

## Medford Food Co-op Board of Directors      March 19, 2018

**Present:** Pres. Jim Sims, Vice Pres. Kellie Hill, Sec. Debi Boen, Fran Batzer, Patty Casebolt

**Absent:** Treas. Kristi Schoenbachler

**Staff Present:** GM Anne Carter, Retiring Grocery Manager Roger Noyes; Incoming Grocery Manager Jesse Smith-Richards

**Guest Present:** Member Norma Novy

### REPORTS

The March, 2018 Medford Food Co-op Board of Directors (**MFC BOD**) meeting was called to order at 5:30 p.m. on 3/19/18.

Minutes of the 2/20/18 **MFC BOD** regular meeting were submitted; **Fran Batzer** moved to accept the minutes as amended. **Kellie Hill** seconded the motion, which passed.

Financial reports submitted included Profit & Loss (Dec. 2017-Feb. 2018), and the Feb. 28, 2018 Balance Sheet. Feb., 2018 sales were at \$377K, a 9.6% increase over Feb. 2017, 94.5% of budget. Operating expenses were at \$134K, 97.7% of budget. Net operating income for Feb., 2018 was \$787, extremely low. GM Carter points out that Feb. sales are historically the lowest of the year; she expects net operating income to increase in March, and to be within budget for the quarter. Café sales in Feb. were \$34k, 9% of total sales (93.7% of budget).

Member in attendance at meeting shared how much she appreciated and enjoyed **MFC** and its atmosphere from the moment she first walked in.

**MFC BOD Pres. Jim Sims** has retired and resigned from the board, effective at the end of the 3/19/18 meeting. In his last report to the board, **Pres. Sims** stated that he wants the membership to understand all that **MFC** has accomplished in less than seven years. What began as a grassroots community effort, backed by loans from founding members, has grown exponentially. Loan repayments continue on schedule; **MFC** began with around 2,000 members, and now has over 3,500; **The Café** was recently opened (at the request of members); **MFC** paid its first Patronage Dividend in 2017; the number of employees has increased from 18 to 33; **MFC BOD** has continued to recommend updates to the Bylaws (with more being recommended this year), and has transitioned to a Policy Governance form of store oversight; Directors and staff members have received multiple training opportunities; discussion is beginning to take place regarding future expansion plans for the store; and **MFC** is now a catalyst among community activities. **Pres. Sims** completed his report with sincere wishes for the continued success of **Medford Food Co-op**.

**Nominating Committee:** There was some discussion of prospective additions to the **MFC** board; no action was taken at the March meeting.

**Annual Meeting Committee:** Nothing new to add to this discussion.

**GM Carter** submitted and presented her written report, with updates in the areas of finance, ownership, and public events. **MFC** added 11 new owners in January, and there were two owner share redemption. Additional updates:

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

- Cartwright's will be cutting back on sales of organic produce

#### Significant Operational Changes

- Hired Jesse Smith-Richards as the Grocery Manager
- Expanded hours, 7 am - 9 pm, effective April 1st
- Moved kombucha taps next to sink in bulk dept. This brings it in compliance with new health codes.

## **GM MONITORING REPORT**

The March 2018 GM Monitoring Reports concerned Policy B4 (Membership Rights and Responsibilities). **GM Carter** submitted a report detailing interpretation, operational definitions, and supporting data. Supplemental reports included the Owner Share Subscription Form and Welcome Letter. GM Carter was unable to report compliance with Policy B4, in the areas of increasing membership participation and voting at the Annual Meeting; and having a recommendation ready regarding a 2-18 Patronage Dividend. Discussions are still underway regarding ways in which membership participation and voting can be increased at the 2018 Annual Meeting. Also, an audit is scheduled for next week; after its completion, **GM Carter** will have information necessary to make a 2018 Patronage Dividend recommendation. Directors assigned a “Low” severity indicator to these areas of non-compliance.

## **POLICY REVIEW**

Consult the tables below for monthly policy review.

