



Board of Directors Meeting MINUTES

Monday February 20, 2023

Windermere Real Estate Training Office, 1117 E Jackson St, Medford, OR

Present

Directors: President Kellie Hill, Treasurer Roger Noyes, Fran Batzer, Matt Dorris, Peggy Leviton, Dan Smith

Staff: General Manager (GM) Anne Carter, Administrative Assistant Kathy Damas

Absent: Vice President/Secretary Sarah Calhoun, Patty Casebolt

1. Call to Order / Introductions

The February 20, 2023 Medford Food Co-op Board of Directors (MFC BOD) meeting was called to order at 5:30 p.m.

2. Owner's Forum

There were no additional owners present.

3. Previous Meeting Minutes

- Minutes of the January 16, 2023 MFC BOD regular meeting were submitted. **Dan Smith** moved to approve the minutes as submitted; **Peggy Leviton** seconded the motion, which passed unanimously.
- Minutes of the January 16, 2023 MFC BOD executive session meeting were submitted. **Matt Dorris** moved to approve the minutes as submitted; **Peggy Leviton** seconded the motion, which passed unanimously.

4. GM Monthly Report

Relevant Financial Information

- January sales were \$467K, a 2.2% decrease over last January and 102.7% of budget.
- Cafe Update: January sales = \$33.9K 106% of budget, 7.3% of sales.
- COGS = \$311K, 104% of budget.
- Operating Expense = \$167K, 108.3% of budget.
- Net operating income = -\$10.7K, 7 times lower than budget due to higher than expected labor and operating costs.
- Days cash on hand as of 1/31/23 = 86.13
- January On-line Shopping = \$1,294.48, 11 transactions, \$117.68 basket size.
- 14 Month CD's – On 1/3/23, \$320K from RCU Money Market used to purchase a 14-month CD at 3.56% annual interest. A second CD for \$200K was purchased this week using money from ERC (Employee Retention Credit).
- Margins Update – Several staff have been working on updating Café and Grab 'n' Go (GnG) prices and updating recipe costs. GnG price changes for most items were implemented at the end of Jan. Menu price changes are part of a larger menu revision to be implemented in coming weeks. Anne revised a tool to help various departments regulate inventory more closely on a weekly basis.

Ownership Level Issues

- New Owners in January = 14.
- Owner share redemptions in January = 2.
- The date to redeem the patronage dividend was 1/22/23. Access to dividends via checkout was turned off on 1/31/23. Remaining balance of \$3,120.24 will be donated to the Co-op's Cooperative Community Fund.

Public Events affecting Perception of Co-op in Community

- Jan 13-15 The Brine, Brew & Barrel Fermentation Festival – Several staff attended. They were able to talk to many vendors and connect with a few new ones.
- In-store demos – Vendors are available again to do these demos, which are being scheduled weekly.
- A list of upcoming Events and Promotions was provided.

Significant Operational Change and Policy Compliance Updates

- Nothing new to report.

5. GM Monitoring Reports

GM Policy B6: Staff Treatment and Compensation. **GM Carter** was not able to report compliance with overall policy: workers compensation experience rating and sub-policy #2: manager training.

The Board agreed to accept the GM Policy B6 monitoring report format, data points as defined, and the GM's assurance that the data is correct. They assigned a low severity level to this report.

OLD/RECURRING BUSINESS

6. Board Governance Policy Review

Beginning in September 2022, policies will be reviewed in comparison with the recently revised Policy Governance template from CBLD. Policies with major differences will be reviewed based on the available time allotted for each. See Governance Policy Review Schedule below the minutes.

- C8 – Governance Investment [Second Review]

Peggy Leviton moved to approve Policy C8 as revised; **Matt Dorris** seconded the motion, which passed unanimously.

- D4 – Monitoring GM Performance and Contract Negotiations (Evaluating the GM)
- D5 – Compensating the GM

Directors compared the current, combined, and proposed versions of Policy D4. Parts of the policy that are procedural were moved to the GM evaluation Committee Charter. The GM compensation portion was proposed to become its own policy (D5) rather than combined with D4 as it is currently. They requested that GM be written out as “General Manager (GM)” in the title of both policies.

Peggy Leviton moved to approve the new D4 and D5 policies with changes discussed; **Fran Batzer** seconded the motion, which passed unanimously.

After reviewing the associated Committee Charters, Directors agreed to approve the changes to these documents as submitted.

7. Committee Reports

- **Finance: Treasurer Roger Noyes** had no additional information to report.
- **Owner Engagement: Dan Smith** reminded Directors that their help tabling at four events throughout the year will be requested. In addition to the spring and fall owner drives and participation in the May Annual Meeting, the Committee is considering a virtual blog with Director interviews.
- **Ad Hoc DEI: Dan Smith** reported that they have talked with a consultant but are unsure of the expense and priority of hiring her to train the Board. **GM Carter** noted her desire to create a committee that includes management, staff, and Board representation to work on cultural change within the organization. It was noted that this work is essential to do ahead of expansion and the increased hiring that would result. Directors agreed that this ad hoc DEI Committee will become inactive pending the creation of a new committee that includes staff and managers. **GM Carter** will create this committee in the next two months.

