

MINUTES

Medford Food Co-op Board of Directors Meeting

Monday, July 19, 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 July 19, 2021 Medford Food Co-op Board of Directors (MFC BOD) meeting was called to order at 5:30 p.m.

Previous Meeting Minutes

- Minutes of the May 17, 2021 MFC BOD regular meeting were submitted. **Peggy Leviton** moved to accept the minutes as submitted; **Matt Dorris** seconded the motion, which passed unanimously.
- Minutes of the May 17, 2021 MFC BOD Executive Session were submitted. **Roger Noyes** moved to accept the Executive Session minutes as submitted; **Peggy Leviton** seconded the motion, which passed unanimously.
- Minutes of the June 21, 2021 MFC BOD regular meeting were submitted. **Fran Batzer** moved to accept the minutes as submitted; **Roger Noyes** seconded the motion, which passed unanimously.
- Minutes of the June 21, 2021 MFC BOD Executive Session were submitted. **Sarah Calhoun** moved to accept the Executive Session minutes as submitted; **Fran Batzer** seconded the motion, which passed unanimously.

Owner's Forum

There were no additional owners present.

GM MONTHLY REPORT

Relevant Financial Information

- June sales were \$502K, a 4.3% decrease over last June and 99.6% of budget.
- COGS = \$296K, 91% of budget.
- Operating Expense = \$161K, 102% of budget.
- Net operating income = \$45K, 214% of budget.
- Days cash on hand as of 6/30/2021 = 67.9.
- June On-line Shopping = \$3,913, 30 transactions, \$130 basket size.

Ownership Level Issues

- In June, MFC added 21 new owners and had 14 owner share redemptions. (An owner with 11 shares moved away.)
- Café Update – June sales = \$41K, 107% of budget, 8% of sales.

COVID Update

- In accordance with the most recent state guidelines, as of 6/30/2021 MFC is no longer enforcing face coverings for shoppers or staff members.

Public Events Affecting Perception of Co-op in Community

- Rogue Food Unites has purchased \$27,040 worth of gift cards in the past 8 weeks. They are giving them to people who were displaced by the fires and are still living in temporary housing.
- Anniversary Promotions: All month: \$2 off Café sandwiches and 10% off owner coupon. Week of 8/8-8/14: 10% off local products.
- Anniversary Week Schedule:
 - Sunday, August 8th** 1:00pm – 4:00pm: Open House in the Café with the Board of Directors
 - Cake, lemonade, Café samples, anniversary wines
 - Monday, August 9th** 1:00pm – 5:00pm: Oshala Farm Pop-Up in front of store
 - Tuesday, August 10th** 11:00am – 1:00pm and 4:00pm – 6:00pm: Board Tabling with Prize Wheel
 - Wednesday, August 11th** TBD: Runnymede Farm Pop-Up in front of store

Thursday, August 12th 11:00am – 1:00pm and 4:00pm – 6:00pm: Board Tabling with Prize Wheel
Carol active sampling bulk product from Hummingbird

Friday, August 13th 1:00pm – 5:00pm: Quady North sampling our anniversary wines

Saturday, August 14th 10:00am – 2:00pm: SoHumane (August’s Positive Change recipient) Adoption Event

Sunday, August 15th 6-8pm: Staff & Board Celebration; Location – Hanley Farm; Catering – Truffle Pig Craft Kitchen. (Store closes at 5pm so all staff can attend.)

Significant Operational Change and Policy Compliance Updates

- Quote received from Falcon Development for security cameras not including electrical was \$7,500. A second opinion is currently being sought.

GM MONITORING REPORT

Policy A – Global Ends. *GM Carter* explained that rather than determining compliance, her report summarizes the Co-op’s progress in accomplishing the Board’s Ends policy. All submitted reports included detailed interpretation, operational definitions, and supporting data.

Matt Dorris moved to accept the GM’s Policy A-Global Ends report as presented; *Peggy Leviton* seconded the motion, which passed unanimously.

Policy B9 – Emergency GM Succession. *GM Carter* was unable to report compliance with this policy because the managers designated as Board liaisons did not attend a board meeting in the past year. She shared several ideas about how to involve CORE staff in ways that would engage their ideas and distribute responsibilities among them.

Matt Dorris moved to accept the GM’s Policy B9 report, acknowledging noncompliance with expected achievement of compliance by July, 2022. *Dan Smith* seconded the motion, which passed unanimously. A severity level of Low was assigned.

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			
C4	8/24/21			
C5	8/24/21			
B3	9/20/21			
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** reported on the July meeting, which reviewed quarterly financials. Sales have normalized (vs. pandemic anomalies). He reported that they looked at the numbers while keeping in mind expansion and timing.
- **Owner Engagement: Co-Chair Sarah Calhoun** thanked directors who have volunteered to table during the 10th Anniversary celebration week. The committee will meet to discuss a possible program for the staff/board celebration event.

Board Retreat

President Hill invited Directors to begin thinking about what topics would be valuable to focus on as a Board.

Board Training Webinars

President Hill encouraged all to attend any Columinate webinars of interest. (Please see the Governance Calendar for an updated list of dates and topics.)

Board Packet Distribution Check-in

Kathy asked Directors for feedback. Directors had no questions and reported liking the ease of accessing current and past Board documents all in one place.

NEW BUSINESS

Board Term Procedures

President Hill noted that in the event of an elected Director leaving the Board before their term has ended, a newly appointed Director would serve the remainder of that vacated term. This will ensure maintenance of the three-year staggered term rotation as described in the revised bylaws.

NCG Participation Report

GM Carter highlighted aspects of this report, which shows how MFC is performing compared to other co-ops of similar size. MFC had a strong year; it remains historically lower in gross margin but this is beginning to improve.

CPA Review

GM Carter noted that this review fulfills the directive for a third-party review of financials. It also concluded that there is no need for modification in MFC's financial reports. No audit is scheduled although one may be required prior to selling of preferred shares.

ADJOURNMENT

At 6:37 p.m., the Board moved into Executive Session.

The next regular MFC BOD meeting is scheduled for Tuesday, August 24, 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 5/17/2021 regular minutes as submitted	Peggy Leviton	Matt Dorris	Pass
Approve 5/17/2021 ES minutes as submitted	Roger Noyes	Peggy Leviton	Pass
Approve 6/21/2021 regular minutes as submitted	Fran Batzer	Roger Noyes	Pass
Approve 6/21/2021 ES minutes as submitted	Sarah Calhoun	Fran Batzer	Pass
Accept GM Policy A-Global report	Matt Dorris	Peggy Leviton	Pass
Accept GM Policy B9 report acknowledging non-compliance	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	Inform Sarah of availability to table during Anniversary events	Barry, Roger
ASAP	Email Sarah or Anne RSVP to staff/board BBQ 8/15/2021, 6-8 pm	BOD
7/23/2021	Continue planning BOD's part in 10 th Anniversary kick-off event	Fran, Sarah, Dan, Anne
NOTE: ** August BOD Meeting Date Change **	** Moved to Tuesday, August 24, 2021, 5:30 p.m. **	All
8/24/2021	Update BOD on security camera system	Anne
8/24/2021	Report on attorney's AOI amendment process	Anne
8/24/2021	Determine need for audit prior to sale of preferred shares	Anne
August	Have attorney review Personnel Policies	Anne
FYI: UPCOMING COLUMINATE TRAININGS		
August 4, 11, 18, 25	Financial Training for Directors	BOD
Sept. 1, 8, 15, 22, 29	Explorations in Governance	BOD
Sept. 18	Virtual CBL 101	BOD
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