

MINUTES

Medford Food Co-op Board of Directors Meeting

Monday September 20, 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, Peggy Leviton, Barry Robino, Dan Smith

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

Call to Order / Introductions

The September 20, 2021 Medford Food Co-op Board of Directors (MFC BOD) meeting was called to order at 5:34 p.m.

Previous Meeting Minutes

- Minutes of the August 24, 2021 MFC BOD regular meeting were submitted. **Patty Casebolt** moved to accept the minutes as submitted; **Peggy Leviton** seconded the motion, which passed unanimously.
- Minutes of the August 24, 2021 MFC BOD Executive Session were submitted. **Fran Batzer** moved to accept the Executive Session minutes as submitted; **Roger Noyes** seconded the motion, which passed unanimously.

Owner's Forum

There were no additional owners present.

GM MONTHLY REPORT

Relevant Financial Information

- August sales were \$503K, a 2.3% decrease over last August and 110% of budget.
- COGS = \$332K, 102% of budget.
- Operating Expense = \$164K, 105.7% of budget.
- Net operating income = \$6.7K, \$28.7K over budget.
- Days cash on hand as of 8/31/2021 = 69.25.
- August On-line Shopping = \$4,216, 29 transactions, \$145 basket size.

Ownership Level Issues

- In August, MFC added 12 new owners and had 1 owner share redemption.
- Café Update – August sales = \$38K, 111% of budget, 7.6% of sales.
- Update on 2020 Patronage Dividend Process – Patronage dividends were available for owners on 9/10/2021. As of 9/14, 500 owners have redeemed their dividend, a total of \$19,130.
- The 10% off anniversary coupon available to owners in August was used by 1,265 owners for a total of \$11,009. That contributed to sales that were \$44.8K more than budgeted!

COVID Update

- Staff guidelines have been updated as of 9/1/21. These guidelines include requiring all staff (whether or not they have been vaccinated) to get tested if they have been in close contact with someone who has COVID. All staff traveling via public transportation or air outside of Oregon or to crowded venues are required to either get tested 3-5 days after travel and self-quarantine for 7 days, or self-quarantine for 10 days if not tested.
- Shortened store hours will be extended until the end of September and will be reassessed at that time. MFC plans to extend store hours to 7 am – 8 pm beginning in October, contingent upon having enough staff.

Public Events Affecting Perception of Co-op in Community

- Plans are underway to reschedule the staff and board anniversary celebration. Dates being considered are a Sunday evening, 6-8 pm on either 10/17, 10/24, or 12/12. Location possibility is Trium Wines in Talent, which is available at minimal cost.
- Saturday, 9/24, 9 am – noon: Bear Creek Stewardship Day along the Greenway.

Significant Operational Change and Policy Compliance Updates

- No updates on the security cameras.

- The Co-op is eligible to receive tax credits for paid leave under the American Rescue Plan Act of 2021. This will allow MFC to pay wages for staff who were in quarantine in August and September.
- MFC has several open positions: grocery clerk (full time), floor supervisor (full time), cashier (part time), and cook (full time).
- Halle has been working on a new website which should be up in October.

GM MONITORING REPORT

GM Policy B3: Asset Protection. **GM Carter** reported non-compliance with sub-policy #8: Increased number of daily customer transactions. All submitted reports included detailed interpretation, operational definitions, and supporting data.

GM Carter noted in sub-policy #3 that although account balances exceed federally insured limits, the risk of loss is minimal due to the financial strength of Rogue Credit Union and People’s Bank. One option to further limit risk yet keep assets available would be to deposit funds in a third financial institution. **President Hill** will research two suggestions from the Board.

Addressing sub-policy #8, **GM Carter** reported that the net number of new owner shares in the past 12 months was 201. The average number of customer transactions per day decreased from 420 in 2020 to 414 this YTD. This 1.4% decrease is nearly identical to last year, and is likely due to customers continuing to limit trips to the store during the winter months. Directors asked about the decrease in daily customer transactions, wondering if it may be due to a trend or the pandemic.

Roger Noyes moved to accept the GM’s Policy B3 report, acknowledging that it is out of compliance and requesting quarterly reporting of the average number of daily customer transactions beginning with Q3, 2021. **Matt Dorris** seconded the motion, which passed unanimously. Because of the minor level of non-compliance, no level of severity was assigned.

