

## SRFC BOARD OF DIRECTORS MEETING

November 29, 2016

### MINUTES

Board Meeting Commenced @ 6:13

Present: Meg, Deb, Andy, John, Larry, Tom, Jeremy, Jen, James (guest - member)

Absent: Abigail (with notice), Briana (with notice), Steve

#### **Preliminaries**

Ends: read by Andy

Ground Rules / Guest Rules: read by Andy

Guidelines for Guests: read by Meg

#### **October Minutes**

Meg motioned to accept the minutes as submitted, seconded by Larry. The draft minutes for Executive Session referenced a subsequent email vote on the audit results and patronage proposal, which was not discussed while the meeting was in session; accordingly, the motion was revised to accept the minutes with a revision: striking that paragraph. The board accepted the minutes with that amendment. All in favor, Andy abstained due to absence from the October meeting (absent Abigail, Briana, Steve).

The board did electronically approve a motion to accept the audit results and patronage proposal, in between the October and November meetings; this will be certified in writing. The board reviewed guidelines for email voting.

#### **GM REPORTING**

##### **A. FYI Report**

- There were 8 new members for the month of October.
- The new shelving will be arriving this week. We will not know the total cost until it is delivered and the shipment fees are determined.
- Jeremy and NCG development advisor Peg Nolan ended their formal engagement, per Peg's recommendation based on the level at which he is now working. She will still be available to talk with Jeremy if necessary. The next level of support from NCG is a paid consultant from the Development Cooperative (DC), but Jeremy doesn't have immediate plans to engage them.
- The eastern corridor produce specialist will be visiting to discuss fixture planning and merchandising for the produce department; schedule TBD.
- Monthly margins are okay, the ratios look good with a slight drop in Current Ratio due to audit expenses and adjustments, and there is decent movement considering seasonality and prior year trends.

##### **B. GM Monitoring Report: B1 - Financial Condition**

John motioned to accept as submitted, seconded by Larry. As in multiple prior B1s, Jeremy reported partial compliance due to non-compliance with sales growth and net income benchmarks. However, it should be noted that this is the first time when all financial ratios (liquidity and solvency) are above the new NCG benchmarks, an important milestone. Larry raised the question of whether the report should be accepted as non-compliant, or not accepted. We revisited the Monitoring Report decision tree tool, and suggested having an enlarged table copy for meetings (bike rack). The motion was revised to accept with an acknowledgement of non-compliance. No additional information is needed, as the benchmarks do not reflect current market conditions or trends in the majority of the food co-op sector, and business planning is underway to correct as best as possible. All in favor, none abstained (absent Abigail, Briana, Steve).

## **BOARD ADMIN & PLANNING**

### **A. Fall Meeting Recap/Evaluation**

Member feedback about the Annual Meeting was entirely positive. The All Saints church was a great location for the annual meeting. Suggestions to increase turnout at next year's meeting included hosting a full dinner, as opposed to advertising light dare only; combining the business meeting with vendor sampling; serving beer samples; and having a speaker.

The upcoming Farm Bill was a topic of interest among some members at the Annual Meeting, and could be an interesting topic for a newsletter article.

One member wanted to introduce a "Member Bill of Rights" as New Business during the meeting, however, as Quorum was not present, a motion could not be raised. The Board will review and discuss this proposal in early 2017, seek member input, and consider next steps (bike rack).

### **B. Patronage Refund Process**

Discussed logistics and reviewed the CDS Primer.

### **C. Committee Reports**

- Board Perpetuation Committee: There will be a meeting on December 5, and Jeremy, Meg, John, Deb, and former board members Thane and Julie will be attending.
- Branding: none
- Garden: none

### **D. Upcoming Dates:**

12.5 - Board Perpetuation Committee Meeting

TBD - Branding Committee Meeting

12.13 - Board Packet Due

12.16 - Board Election Closes

12.17 - Count Ballots

- Tom and Larry agreed to do this along with Jeremy. Meg will ask Abigail to join and will share out the procedure. Time to be set via email.

12.19 - Monthly CBLD Call - Contact John if you'd like to participate!

12.20 - Monthly Board Meeting

- We will certify the election results at this meeting with a 1/1 effective date, and elect officers at January meeting.
- Discussed timeline for appointments and orientation - TBD by Perpetuation committee.

## **BOARD EDUCATION & OUTREACH**

### **A. Yearly Reflection**

Board members filled out, as a group, and discussed a co-op board self-assessment tool from the CDS library. The second half of the review will be completed at the December board meeting. John suggested creating a Board monitoring committee (bike rack).

## **BOARD MONITORING**

### **A. Board Monitoring Report: D8 - Cost of Governance.**

Submitted by Tom. Andy motioned to accept, seconded by Larry. Meg asked whether training is currently being implemented effectively, and the group noted that our emphasis on improved training for the upcoming year demonstrated progress under this policy. John abstained due to being out of the room during discussion; all other directors in favor (absent Abigail, Briana, Steve).

## **EXECUTIVE SESSION**

The board approved a calendar-year-end management bonus in accordance with the compensation agreement. Moved by Deb, second by John. All in favor, none abstained (absent Abigail, Briana, Steve).

Adjourned at 8:15 pm.