

## MINUTES

### Medford Food Co-op Board of Directors Meeting

**Tuesday, August 24, 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 August 24, 2021 Medford Food Co-op Board of Directors (MFC BOD) meeting was called to order at 5:34 p.m.

#### Previous Meeting Minutes

- Minutes of the July 19, 2021 MFC BOD regular meeting were submitted. ***Fran Batzer*** moved to accept the minutes as submitted; ***Matt Dorris*** seconded the motion, which passed unanimously.
- Minutes of the July 19, 2021 MFC BOD Executive Session were submitted. ***Peggy Leviton*** moved to accept the Executive Session minutes as submitted; ***Patty Casebolt*** seconded the motion, which passed unanimously.

#### Owner's Forum

There were no additional owners present.

#### GM MONTHLY REPORT

##### Relevant Financial Information

- July sales were \$520K, a 0.4% decrease over last July and 109% of budget.
- COGS = \$344K, 106% of budget.
- Operating Expense = \$161K, 103% of budget.
- Net operating income = \$15K, \$17K over budget.
- Days cash on hand as of 7/31/2021 = 69.
- July On-line Shopping = \$2,886, 30 transactions, \$144 basket size.

##### Ownership Level Issues

- In July, MFC added 12 new owners and had 11 owner share redemptions. (An owner with 10 shares moved away.)
- Café Update – July sales = \$42K, 111% of budget, 8% of sales.
- Amendment to the Articles of Incorporation were filed with the state.
- Update on 2020 Patronage Dividend Process – Staff have determined process for adding dividend to owner accounts at the register. Options for owners will be to redeem dividend as store credit, issue as a gift card, or donate to the Co-op Community Fund. Plans are for the dividend to be activated and information sent to owners on 9/10/2021.

##### COVID Update

- As of 8/13/21, everyone over the age of 5 is required to wear a face covering in the store and Cafe. Indoor dining is open, so face coverings are not required while eating or drinking while seated in the Cafe dining area.
- On 8/14/21 we learned that a staff member had tested positive for COVID-19. All staff members were notified; those who worked in close contact were asked to quarantine per OHA and CDC guidelines. This resulted in the need to temporarily shorten store hours to 8am to 7pm. This update was shared with owners via email and on social media.
- Shortened store hours will be extended until mid-September and will be reassessed at that time. This decision was based on OHSU's COVID forecast that expects this 5th wave to be much more severe than previous forecasts and to peak by mid-September. Directors expressed concern about the impacts of future staff COVID cases on store personnel and finances.

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

- Anniversary Promotions: All month, \$2 off Cafe sandwiches and 10% off owner coupon. Week of 8/8-8/14, 10% off local products.
- Anniversary Week Update: promotions went well. The 10% off local products lifted those sales about 10%. The outdoor pop-up sales were popular and vendors did well. News media coverage early in the week helped spread the word. Customers enjoyed the Board's prize wheel.
- Enforcing masks again was difficult at first. However, most customers have quickly adapted and have expressed appreciation for our policy.

### Significant Operational Change and Policy Compliance Updates

- No updates on the security cameras.
- Admin staff Halle and Sandra will begin working remotely on some days during this period of high COVID infection rates.
- **GM Carter** is researching the Co-op's eligibility for tax credits for paid leave under the American Rescue Plan Act of 2021. This would allow MFC to pay wages for staff who were required to quarantine recently.

## **GM MONITORING REPORT**

**GM Policy B1: Financial Condition & Activities.** **GM Carter** reported non-compliance with sub-policy #1: Adequate sales growth. All submitted reports included detailed interpretation, operational definitions, and supporting data.

**GM Carter** reported that the decline in sales growth (-1.2%) in Q2, was expected again when compared to last year's unusually high Q2 sales. She expects to see these low sales growth comparisons continue through 2021. All other financial metrics are performing per budget, some slightly better than expected. Increasing ownership levels will be addressed by a fall owner drive.

**Barry Robino** moved to accept the GM's Policy B1 report, acknowledging that it is out of compliance: **Matt Dorris** 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.

<b>2021-2022 MFC BOD GOVERNANCE POLICY REVIEW SCHEDULE</b>				
<b>POLICY</b>	<b>1<sup>ST</sup> REVIEW</b>	<b>NOTES</b>	<b>2<sup>ND</sup> REVIEW</b>	<b>NOTES</b>
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	OK as-is		
C4	8/24/21	OK as-is		
C5	8/24/21	OK as-is		
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:** See 'Board Budget for 2022' under New Business below.
- **Owner Engagement:** **Co-Chair Sarah Calhoun** reported that the anniversary celebration went well in terms of owner engagement and noted owners' excitement about expansion. After a brief discussion about the October owner drive, the committee agreed to meet in September to consider ways they could help with that event.

### Board Retreat

**President Hill** will be meeting with Todd from Columinate on October 1 to see what type of meeting feels safest and best. They are beginning to develop an agenda; ideas so far include equity/DEI work, self-care and chaos, and realigning with MFC owner's values. Directors are encouraged to submit other agenda topic suggestions.

### Board Training Webinars

**President Hill** pointed out the upcoming Columinate webinars. **Peggy Leviton** highly recommended the Financial workshop series she's participating in now.

## NEW BUSINESS

### Assign Newsletter Task

**Dan Smith** volunteered to assist **President Hill** with writing the quarterly article from the Board.

### Board Budget for 2022

**Treasurer Roger Noyes** noted slight increases for board training over 2021. Discussion followed regarding the Member Outreach line-item and it's seeming incongruence in the Board budget. **GM Carter** explained it's historical inclusion as a part of Governance. The Board agreed to leave this line item but move some proposed expenses to the store budget's marketing and promotion category. The Owner Engagement committee will consider what expenses they would like included for Member Outreach in the 2022 Board Budget.

### Anniversary Celebration Recap

**GM Carter** described that things went well, with successful sales and promotions. (See GM Report above for more information.) The Humane Society's Adopt-a-Pet event didn't happen but they are interested in rescheduling.

## ADJOURNMENT

At 6:49 p.m., the Board moved into Executive Session.

The next regular MFC BOD meeting is scheduled for Monday, September 20, 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 <sup>st</sup>	2 <sup>nd</sup>	PASS/FAIL
Approve 7/19/2021 regular minutes as submitted	Fran Batzer	Matt Dorris	Pass
Approve 7/19/2021 ES minutes as submitted	Peggy Leviton	Patty Casebolt	Pass
Accept GM BI report acknowledging lack of compliance in adequate sales growth	Barry Robino	Matt Dorris	Pass

## ACTION / ONGOING PROJECT LIST

TARGET DATE	ACTION	RESPONSIBLE PARTY
<b>ONGOING</b>		
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
<b>NEW / CURRENT</b>		
9/15/2021	Write newsletter article	Kellie, Dan
9/20/2021	Update BOD on security camera system	Anne
Sept. 2021	Schedule Sept. Owner Engagement Committee meeting	Sarah
Sept. 2021	Consider potential Member Outreach expenses for 2022 Board budget	Owner Engmt. Committee
9/20/2021	Determine need for audit prior to sale of preferred shares	Anne
August/Sept	Have attorney review Personnel Policies	Anne
<b>FYI: UPCOMING COLUMINATE TRAININGS</b>		
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
Nov. 4, 11, 18, Dec. 2	Financial Training for Directors	BOD
Nov. 13	Virtual CBL 101	BOD