B6: Sub-policy #2 Compliance Update. **GM Carter** reported progress on Manager Training, citing calls, workshops, and conferences that Andrea, Steve, Jesse, and Jimmy have fully or partially participated in to date. The Board accepted GM Carter’s update, indicating that she has achieved full compliance with this policy.

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	OK as-is		
D2	4/19/21	OK as-is		
D3	4/19/21	OK as-is		
C Global	5/17/21	OK as-is		
C1	5/17/21	OK as-is		
C2	5/17/21	OK as-is		
B4	6/21/21	OK as-is		
A Global	7/15/21	OK as-is		
B9	7/15/21	OK as-is		
C3	8/24/21	OK as-is		
C4	8/24/21	OK as-is		
C5	8/24/21	OK as-is		
B3	9/20/21	OK as-is		
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: Treasurer Roger Noyes** noted that the monthly financial numbers are all normative with the exception of amortization and the higher than usual sales related to the 10-year anniversary as reported earlier. (See also 'Board Budget for 2022' below.)
- **Owner Engagement: Co-Chair Sarah Calhoun** reported that the Committee has identified two types of owner engagement events. One is to have the Board table during the October owner drive. One is to have the Board table over two weekends during the October owner drive. Sarah will send Directors' the dates and time slots and requested that they sign up for a shift. They will be utilizing activities similar to those as the anniversary celebration. The second option the Committee is exploring is to begin holding a regularly scheduled series of educational events, perhaps every other month. These would be held in the Café when it's safe to do so.

President Hill reminded Committee Chairs to review their committee's charter for needed updates.

Board Budget for 2022

Treasurer Roger Noyes presented the updated 2022 Board Budget. The Board discussed the Training/Development line-item, which is MFC's annual membership with Columinate. The benefits included with this membership were reviewed, such as Board retreat facilitation, phone consultations which provide **GM Carter** with valuable assistance, and access to the training opportunities highlighted during each Board meeting. The Columinate membership fee is discounted if the renewed by 10/15/2021.

Roger Noyes *moved to continue MFC's annual relationship with Columinate; Patty Casebolt* *seconded the motion, which passed unanimously.*

Board Retreat

President Hill will be meeting with Todd from Columinate on October 1 to see what type of meeting feels safest and best. More information about this will be coming soon.

Board Training Webinars

President Hill pointed out the upcoming Columinate webinars.

NEW BUSINESS

There was no New Business on the agenda or suggested by Directors.

ADJOURNMENT

At 6:34 p.m., the Board moved into Executive Session.

The next regular MFC BOD meeting is scheduled for Monday, October 16, 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 8/24/2021 regular minutes as submitted	Patty Casebolt	Peggy Leviton	Pass
Approve 8/24/2021 ES minutes as submitted	Fran Batzer	Roger Noyes	Pass
Accept GM B3 report acknowledging noncompliance with increased daily customer transactions	Roger Noyes	Matt Dorris	Pass
Accept 2022 Board Budget as presented	Roger Noyes	Matt Dorris	Pass
Adjourn	Matt Dorris	Dan Smith	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
4 days prior to Board Meeting	Email reports to Directors	Anne
4 days prior to Board Meeting	Email access link to 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	Send Anne preferred date for staff/board anniversary celebration	All
ASAP	Send BOD sign-up dates for October ownership drive tabling events; respond to Sarah	Sarah / All
10/18/2021	Update BOD on security camera system	Anne
10/18/2021	Research credit unions for possible asset distribution	Kellie
10/18/2021	Review committee charter for needed updates	Committee Chairs
10/18/2021	Determine need for audit prior to sale of preferred shares	Anne
Sept/Oct	Have attorney review Personnel Policies	Anne
FYI: UPCOMING COLUMINATE TRAININGS		
Oct. 2	Virtual CBL 101	BOD
Oct. 14	Being a Great Employer to your GM	BOD
Oct. 28	Navigating the GM Compensation & Evaluation Process	BOD
Nov. 4, 11, 18, Dec. 2	Finance Training for Directors	BOD
Nov. 13	Virtual CBL 101	BOD