



## Board of Directors Meeting MINUTES

Monday April 17, 2023

Windermere Real Estate Training Office, 1101 E Jackson St, Ste 102, Medford, OR

### Present

**Directors:** President Kellie Hill, Vice President/Secretary Sarah Calhoun, Treasurer Roger Noyes, Patty Casebolt, Matt Dorris, Peggy Leviton, Dan Smith

**Absent:** Fran Batzer

**Staff:** General Manager (GM) Anne Carter, Purchasing/Grocery Manager Jimmy Breedlove, Administrative Assistant Kathy Damas

**Owner Guests:** John Statler, Noah Pinck

### 1. Call to Order / Introductions

The April 17, 2023 Medford Food Co-op Board of Directors (MFC BOD) meeting was called to order at 5:30 p.m. **President Hill** facilitated introductions between all present.

### 2. Owners' Forum

Additional owners present included Board candidate Noah Pinck and MFC founding Board member John Statler. John expressed his appreciation for the safe, inclusive employee environment he notices in the store. He also wished to support the Board as they consider expansion by reminding them of the founders' experience of keeping in mind what the community needs.

### 3. Previous Meeting Minutes

- Minutes of the March 20, 2023 MFC BOD regular meeting were submitted. **Matt Dorris moved to approve the minutes as submitted; Peggy Leviton seconded the motion, which passed unanimously.**
- Minutes of the March 20, 2023 MFC BOD executive session were submitted. **Roger Noyes moved to approve the minutes as submitted; Peggy Leviton seconded the motion, which passed unanimously.**

### 4. GM Monthly Report

#### Relevant Financial Information

- March sales were \$481K, a 0.5% increase over last March and 100.8% of budget.
- Café Update: March sales = \$40.4K 115.6% of budget, 8.4% of sales.
- COGS = \$291K, 93.4% of budget.
- Operating Expense = \$170K, 104.5% of budget.
- Net operating income = \$19,802. This was \$17K more than projected due to achieving better than expected margins during the 1st quarter.
- Days cash on hand as of 3/31/23 = 78.4
- Margins Update – The 1<sup>st</sup> quarter margin for all of the departments combined was 35.9%. That is higher than our goal of 34.6%. The largest departments (produce, grocery, cooler, meat, and Café) all exceeded margin goals. Most of the smaller departments were close to margin goals.

#### Ownership Level Issues

- New Owners in March = 23.
- Owner share redemptions in March = 0.
- Owner ballots for the annual election of directors and Positive Change recipients will be emailed to owners on 4/21/23. Voting ends at midnight on 5/6/23 to allow Halle time to tabulate all votes prior to the Annual Meeting.

## Public Events affecting Perception of Co-op in Community

- Halle has expanded the calendar on our website to include community events we're involved in. This is a good place to see these in addition to in-store events. <https://www.medfordfood.coop/calendar>
- April 14, Rogue Flavor Guide Launch Party at Fry Family Farm, 3:30-7:00.
- April 17-30 – Owner Drive. Our goal is 30 new owners during the 2 weeks.
- Upcoming Events and Promotions:
  - April 21 – SOU's Earth Day Extravaganza, 3:30-7:00 pm, at the SOU Farm.
  - April 22 – Bear Creek Stewardship Day, 9-12
  - May 7 – Good Food Festival and Annual Meeting, 12-4 at the store & Café.
  - June 3 – Brews, Bluegrass & BBQ, 2-8 pm at RoxyAnn Winery, fundraising event for Rogue Valley Food System Network.

## Significant Operational Change and Policy Compliance Updates

- 4/14 – Attempted break-in sometime between 12:15-12:30 am. Receiving room door damaged but no other loss.
- 4/25-27 – Anne will be attending NCG's Spring meeting in San Diego.

## 5. GM Monitoring Reports

Submitted reports included Operational Definitions, detailed interpretation, and supporting data. Accompanying documents included 1<sup>st</sup> Quarter 2023 Profit & Loss and Balance Sheet.

**GM Policy B1: Financial Condition and Activities – Q1 2023.** **GM Carter** was not able to report compliance with margin minus labor, sub policy #1 – adequate sales growth, or #2 – EBITDAP lower than budget.

The Board unanimously agreed to accept the GM Policy B1 for Q1 2023 monitoring report format, data points as defined, and the GM's assurance that the data is correct. They further accepted the GM's plans for bringing this report into compliance by the end of Q2.

## 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.

Following discussion, these actions were taken.

- **D2 – Accountability of the GM**  
Seeking clarity and specificity, the Board requested that more information be gathered about the “Ends” language in this policy before making a decision. Kathy will look into this and if necessary, Kellie will check with Todd Wallace at Columinate for assistance.
- **D3 – Delegation to the GM**  
**Matt Dorris** moved to approve Policy D3 as revised; **Dan Smith** seconded the motion, which passed unanimously.

### 7. Committee Reports

- **Finance: Treasurer Roger Noyes** celebrated the fact that margins have been met, if not exceeded.
- **Owner Engagement:** According to **Sarah Calhoun**, the Committee made plans for the Annual Meeting, and discussed tabling (see agenda item under New Business below). She also reported that **Fran Batzer** would like to remain on the Committee after her Board term ends in May.
- **Ad Hoc DEI: Dan Smith** reported that the Committee met with **GM Carter** regarding the operational DEI committee. He and **Sarah Calhoun** will share the Board role on this committee. Sarah attended Columinate's DEI course; Dan will watch the recording. They recommended that this committee remain as a standing committee, anticipating some overlap with the staff's work, but also some need for separate Board work.

