

**DRAFT - UKIAH NATURAL FOODS
(A.K.A THE HOMESTEAD EXCHANGE)
MINUTES OF THE BOARD OF DIRECTORS**

The regular meeting of the Ukiah Natural Foods Board of Directors was convened on Monday, May 15, 2023, at 5:32 PM at Ukiah Natural Foods.

BOARD DIRECTORS PRESENT: Leo Buc (President), Gideon Burdick (Vice President), Tim Dolan (Treasurer), Angie McChesney (Secretary), Stephen Groff, Thomas Chandler, and Larry Mayfield

GUESTS: Steve Turner (Member-Owner), Mary Anne Landis (Member-Owner), Christine Rodrigues (Member-Owner)

STAFF PRESENT: Lori Rosenberg (General Manager)

President Buc called the meeting to order at 5:32 P.M.

1. Introductions and Check-Ins:

2. Brief Announcements; Confirm Agenda:

Board Member Mayfield **MOVED to approve the agenda with corrections as presented.**
Seconded by Board Member Burdick. **MOTION PASSED.**

Yes: Board Members;
Buc, Dolan, Mayfield, Burdick, McChesney, Chandler, and Groff

3. Consent Agenda:

Board Member Mayfield **MOVED to approve the consent agenda as presented.** Seconded by Secretary McChesney. **MOTION PASSED.**

Yes: Board Members;
Buc, Dolan, Mayfield, Burdick, McChesney, Chandler, and Groff

4. By-Law AdHoc Update:

GM Rosenberg stated that she is waiting for an update from the Attorney, we are expecting answers to the first round of questions and then a draft of suggested revisions to the by-laws.

5. Board Consulting Contract:

President Buc stated that we will be ending our contract with Leap Solutions and would like to request the board's approval to enter in to another contract with Leap Solutions. There is no specific proposal right now but wanting to talk to consultant Scott Ormerod.

This will be moved to the GMEC for further review.

Board Member Mayfield **MOVED to approve the consulting contract to be moved to GMEC for pricing and further conversations.** Seconded by Board Member Groff. **MOTION PASSED.**

Yes: Board Members;
Buc, Dolan, Mayfield, Burdick, McChesney, Chandler, and Groff

6. Pending Board Applications:

President Buc stated that we have two that are present that have submitted applications. We have one additional application from a previous employee. There are four total applications and we only have two slots open at this time.

The floor was open for prospective board members who were present to ask questions.

Member-Owner Rodriguez inquired since there are more applications than seats can the board extend seats? President Buc stated that we are not able to open up more seats and that there are more ways to participate. Members can join committees and then next year there will be elections and members can also apply then.

Member-Owner Landis inquired about the time commitment for being on the board? Board Member Mayfield stated that the time commitment could be about four hours a month and maybe a little more for reading materials.

Member-Owner Rodriguez inquired as to when materials are sent out? President Buc stated Thursday/Friday before the Board Meeting.

Member-Owner Turner inquired on how detailed the financials are? Broken down by the Departments? Treasurer Dolan stated that sales are broken down by department along with graphing and previous years. We have requested the cost of sales and costs by departments. There's a lot of data, along with quarterly.

President Buc stated that one of the board applications is not able to move forward due to being a sibling to a current board member and this is in our bylaws that is not allowed. However, this member-owner can be on a committee if they so choose to be.

7. Investment Recommendation:

Treasurer Dolan stated that we did receive a document from Accounting Manager Wright. The issue is that we have money that is invested in low-bearing accounts and the finance committee suggested that GM Rosenberg and Accounting Manager Wright open an account with Vanguard.

Board Member Mayfield **MOVED to approve GM Lori Rosenberg and Accounting Manager Anne Wright to open an FDIC CDs investment account with Vanguard.** Seconded by Board Member Chandler. **MOTION PASSED.**

Yes: Board Members;
Buc, Dolan, Mayfield, Burdick, McChesney, Chandler, and Groff

8. GM Report:

GM Rosenberg stated that they hired a Deli Manager and will start in June. We are working on new plans to drive sales and rolling those out, we will be using the dining room more and are looking at using it for the first Friday Art Walk.

GM Rosenberg stated that one of the credit card machines has been skimmed and we have been working with Law Enforcement. A notice was sent out to member-owners alerting them about this incident who were possibly affected on register 2 where the skimming device was discovered and that they used a credit card for their payment. We advised that they should review their credit card statements and if any false charges to reach out to their financial institution.

9. Committee Reports:

Board Member Mayfield stated that for BDC, he was unable to send out an article and it was in NPR Archives on April 19th, the article is very interesting.

Treasure Dolan stated that the Finance Committee had a discussion on financial metrics. The committee requested additional information from the company administrators relate to monthly financial performance as follows: Income statements to include cost of sales data and gross margin by department as an addition to sales data and unadjusted monthly balance sheets which are understood not to include adjustments made on a quarterly basis resulting from physical inventory counts. Labor cost information by the department with associated taxes would be helpful in adding to the committee's understanding of each department's contribution to the operating expenses of the company. The committee understands that, while this information does not resolve the issues related to net operating losses, it helps to clarify our thinking and focus on potential issues related to continuing operations in the store.

Board Member Burdick stated that ORC had a lengthy meeting and had identified needs within marketing.

10. Little Questions:

Board Member Burdick inquired as to what is the natural disaster that has prevented Malted Milk Balls? The distributor had a really bad flood and lost everything.

GM Rosenberg stated that the NCG board accepted four new Coops to the organization.

July will be an in-person board of director meeting at the Coop.

11. Topics for Next Month:

- Board Strategic Priorities (July)
- By-Law AdHoc Update
- Board Applications
- Consulting Contact
- Finance Materials

12. Closing and Evaluation:

President Buc adjourned the meeting at 6:56 P.M.

The next Meeting is on **June 19th, 2023**

Submitted by Erica Ramirez, Board Administrator