



Board of Directors Meeting MINUTES

Monday January 16, 2023

Windermere Real Estate Training Office, 1117 E Jackson St, Medford, OR

Present

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

Staff: General Manager Anne Carter, Administrative Assistant Kathy Damas, Outreach Manager Halle Riddlebarger

Absent: Fran Batzer

1. Call to Order / Introductions

The January 16, 2023 Medford Food Co-op Board of Directors (MFC BOD) meeting was called to order at 5:32 p.m.

2. Owner's Forum

There were no additional owners present.

3. + 4. Previous Meeting Minutes

- Minutes of the December 19, 2022 MFC BOD regular meeting were submitted. **Peggy Leviton** moved to approve the minutes as submitted; **Roger Noyes** seconded the motion, which passed unanimously.
- Minutes of the December 19, 2022 MFC BOD executive session meeting were submitted. **Roger Noyes** moved to approve the minutes as submitted; **Matt Dorris** seconded the motion, which passed unanimously.

5. GM Monthly Report

Relevant Financial Information

- December sales were \$480K, a 5% decrease over last December and 99.2% of budget.
- Cafe Update: December sales = \$33.2K 96.5% of budget, 6.9% of sales.
- COGS = \$340K, 108.6% of budget.
- Operating Expense = \$138K, 82.7% of budget.
- Net operating income = \$1.6K, 47% of budget due to lower margins.
- Days cash on hand as of 12/31/22 = 79.3
- December On-line Shopping = \$3,226.05, 22 transactions, \$146.64 basket size. These numbers are based on a best estimate, because the manual card reader was used for gift cards purchased over the phone and for several hours one day when the credit card terminals were down.

Ownership Level Issues

- New Owners in December = 14.
- Owner share redemptions in December = 1.
- Only \$4,000 left in outstanding patronage payable.

Public Events affecting Perception of Co-op in Community

- December Promotions - here are some results from our holiday promotions.
 - \$100 gift cards for \$90 - sold \$56,600 in gift cards eligible for the deal. 6% increase over last year.
 - Bulk Flash Sale, Dec 1-4, 10% bulk products - significant boost in bulk sales during the 4 days. Compared to last year, this one cost less & had greater impact on sales.
 - Winter Good Food Festival, 12/16-17 - 10% off local products resulted in 50% increase (\$2014) in sales of those products. Promo cost \$611.90.
 - Save \$5 on pre-ordered house-made pies. Sold 15 pies.
 - Field Day BOGO Promotion was very successful.

- Jan 13-15 The Brine, Brew & Barrel Fermentation Festival (<https://www.oregonfermentationfest.com/>). MFC is sponsoring with fresh organic produce to be featured in demonstrations on Saturday. To coincide with the event, we're offering 10% off fermented products from local vendors featured at the Vendor Expo.

Significant Operational Change and Policy Compliance Updates

- Nothing new to report.

10. Expansion FAQs Committee

President Hill invited the Board to ask Halle Riddlebarger questions about the Expansion FAQs. This ad hoc committee is updating and adding talking points to an internal document originally created in 2018.

6. GM Monitoring Reports

All submitted reports included detailed interpretation, operational definitions, and supporting data. Accompanying documents included Operational Indicator data graphs, 4th Quarter 2022 Profit & Loss, and Balance Sheet.

GM Policy B1: Financial Condition (4Q22). **GM Carter** was not able to report compliance with sub-policy #1 – adequate sales growth; #2 - EBITDAP lower than 4%.

In-depth discussion included where margins improved or fell behind, challenges with keeping up with price changes, and anticipated inflation trends. It was noted that next quarter (Q1 2023) will be reflective of the new budget so that compliance will be more achievable.

Directors wished to note their deep concern about the financials persistently not meeting margin goals for the past several months.

***Roger Noyes** moved that the **MFC BOD** acknowledges receipt of the GM's B1 quarterly financial report and reasserts the importance of meeting financial goals ASAP, especially margin. **Matt Dorris** seconded the motion which passed unanimously.*

OLD/RECURRING BUSINESS

7. 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 meeting.