- **BOD Onboarding (Nominating/Elections):** **Peggy Leviton** reported that the Onboarding checklist creation that was started last fall has been completed. Roles, tasks, and timelines have all been clarified.
- **NEW: Ad hoc Board Manual Review:** **President Hill** asked for volunteers to work with Kathy on reviewing and simplifying the Board Manual and Appendices. **Peggy Leviton** volunteered to help complete this task.

## 8. Co-op Expansion Examples from Retreat

**Matt Dorris** hadn't received any additional responses since the last meeting.

## 9. Board Self-Monitoring Survey: D-Policies

**President Hill** noted that the D-Policy surveys are complete. The C-Policies will be complete when one outstanding Director submits their responses.

## NEW BUSINESS

### 10. Annual Meeting: Sunday, May 7, 2023, 1:00 p.m.

MFC's Annual Meeting is scheduled for Sunday, May 17, 2023. The Good Food Festival will coincide on the same day from 12:00 pm – 4:00 pm, with the Annual Meeting to be held at 1:00 pm in the Café.

### 11. Select Cooperative Community Fund (CCF) Recipient

After reviewing the 2023 list of Positive Change recipients and a brief discussion, Directors unanimously agreed to donate MFC's CCF interest to the Rogue Farm Corps.

### 12. Tabling

Noting that it's been difficult to schedule Directors for tabling for the April owner drive, **Sarah Calhoun** reported that the Owner Engagement Committee will begin scheduling tabling events earlier in the year. She also proposed creating a Board policy that would outline the expectation that Directors participate in tabling events each year. After a lengthy discussion, the Board agreed to table the topic while the need for a policy is assessed, noting that this event's scheduling may have been a timing issue. Ways to tabulate the effectiveness of these events was also discussed. **Jimmy Breedlove** suggested marking the ownership fliers from the Board's table to indicate it as the source of any new owner sign-ups.

**Thank You** – The Directors joined **President Hill** in expressing deep appreciation to **Fran Batzer** for her many years of service to the Medford Food Co-op Board, and warmly wished her all the best.

## EXECUTIVE SESSION

### 13. Expansion Update

The Board entered Executive Session at 7:00 p.m.

### 14. GM Evaluation: Final Recommendation

NOTE: The GM Contract & Compensation Final Recommendation has been tabled until May.

### 15. Next BOD Meeting

The next regular MFC BOD meeting is scheduled for Monday, May 15, 2023, at 5:30 p.m., at the Windermere Real Estate training center, 1102 E Jackson St, Ste 102, Medford, OR. Owners are welcomed and encouraged to attend. Please see below for this meeting's Motion Synopsis and Action List.

## 16. ADJOURNMENT

The meeting was adjourned at 7:09 p.m.

Respectfully Submitted,

**Kathy Damas**

Administrative Assistant

<b>MOTION SYNOPSIS</b>			
<b>MOTION</b>	<b>1<sup>st</sup></b>	<b>2<sup>nd</sup></b>	<b>RESULT</b>
Approve 03/20/2022 regular minutes	Matt Dorris	Peggy Leviton	Pass
Approve 03/20/2022 Executive Session minutes	Roger Noyes	Peggy Leviton	Pass
Approve Policy D3 changes	Matt Dorris	Dan Smith	Pass

<b>2023 GOVERNANCE POLICY REVIEW SCHEDULE</b>						
<b>POLICY</b>	<b>REVIEW MONTH</b>	<b>RESULT</b>		<b>POLICY</b>	<b>REVIEW MONTH</b>	<b>RESULT</b>
B5	January	Approved changes		A Global	July	
C8		Requested rewrite		B9		
C8	February	2 <sup>nd</sup> Review: Approved		C3	August	
D4 + D5 (New)		Approved both		C4		
B6	March	Approved changes		C5	September	
D Global		Approved changes		B1		
D1		Approved changes		B3		
D2	April	More info requested		B2	October	
D3		Approved changes		C7		
C Global	May			B7	November	
C1				C6		
C2				B Global	December	
B4	June			B8		

<b>2023 ACTION / TASK LIST</b>			
<b>DATE ADDED</b>	<b>TARGET DATE</b>	<b>TASK [Status]</b>	<b>RESPONSIBLE PARTY</b>
Jan 16	Mar 20	Complete survey of C & D-Policies <i>[In progress]</i>	BOD
Feb 20	Apr 17	Update Staff Handbook; Have NCG review <i>[In progress]</i>	Anne / Kathy
Feb 20	Apr 17	Add updated Staff Handbook to BOD Drive <i>[Contingent on above]</i>	Kathy
Feb 20	May 15	Create Manager/Staff/BOD DEI Committee <i>[In progress]</i>	Anne
Mar 20	Apr 17	Report on asset distribution as directed by BOD in March	Anne
Mar 20	Apr 17	Speak with bank acquaintance regarding commercial loan qualifications	Kellie
Apr 17	May 15	Research 'Ends' language for Policy D2 second review <i>[In progress]</i>	Kathy
Apr 17	May 15	Review/simplify Board Manual (includes Board website page layout to match) <i>[In progress]</i>	Peggy / Kathy

## 2023 COLUMINATE TRAININGS for DIRECTORS

*See Columinate website for details.*

<b>DATE</b>	<b>TITLE</b>
Apr 29	Co-op Café 2023: Leading into our values with resilience
May 4	Co-op Café 2023: Leading into our values with resilience
May 9	Effective Board Meeting Facilitation
May 10	Governing with Intention & Focus: Agenda Planning/ Blazing the Path Forward
May 18	Navigating the GM Compensation & Evaluation Process
May 24	Governing with Intention & Focus: Architectural Support/ Strengthening the Board's Backbone"
July 15	CBL 101
Sep 12, 19, 26	Explorations in Policy Governance Series
Oct 21	CBL 101