

## Medford Food Co-op Board of Directors

**May 19, 2014**

**Present:** Pres. Jim Sims, Vice Pres. BJ Buxton, Secretary Debi Boen, Treasurer Justin Botillier, Fran Batzer, Kellie Hill, Ben Truwe

**Absent:**

**Staff Present:** GM Anne Carter

### REPORTS

The May Medford Food Co-op Board of Directors (**MFC BOD**) meeting was called to order at 6:00 p.m.

Minutes of the April 21, 2014 **MFC BOD** meeting were submitted. **Kellie Hill** moved to approve the minutes as amended; **Justin Botillier** seconded the motion, which passed unanimously.

**General Manager Anne Carter** provided a **MFC** financial overview, providing the April 30, 2014 balance sheet, year-to-date (January-April) budget vs. actuals and profit & loss comparison reports, and a quarterly (January-March) profit & loss report. April sales show a 10.6% increase over April, 2013, which is 1.5% above budget. Expenses were at \$89K, or 99% of budget. The week ending 05-10-14 was the highest week of sales to date, with sales of \$79K.

The President's Report included discussion of our vision for the future, and touched on the points of loan repayment and store expansion and/or purchase. **Pres. Sims** and **GM Carter** will write, design, and produce an investor presentation as a vehicle to share the vision.

There was no Owner's Forum this meeting.

**GM Carter** submitted and presented her written report, with updates in the areas of finance, ownership, marketing, outreach, and operations. National Cooperative Grocers Association (**NCGA**) Development Advisor Paula Gilbertson has submitted a preliminary report regarding her April 1-2 visit and assessment of **MFC**, and is working with **GM Carter** to refine and complete her recommendations. **GM Carter** reported on the **NCGA** spring meeting, and also reported that **MFC's NCGA JLF** contribution was recently reduced to 8%. **JLF** (Joint Liability Fund) is an **NCGA** fund to which every member co-op pays in a certain percent of their monthly **UNFI** (United Natural Foods, Inc.) invoices. This fund is maintained because the **NCGA** purchasing contract with **UNFI** requires **NCGA** to cover unpaid invoices if a member co-op defaults or goes bankrupt. **MFC's** contribution was reduced from 50% to 8%; we will be refunded \$18,900.00. **NCGA** will also be contributing toward the cost of a new street sign, as **MFC** continues to work with the **NCGA** store branding staff. Recent outreach activities included Earth Day events in April, participating in Rogue Co-ops, and sampling at the store on Sat., May 10. Significant operational changes include new "enter" and "exit" signs at the store, as well as some staffing changes.

### OLD BUSINESS

**GM Carter** discussed a tentative annual meeting agenda, which includes time for music, food, voting, photo ops, and speakers.

The Board and **GM Carter** continued to discuss the ways in which a corps of **MFC** volunteers might be recruited and utilized.

Presentation and discussion of a Board budget was tabled until June, as was the topic of pre-Policy Governance policies and resolutions.

## NEW BUSINESS

The May GM Monitoring Report concerned Policy B1, Financial Condition. **GM Carter** reported non-compliance with the following sections of this policy:

- Solvency as measured by debt and equity ratio
- Independent review of financial records

**Carter's** written report details interpretation, operational definitions, and supporting data for 10 "sub-policies" of the Financial Condition policy. She noted that MFC will remain in non compliance of sub-policy #4 (debt-to-equity ratio) until the majority of loans are repaid. As for sub-policy #10, regarding an independent review or audit of **MFC's** financial systems, further research is required by both **Carter** and Board members to determine what is required by Generally Accepted Accounting Principles (GAAP), estimated costs, and budgeting.

## ACTION LIST

<u>Target Date</u>	<u>Item</u>	<u>Director</u>
06-08-14	Annual meeting/Election	All
06-16-14	Coordinate with GM to prepare BOD Budget	Justin
06-16-14	E-mail pre-PG policies, resolutions, and recommendations to Board members to study before June vote	Debi

## ADJOURNMENT

**Fran Batzer** moved to adjourn the meeting at 7:59 p.m.; **Kellie Hill** seconded the motion, which passed unanimously. The next regular **MFC BOD** meeting is scheduled for Mon., June 16, at 6:00 p.m. at the law offices of **Pres. Jim Sims** (225 W. Main, Medford). Members-owners, staff, and the public are welcomed and encouraged to attend; snacks available. The Finance Committee will meet before the June 16 full Board meeting.

Respectfully Submitted,

*Debi Boen*

Debi Boen  
Secretary