

Breadroot Natural Foods Coop

Board of Directors monthly business meeting minutes

Meeting held: Nov 16, 2020 from 5-6:30 pm

Location: Zoom meeting (recording was taken)

Meeting began at 5:03pm

Attendees: Lindsey Hays, Pamela Bonar, Garland McQueen, Karen Psiaki, Jessica Ries, Elliott Warshaw, Dowell Caselli-Smith, Curt Westburg, Dreely Tabor, Anu Shende, Kim Tilsen-Braveheart

- I. Approve agenda **Motion to approve agenda as posted in board packet: Curt; 2nd: Dowell; Vote taken. Approve: All; Oppose/Abstain: None.**

- II. Approve previous meeting minutes (October 2020)
Motion to approve Oct minutes as posted in board packet: Jessica; 2nd:Dowell; Vote taken: Approve: All; Oppose/Abstain: None

- III. Introductions and ground rules for this meeting: **introductions were made.**

- IV. Coop member time (10 min)
Coop members speaking: No members in attendance

- V. New business
 - a. New business will be discussed under GM report and committee reports

- VI. GM policy compliance report: policies B, B1 – Financial Condition (15 min)
There was discussion regarding these policies. Motion to find the current interim GM as meeting expectations based on a reasonable interpretation of these policies B and B1: Curt; 2nd: Pam. Discussion: Jessica asked for clarification on Policy B; Lindsey clarified. Garland further clarified. Vote taken. Approve: All; Opposed/Abstain: None

- VII. Interim GM – Garland McQueen
 - GM monthly report: **Garland gave report.**
 - Aging summary: **Garland says we have one of the best he has ever seen.**
 - Garland brought up possibility of offering prepared grab and go lunch items at the coop. Garland has identified a vendor that is accessible through NCG. Board members brought up that Kim (board member) owns a local catering business that might be able to meet the**

coop's needs. Kim emphasizes the need to consider and disclose conflicts of interest. In the interest in exploring the use of local vendors over those only available through NCG, Garland will explore opportunities with Kim. Kim explained that providing lunches to various businesses in town is already part of her business model.

Thoughts about future location vs second store: Garland explained why he has brought this up. Garland prefers a bigger location with expansion into more options. A second location would create more expense in regard to payroll. This might be a 2-3 year goal. Ongoing discussion.

VIII. Committee reports

GM search committee report (Curt – 5 min): Curt gave a report for the search committee. The committee received 35 resumes and interviewed 8 candidates. Narrowed to 5 candidates and then came to the current candidate, Allan Burkhard. Three staff members took part in the second interviews. All are in agreement with the current selection.

Executive committee report (Lindsey – 3 min): Lindsey briefed us on the meeting.

Finance committee report (Dreely – 5 min): Lindsey briefed us on the year to date numbers. We lost money in September which included severance for those who left the coop, lawyer fees and interim GM expense. Sales went up in September. Dreely explained an account that they found that Jeff had opened up. GM's should not open an account without the board's knowledge. There was no wrongdoing with the account. Dowell discussed "patronage" and why coops have them. Lindsey will put it on the agenda for next month.

Nomination & recruitment committee report (Karen – 5 min): Karen will follow up with Curt Voight, forgoing new appointments before the spring election. There are 6 member slots open this spring.

IX. Board Calendar & education

- a. Review GM's contract – good timing! Need to re-create this – see below.

Discuss progress with goal of improved member engagement: Lindsey discussed improving member engagement. We need a good system in which to communicate with members. Karen reviewed that the vehicle in which to do this is through the GM. Garland recommended having a message from the board in a newsletter. Garland can help us with this.

- b. Review board performance

Policy D2: GM accountability: Lindsey described this policy. Important for us to review. In regard to the board's performance over the past year, Lindsey said that we have not been in compliance and should review ourselves monthly. Dowell made a motion that we are in compliance with Item #3. Item #2 is problematic. Curt said we have been doing our job, we are performing our duties in regard to the GM successfully. He said that it has been difficult to hold board members accountable for things not done in good faith. Karen feels we are in compliance except for item #2. Dowell makes a motion that we are in compliance with policy

D2, however we are not in compliance with second part of D2, as we have concerns with how to hold the GM accountable. 2nd: Curt; Vote in favor: Lindsey, Pamela, Karen, Jessica, Dowell, Curt, Dreely, Anu, and Kim; Opposed/Abstain: Elliott opposed. Motion carries.

Key finance indicator for review: inventory turnover: How many days for inventory to turn over. Garland explained this. Garland said we are pretty solid in this area.

X. Old business (moved to end of meeting due to need for executive session)

Retreat to work on board job descriptions, expectations, and committee charters: Jan 23 or 30th 2021? Discussion: Dowell suggested January 30. Retreat will probably be on zoom. Curt will send out a calendar invite on freedcamp.

a. Hiring new GM

Introduce candidate Allan Burkhard (resume in packet) who will likely be on the call (10 min): Alan will not be joining the meeting.

[Executive session] Discuss details of contract to be offered to the candidate for GM that is selected by the search committee if approved by BOD. Motion to go into executive session by Curt. Jessica 2nd. All in favor. Oppose/abstain: None. Motion to come out of executive session: Pam. Elliott seconds. Oppose/abstain: None. Elliott makes a motion to make an offer to the candidate. Anu seconds. Discussion: Thank you to the committee. Kim said Curt did an amazing job, as well as the other members.

Vote in favor: All Oppose or Abstain: None. Motion carries.

Curt said that Garland had a sample contract that he will post on freedcamp for board to review.

Motion to adjourn: Curt motioned to adjourn; Pam 2nd. All vote to approve. Oppose/Abstain: None. Motion carries.

Adjourn at 6:49pm

Finance Report 11.09.20

Summary for November meeting minutes for publication

Sales Results: YTD sales as of 10/31 39.0%

Gross Margin as a % of Sales: YTD 37.09%

Customer shares: YTD of \$18,400. Average of \$738 per week as of 10/31

Net Profit

2019: -1.34%

YTD: +5.85% \$130,915

New Incentive Program: Will be effective for 1st Qtr of 2121 for all staff.

---End of November meeting minutes---