 1 week after Board Meeting	Write minutes; update reports and documents as needed. Email draft minutes and tentative agenda to Directors. Email approved minutes and tentative agenda to Halle.	Kathy
3 days prior to Board Meeting	Email reports to Directors	Anne
3 days prior to Board Meeting	Email full board packet to Directors.	Kathy
Prior to Board Meeting	Conduct Committee meetings	Committees
Ongoing	Attend Columinate webinars	BOD
Ongoing	Boost MFC on social media: Follow, like, comment, share	All
NEW / CURRENT		
ASAP	Email Bear Creek Stewardship Day information to BOD	Anne
ASAP	Send incumbent Directors former ballot bios	Anne, Halle
3/31/2021	Incumbent Directors to submit bios for ballot	Fran, Patty, Roger
4/19/2021	GM Policy B6 Compliance Update	Anne
4/19/2021	Update BOD on asset distribution and security camera system	Anne
4/19/2021	Add Board application deadline to Governance Calendar	Kathy
4/19/2021	Contract & Compensation Committee prepares final GM offer	Kellie, Patty, Sarah
Before 5/11/2021	Owner Engagement Committee meeting	Fran, Sarah, Anne
August	Have attorney review Personnel Policies	Anne