

Present: Pres. Jim Sims, Vice Pres. Kellie Hill, Sec. Debi Boen, Fran Batzer, Patty Casebolt

Staff Present: GM Anne Carter

AMENDED

REPORTS

The January Medford Food Co-op Board of Directors (**MFC BOD**) meeting was called to order at 6:00 p.m. on 01-18-16.

Minutes of the 12-29-15 **MFC BOD** meeting were submitted; **Kellie Hill** moved to accept the minutes as submitted. **Patty Casebolt** seconded the motion, which passed unanimously.

Financial reports submitted included Profit & Loss (Oct.-Dec., 2015), the January-December 2015 Budget vs. Actuals, and the December 31, 2015 Balance Sheet. December sales were at \$369K, 102.5% of budget (and a 9.6% increase over December, 2014). Expenses were at \$104K, or 99% of budget. Net operating income for December was \$22k, 182% of budget. The Finance Committee recommended passing of the 2016 budget submitted at the December meeting, conditional upon **GM Carter** making some final changes to the “Pro Forma” section. The changes having been made, **Kellie Hill** moved that the 2016 budget be passed; **Fran Batzer** seconded the motion, which passed unanimously.

GM Carter submitted and presented her written report, with updates in the areas of finance, ownership, public events and significant operational and staff changes. **MFC** added 19 new owners in December, and there were no share redemptions. **Carter** consulted with Michelle O'Connor on Dec. 18 re the deli expansion plan. She reviewed the plan that Rod Manning of Curtis Equipment created and gave us her recommendation for the categories of food that could be produced in this space. We discussed a few minor changes. Rod will update the plan and then submit it to Batzer Construction. **Carter** and **Marketing Manager Halle Riddlebarger** have been attending monthly Rogue Valley Food Network meetings. **GM Carter** will be serving on the council and **Halle** will be serving on the outreach committee as of 1/4/16. A group of students from an **SOU** Business class has accepted our proposal for a customer satisfaction survey. **MFC** began making its own soup to sell on Jan. 4.

President Jim Sims reports that **Treasurer Clint Driver** has resigned from the **MFC BOD**, effective immediately, due to conflicts with his previously existing commitments and schedule.

GM MONITORING REPORT

The December GM Monitoring Reports concerned Policy B, Global Executive Constraint, and Policy B8, Board Logistical Support. **GM Carter** submitted reports detailing interpretation, operational definitions, and supporting data. **GM Carter** reported non-compliance with both policies. Regarding Policy B: Out of compliance because updates on several monitoring reports is not complete. On 12-19-15, the board approved plans to bring B4, B5, B6 and B8 into compliance. Regarding Policy B8: Out of compliance because meeting packets were not always sent to Directors one week in advance of scheduled board meetings; while there was a significant improvement over last year’s delivery, there remains room for improvement. Directors agreed to assign “Low” severity indicators to both non-compliant policies.

OLD BUSINESS

After discussion of Bylaw 2.7, Directors were advised to study the entire “membership” section of the Bylaws before the February meeting. The assignment is to locate the best insertion point for language that defines “active membership”, “patronage”, and “membership dividends”. This year’s annual meeting is scheduled for May 22, and any Bylaw change that membership will be required to vote upon must be submitted to membership 45 days in advance of that meeting (April 8).

There is no joint **AFC/MFC** meeting in January, as previously anticipated.

A review of Policy D4, regarding General Manager Evaluation:

In compliance with Policy D4 (Monitoring GM Performance), the Board will conduct an annual review of the General Manager, based on a summary of monitoring reports from the previous 12 months. As the conversion to Policy Governance Monitoring Reports began in March, 2014, the fiscal year for GM evaluations shall be from March to February.

1. The GM shall be evaluated by the Board of Directors annually.
2. GM evaluations shall be based upon monitoring reports from the previous 12 months.
3. To facilitate this evaluation, the Board Secretary shall create and maintain a monitoring report database.
4. This database shall be e-mailed to Directors immediately after each monthly meeting. A final 12-month database shall be e-mailed to Directors after the Board has received the 12th monitoring report (February).
5. The Management Evaluation Committee will create an evaluation recommendation based upon the monitoring report database, which shall include
 - A general overview of GM monitoring reports
 - Specific concerns and/or accolades
 - Proposed changes for the following year
6. Concurrently, the GM shall prepare an annual report (self-evaluation).
7. The Management Evaluation Committee will present this recommendation to the full Board in Executive Session at the March meeting. Directors will discuss and agree upon a final evaluation; the Management Evaluation Committee will alter its recommended report to include additional Board input.
8. The Management Evaluation Committee will prepare its final recommendation and present in a meeting with the GM prior to the April meeting. At this meeting, the GM will also present his or her prepared annual report (self-evaluation).
9. Both the final Board evaluation report and the GM self-evaluation report shall be placed and maintained into the GM's personnel file.

NEW BUSINESS

GM Carter distributed to Directors an article taken from “**Patronage Dividends for Food Co-ops; A Primer on Distributing Earnings and Building Member Capital**”. She also e-mailed the full primer to each Director.

ADJOURNMENT

Kellie Hill moved to adjourn the meeting at 7:40 p.m.; **Patty Casebolt** seconded the motion, which passed unanimously. The next regular **MFC BOD** meeting is scheduled for Mon., Feb. 15, 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 Feb. 15 full Board meeting. Please see below for an Action List and a Motion Synopsis.

Respectfully Submitted,

Debi Boen

Debi Boen

ACTION LIST		
TARGET DATE	ACTION	RESPONSIBLE PARTY
ASAP	write & distribute minutes; begin Feb. agenda; update tracking spreadsheets; update MFC binder; update register	Debi
ASAP; report 02-15-16	Consider Bylaw change re non participating members	All
02-15-16	Scheduled monitoring report B1 (Financial Condition); A (Global Ends)	Anne

MOTION LIST 01-18-16			
MOTION	1st	2nd	PASS/FAIL
Approve 12-19-15 minutes as submitted	Kellie Hill	Patty Casebolt	Pass
Approve 2016 Budget	Kellie Hill	Fran Batzer	Pass
Adjourn	Kellie Hill	Patty Casebolt	Pass