

## Medford Food Co-op Board of Directors August 17, 2020

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

**Present:** President Kellie Hill, Vice President Patty Casebolt, Secretary/Treasurer Roger Noyes, Fran Batzer, Sarah Calhoun, Verne Underwood

**Staff Present:** General Manager (GM) Anne Carter, Board Administrative Assistant (BA) Kathy Damas

**Guest:** Barry Robino

### Call to Order/ Introductions

The August 17, 2020 Medford Food Co-op Board of Directors (**MFC BOD**) meeting was called to order at 5:39 p.m. **Kellie** welcomed Barry; he's a candidate for the **MFC BOD** and spent five years on **MFC's** finance committee in its early years. He retired a year ago from the Grange Co-op where he was the GM and CEO for 21 years.

### Previous Meeting Minutes

Minutes of the July 20, 2020 **MFC BOD** regular meeting were submitted. **Fran Batzer** moved to accept the minutes as submitted; **Verne Underwood** seconded the motion, which passed.

### Owner's Forum

There were no other owners present.

### GM REPORT

**General Manager (GM) Carter** submitted and discussed her written report with updates in the areas of finance, ownership, The Café, COVID-19/significant operational changes, and public events.

### Relevant Financial Information

- July sales were \$523K, a 21.5% increase over last July and 115.7% of budget.
- COGS = \$347K, 117.6% of budget.
- Operating Expense = \$157K, 97% of budget.
- Net operating income = \$19K, 23K more than budget, because a -\$4.5K was projected.
- Days cash on hand as of 7/31/2020 = 55.9.
- July On-line Shopping = \$11,545, 76 transactions, \$152 basket size.
- Increased sales volume resulted in improved cost plus rate with UNFI.

### Ownership Level Issues

- In July, **MFC** added 16 new owners; there were no owner share redemptions.
- Café Update – July sales = \$28.7K, 106% of budget, 5.5% of sales. New sales target is 6% of total sales.
- July 27<sup>th</sup> – Paid off the last of the owner loans! **GM Carter** will send thank you notes and a small gift to all who provided loans.

### COVID-19 Update

- Still dealing with a handful of customers every week who refuse to comply with **MFC's** mask policy.
- Some supply chain issues continue to crop up each week. Many food producers have streamlined their production.

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

- Bear Creek Stewardship Day will be on Saturday, September 26, 2020. **MFC** is part of the committee that plans and organizes the event.

### Significant Operational Change

- Nothing new to report.

### Policy Compliance Updates

- **MFC** completed work on a Crisis Communications Plan.

### GM MONITORING REPORTS

**Policy B1 – Financial Condition and Activities.** **GM Carter** was not able to report compliance with sub policy 5: growth in ownership. She explained the decline is primarily due to not promoting a spring owner drive due to COVID-19 issues and concerns. The **MFC BOD** assigned the out of compliance sub policy regarding reduced growth in ownership a severity rating of low, with **President Hill** noting that this was due to circumstances out of **GM Carter's** control. All other Q2 financial benchmarks are currently strong and sales continue to be high.

## POLICY REVIEW

Governance Policies are reviewed each month based on the schedule below.

2019-2020 MFC BOD GOVERNANCE POLICY REVIEW SCHEDULE				
POLICY	1 <sup>ST</sup> REVIEW	NOTES	2 <sup>ND</sup> REVIEW	NOTES
B4	3/18/20	OK as-is		
D Global	3/18/20	OK as-is		
D1	3/18/20	OK as-is		
C7	3/18/20	Special Request Review: Accept as updated SC/VU		
B5	4/20/20	OK as-is		
D2	4/20/20	OK as-is		
D3	4/20/20	OK as-is		
D4	4/20/20	OK as-is		
C Global	5/18/20	OK as-is		
C1	5/18/20	OK as-is		
C2	5/18/20	OK as-is		
B6	6/15/20	OK as-is		
A Global	7/20/20	OK as-is		
B9	7/20/20	OK; BOD requested that pronouns he/she/him/her be updated to they/them in all policies		
C3	8/17/20	OK as-is		
C4	8/17/20	OK as-is		
C5	8/17/20	Change to match recently updated BOD Code of Conduct language (VU/PC)		
B3	9/21/20			
C6	10/19/20			
C7	10/19/20			
B7	11/16/20			
B Global	12/21/20			
B8	12/21/20			
B2	1/18/21			
C8	1/18/21			
B1	2/15/21			

## OLD/RECURRING BUSINESS

### Bylaw Revisions - Next Steps

- After considerable discussion, the **BOD** agreed it would be helpful to write a blog post reminding the ownership what the highlights of the new bylaw revisions are and clarifying the main points again as the vote nears. **President Hill**, **Verne Underwood**, and **GM Carter** agreed to create this blog post.