8. Co-op Expansion Examples from Retreat

Tabled until next month.

NEW BUSINESS

9. Board Self-Monitoring Survey: C-Policies (Jan/Feb), D-Policies (Feb/Mar)

President Hill noted the near-completion of the C-Policy surveys. Directors were asked to complete the D-Policies survey by the next Board meeting on March 20, 2023. Kathy will send the survey link by February 21, 2023.

10. Nominating/Elections Discussion – Slate of Candidates

There are currently no new candidates running for election.

11. Blog re: Board Recruitment

President Hill and **Peggy Leviton** noted that ideas for posting recruitment blogs and videos on the website had been presented to the Board months ago but fell through the cracks and didn't happen in the timeframe needed. All agreed that identifying deadlines and who's responsible for such tasks was a missing piece. Kathy will add these types of items to the Board calendar and to the monthly Task List at the end of each month's BOD meeting minutes.

12. GM Contract & Compensation Process Begins

President Hill said that the Committee will be meeting in early March.

13. Monitoring Report Discussion

President Hill described her conversation with Todd Wallace about the Board's concerns regarding their review process of the GM's monthly monitoring reports. Given her explanation, the Board agreed to start using new steps for this process. Beginning this month, the minutes will better reflect what the Board is accepting. In addition, notes of concern or compliance plans will be more fully captured in the Board's internal documentation, not in the minutes.

14. Monitoring Report Summary

President Hill and Kathy presented an updated version of the Monitoring Report Summary document. Directors agreed to the use of the new format beginning this month.

EXECUTIVE SESSION

15. Expansion Update

Fran Batzer was excused. The Board entered Executive Session at 7:32 p.m., and returned to the regular meeting at 7:59 p.m.

16. Next BOD Meeting

The next regular MFC BOD meeting is scheduled for Monday, March 20, 2023, at 5:30 p.m., at the Windermere Real Estate training center, 1117 E Jackson St, Medford, OR. Owners are welcomed and encouraged to attend. Please see below for this meeting's Motion Synopsis and Action List.

17. ADJOURNMENT

At 7:59 p.m., **Roger Noyes** moved to adjourn; **Matt Dorris** seconded the motion, which passed unanimously.

Respectfully Submitted,

Kathy Damas

Administrative Assistant

MOTION SYNOPSIS

MOTION	1 st	2 nd	PASS/FAIL
Approve 01/16/2022 regular minutes	Dan Smith	Peggy Leviton	Pass
Approve 01/16/2022 Executive Session minutes	Matt Dorris	Peggy Leviton	Pass
Approve Policy C8 as revised	Peggy Leviton	Matt Dorris	Pass
Approve new Policy D4 and D5 as discussed	Peggy Leviton	Fran Batzer	Pass
Adjourn	Roger Noyes	Matt Dorris	Pass

GOVERNANCE POLICY REVIEW SCHEDULE

POLICY	REVIEW MONTH	NOTES	POLICY	REVIEW MONTH	NOTES
B5	January	Approved changes	A Global	July	
C8		Requested rewrite and 2 nd review	B9		
C8	February	2 nd Review: Approved	C3	August	
D4 + D5 (New)		Approved both	C4		
B6	March		C5		
D Global			B1	September	
D1			B3		
D2	April		B2	October	
D3			C7		
C Global	May		B7	November	
C1			C6		
C2			B Global	December	
B4		June	B8		

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 Directors the shared drive access link to the complete Board packet	Kathy
As needed	Update Gov Policies accepted by BOD; replace in Manual	Kathy
Prior to Board Meeting	Conduct Committee meetings (regular and ad hoc)	Committees
Ongoing	Attend Columinate webinars	BOD
Ongoing	Boost MFC on social media: Follow, like, comment, share	All
NEW / CURRENT		
3/20/2023	Add Staff Handbook to BOD Drive	Anne / Kathy
3/20/2023	Contact/learn more from recently expanded co-ops	Matt / Fran
3/20/2023	Update Personnel Policies; Have attorney review	Anne / Kathy
3/20/2023	Complete survey of D-Policies	BOD
5/15/2023	Create Manager/Staff/BOD DEI Committee	Anne

COLUMNATE TRAININGS

Partial listing; See Columinate website for more and details.

3/6/2023	Finance Training for Directors
4/6/2023	Diversity
4/11/2023	Financial Statement Audits
4/15/2023	CBL 101
5/9/2023	Meeting Facilitation
5/10/2023	Agenda Planning
5/17/2023	GM Compensation & Evaluation Process
5/24/2023	Board Architecture & Support