<b>2017-2018 POLICY REVIEW</b>				
<b>POLICY</b>	<b>1<sup>ST</sup> REVIEW</b>	<b>NOTES</b>	<b>2<sup>ND</sup> REVIEW</b>	<b>NOTES</b>
B4	3/20/17	Add colon to #2	4/17/17	KH/JH motion; passed
D Global	3/20/17	Ok as-is		
D1	3/20/17	Ok as-is		
B5	4/17/17	Ok as-is		
D2	4/17/17	Ok as-is		
D3	4/17/17	Ok as-is		
C Global	*6/19/17	Change as recc. by CDS		KH/RS motion; passed
C1	*6/19/17	Change as recc. by CDS		KS/PC motion; passed
C2	*6/19/17	Change as recc. by CDS		RS/KS motion; passed
B6	6/19/17	Reword 1(b); elim. 1(b)1		PC/KH motion; passed
B9	7/17/17	Ok as is		
D4	7/17/17	Ok as is		
C3	8/21/17	Change as recc. by CDS		RS/KS motion; passed
C4	8/21/17	Change as recc. by CDS		KH/RS motion; passed
C5	8/21/17	Change as disc. @ mtg.		KH/RS motion; passed
B3	9/18/17	Ok as is		
C6	10/16/17	Ok as-is		
C7	10/16/17	Ok as-is		
B7	11/20/17	Ok as-is		
B2	12/18/17	Ok as-is		
B Global	1/15/18	Ok as-is		
B8	1/15/18	Ok as-is		
C8	1/15/18	Ok as-is		
A Global	2/19/18; table	Restructure as recc. by Halle	3/19/18	PC/KH motion; passed
B1	2/19/18	Ok as-is		

<b>2018-2019 POLICY REVIEW</b>				
<b>POLICY</b>	<b>1<sup>ST</sup> REVIEW</b>	<b>NOTES</b>	<b>2<sup>ND</sup> REVIEW</b>	<b>NOTES</b>
B4	3/19/18	Ok as-is		
D Global	3/19/18	Ok as-is		
D1	3/19/18	Ok as-is		
B5	4/16/18			
D2	4/16/18			
D3	4/16/18			
C Global	5/21/18			
C1	5/21/18			
C2	5/21/18			
B6	6/18/18			
B9	7/16/18			
D4	7/16/18			
C3	8/20/18			
C4	8/20/18			
C5	8/20/18			
B3	3/17/18			
B7	10/15/18			
C6	11/19/18			
C7	11/19/18			
B2	12/17/18			
B Global	1/21/19			
B8	1/21/19			
C8	1/21/19			
A Global	2/18/19			
B1	2/18/19			

**NEW BUSINESS**

**GM Carter** submitted her self-evaluation to the board; **MFC BOD** presented its annual GM evaluation to **GM Carter**. **Vice President Kellie Hill** will establish a task force to renegotiate **GM Carter's** employment agreement, which expires at the end of May, using information and recommended processes provided by CDS Consulting.

E-mail motion and vote occurring on Feb. 21, 2018 was ratified by all present at the March meeting.

**GM Carter** submitted quotes from two companies for parking lot repairs. After discussion, Directors authorized **GM Carter** to establish a contract with J.B. Steele, Inc. (**Patty Casebolt** motion; **Kellie Hill**, second; motion passed).

**GM Carter** presented a Feasibility Consulting Agreement from NCG Development Cooperative. Directors requested that **GM Carter** bring more information to the April **MFC BOD** meeting (current budget impact)

## ADJOURNMENT

At 6:16 p.m., **Fran Batzer** moved to adjourn the meeting; **Kellie Hill** seconded the motion, which passed. The next regular **MFC BOD** meeting is scheduled for Mon., April 16 at 5:30 p.m. The April meeting will be held in the conference room at Medical Eye Center (1333 E. Barnett, Medford). Owners are welcomed and encouraged to attend. Please see below for an Action List and a Motion Synopsis.

Respectfully Submitted,

*Debi Boen*

Debi Boen

<b>MOTION LIST 3-19-18</b>			
<b>MOTION</b>	<b>1<sup>st</sup></b>	<b>2<sup>nd</sup></b>	<b>PASS/FAIL</b>
Approve 2/20/18 minutes as submitted	Fran Batzer	Kellie Hill	Pass
Restructure AGlobal as recommended	Patty Casebolt	Kellie Hill	Pass
Parking lot repairs; JB Steele	Patty Casebolt	Kellie Hill	Pass
E-Mail GM Evaluation	Debi Boen	Kellie Hill	Pass
Adjourn	Fran Batzer	Kellie Hill	Pass

<b>ACTION LIST, MARCH 2018</b>		
<b>TARGET DATE</b>	<b>ACTION</b>	<b>RESPONSIBLE PARTY</b>
ASAP	write & distribute March, minutes; begin April agenda; update tracking spreadsheets; create policy reviews, e-mail asstd. reports to Directors; e-mail Halle	Debi
4/16/18	Scheduled April monitoring report B5	Anne
4/16/18	Policy Reviews: B5, D2, D3	All
4/16/18	Report	Annual Mtg Comm
4/16/18	Report and Proposal	Nominating Comm.
4/16/18	Task Force re GM emp agreement	Kellie
4/16/18	NCG agreement; current budget info	Anne
4/16/18	Discussion re officers	All