### Committee Reports: Finance, Owner Engagement, Bylaw Revision, Nominating

- Finance:** **Chair Roger Noyes** noted that while things continue to change rapidly it's especially important to regularly look at the bottom line.
- Owner Engagement:** **Co-chairs Fran Batzer** and **Sarah Calhoun** confirmed that the annual meeting will be held virtually; they are working with **GM Carter** and staff to create a video production for the meeting. Another virtual Q+A session will be held prior to the annual meeting; **GM Carter** agreed to schedule this. **Sarah** noted that

although planned activities for the year have been cancelled due to COVID-19 the committee still plans to hold them when it becomes possible.

- **Bylaw Revision:** *Chair Verne Underwood* had nothing more to report.

**Board Training Webinars**

- *Verne Underwood and Patty Calhoun* are currently participating in the four-week finance webinar series.

**Board Training Webinar Recap – Policy Governance Deep Dive**

- *Sarah Calhoun* recently received the replay and will report next month.

**Board Stipend**

- Ad hoc committee members *Roger Noyes* and *Patty Calhoun* presented their proposal, which generated a great deal of discussion and raised multiple questions. Topics included equity; values, goals, and responsibilities of the **BOD**; and, current and future financial impacts. *President Hill* asked directors to give consideration to their decision. All agreed and will email Patty by August 28, 2020.

**Board Budget 2021**

- A vote on this budget was tabled until the September meeting.

**Café Redesign**

- *Fran Batzer* has the building permit and construction bids are out now. After discussion and questions, in the interest of time *President Hill* asked *Fran* to email clarifications to the board so that an email vote to approve the Café architectural redesign and budget may be voted on by the **BOD** before the September meeting.

**NEW BUSINES**

**Assign Newsletter Task**

- *President Hill* agreed to write an article for the last newsletter of the year.

**Board Retreat Ideas**

- *President Hill* asked directors to email their ideas to her as soon as possible.

**Architectural Design Budget**

- As a preliminary step in *MFC's* potential expansion process, *GM Carter* presented her request for approval of an architectural design budget of up \$10,000. After discussion, *Roger Noyes* moved to approve the Architectural Design Budget, not to exceed \$10,000; *Verne Underwood* seconded the motion, which passed.

**Board Candidate Barry Robino**

- After Barry left the meeting, *Verne Underwood* moved to appoint Barry Robino to fill the open *MFC BOD* created by Debi Boen's resignation; *Fran Batzer* seconded the motion, which passed.

**Board Candidate Matt Dorris**

- After discussion, *President Hill* and *GM Carter* will meet with Matt and present the **BOD** with an email vote to approve the slate of candidates.

**ADJOURNMENT**

At 8:31 p.m., *Patty Casebolt* moved to adjourn the meeting; *Sarah Calhoun* seconded the motion, which passed.

The next regular *MFC BOD* meeting is scheduled for Monday, September 21, 2020, 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*

<b>MOTION SYNOPSIS</b>			
<b>MOTION</b>	<b>1<sup>st</sup></b>	<b>2<sup>nd</sup></b>	<b>PASS/FAIL</b>
Approve 07/20/2020 regular minutes as submitted	Fran Batzer	Verne Underwood	Pass
Change Policy C5 to match recently updated MFC BOD Code of Conduct language	Verne Underwood	Patty Casebolt	Pass
Approve Architectural Design Budget	Roger Noyes	Verne Underwood	Pass
Approve Board Candidate Barry Robino	Verne Underwood	Fran Batzer	Pass

Adjourn	Patty Casebolt	Sarah Calhoun	Pass
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<b>ACTION LIST</b>		
TARGET DATE	ACTION	RESPONSIBLE PARTY
<b>ONGOING</b>		
Within 1 week after Board Meeting	Write minutes; update reports and documents as needed. Email minutes, reports, 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
Days prior to Board Meeting	Email final agenda, additional documents, and Zoom meeting invitation link to Directors.	Kathy
Prior to Board Meeting	Conduct Committee meetings	Committees
<b>NEW/CURRENT</b>		
ASAP	Email clarifying information to BOD re The Café architectural design and budget; conduct approval vote via email	Fran / BOD
ASAP	Create blog post summarizing highlights of bylaw revisions	Kellie, Verne, Anne
ASAP	Send retreat focus/subject ideas to Kellie	Board
Mid-August	Have annual meeting ballots prepared	Owner Engagement Committee
August/September	Schedule owner engagement events prior to annual meeting to introduce BOD candidates; include dates in weekly MFC email	Owner Engagement Committee
09/1/2020	Schedule virtual Q+A session prior to annual meeting	Anne
09/21/2020	Attend Columinate webinars	Verne, Patty, Sarah
09/21/2020	Report ad hoc Stipend committee findings	Roger / Patty
<b>10/4/2020</b>	<b>Annual Meeting</b>	<b>All</b>
Post-BOD Election	Acquaint new BOD members with policy B9 and staff involved	Anne / Kellie
<b>10/31/2020</b>	<b>Board Retreat</b>	<b>Board / Anne</b>