2023 MFC BOD GOVERNANCE POLICY REVIEW SCHEDULE						
POLICY	1 ST REVIEW	NOTES		POLICY	1 ST REVIEW	NOTES
B5	January	Approved changes		A Global	July	
C8	January	Requested rewrite and 2 nd review		B9	July	
C8	February			C3	August	
D4	February			C4	August	
B6	March			C5	August	
D Global	March			B1	September	
D1	March			B3	September	
D2	April			B2	October	
D3	April			C7	October	
C Global	May			B7	November	
C1	May			C6	November	
C2	May			B Global	December	
B4	June			B8	December	

8. Committee Reports

- **Finance:** **Treasurer Roger Noyes** had no additional information to report.
- **Owner Engagement:** **Committee Co-Chair Sarah Calhoun** noted that they are trying to connect with Master Gardeners about tabling at their annual open house event. It's not being held this year; the committee will check in with them again next year. **GM Carter** reported that May 7 has been chosen by staff for the annual meeting and Directors agreed this date also works for them.
- **Nominating:** **Kellie Hill** will send Directors the summary form describing Board service and the application, along with a link to the recruitment blog post.
- **Ad Hoc DEI:** **Sarah Calhoun** said they are working to schedule a DEI consultant for the Board's retreat.

9. Co-op Expansion Examples from Retreat

Tabled until next month.

NEW BUSINESS

11. Board Self-Monitoring Survey: C-Policies

Secretary Calhoun described the survey and what it entails. The purpose is to assess how well the Board is completing its duties as outlined in their Governance Policies. Directors were asked to complete this survey by the next Board meeting on February 20, 2023. At that time they will receive the survey of the D-Policies to complete by March 20, 2023.

12. Nominating/Elections Discussion – Slate of Candidates

President Hill noted that there are three 3-year terms and one 2-year term available, which if all were filled would create a full Board. She will run for re-election as will **Matt Dorris**. She asked for recruitment efforts by all. It was the regretful consensus of the Board that **President Hill** will ask **Fran Batzer** not to run in this election due to her conflict of interest during our expansion process.

Columinate Webinars

President Hill suggested that Directors consider take CBL 101 if they haven't yet. She also noted a 3-part series on Policy Governance and urged them to look into attending.

EXECUTIVE SESSION

13. Expansion Update

The Board entered Executive Session at 8:12 p.m., and returned to the regular meeting at 8:45 p.m.

14. Next BOD Meeting

The next regular MFC BOD meeting is scheduled for Monday, February 20, 2023, at 5:30 p.m., at the Windermere Real Estate training center, 1117 E Jackson St, Medford, OR. Owners are welcomed and encouraged to attend. Please see below for this meeting's Motion Synopsis and Action List.

15. ADJOURNMENT

At 8:45 p.m., **Patty Casebolt** moved to adjourn; **Matt Dorris** seconded the motion, which passed unanimously.

Respectfully Submitted,

Kathy Damas

Administrative Assistant

MOTION SYNOPSIS			
MOTION	1st	2nd	PASS/FAIL
Approve 12/19/2022 regular minutes	Peggy Leviton	Roger Noyes	Pass
Approve 12/19/2022 Executive Session minutes	Roger Noyes	Matt Dorris	Pass
Acknowledge receipt of GM BI report, with concerns	Roger Noyes	Matt Dorris	Pass
Approve Policy B5 changes	Peggy Leviton	Matt Dorris	Pass
Adjourn	Patty Casebolt	Matt Dorris	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 Directors the shared drive access link to the complete Board packet	Kathy
As needed	Update Gov Policies accepted by BOD; replace in Manual	Kathy
Prior to Board Meeting	Conduct Committee meetings (regular and ad hoc)	Committees
Ongoing	Attend Columinate webinars	BOD
Ongoing	Boost MFC on social media: Follow, like, comment, share	All
NEW / CURRENT		
As needed	DEI and Expansion FAQ ad hoc Committee meetings	Sarah / Dan Kellie / Sarah
ASAP	Send Directors Board recruitment description & application	Kellie
2/20/2023	Contact/learn more from recently expanded co-ops	Matt / Fran
2/20/2023	Update Personnel Policies; Have attorney review	Anne / Kathy
2/20/2023	Complete survey of C-Policies	BOD

COLUMINATE TRAININGS	
Partial listing; See Board calendar or Columinate website for more.	
1/21/2023	Virtual CBL 101
1/26/2023	Trends in Board Compensation
1/31/2023	Navigating Conflict on the Board (2-parts)
2/13/2023	Explorations in Governance (3-parts)
3/6/2023	Finance Training for Directors