

**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, March 15, 2021, at 5:30 PM via Teleconference through Zoom.

**BOARD DIRECTORS PRESENT:** MaryLou Leonard (President), Steve Oliveria (Vice President), Leo Buc (Treasurer), Angie McChesney (Secretary), Larry Mayfield, Krista Robinson, Beth Salomone, John Bailey, and Lorena Calvo Evans

**BOARD DIRECTORS ABSENT:** None

**STAFF PRESENT:** Lori Rosenberg (General Manager), Anne Wright (Accounting Manager), Libee Uhuru (Produce Manager)

**GUESTS:** Margaret McClure (Member-Owner)

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

**1. Introductions and Check-Ins:**

Margaret McClure a Member-Owner joined the meeting and inquired about the letter that she had written to the board. She feels that the Coop has lost certain communication tools and that there's not a welcoming presence on the website for feedback. President Leonard will send the Board her letter and it will be discussed more at the next meeting due to the time.

**2. Brief Announcements; Confirm Agenda:**

Board Member Salomone **MOVED to approve the agenda.** Seconded by Board Member Mayfield. **MOTION PASSED.**

Yes: Board Members;  
Oliveria, Mayfield, Robinson, Buc, Bailey, Leonard, Calvo Evans, McChesney, and Salomone

Absent: Board Members;  
None

**3. Finance Comm. - Member Application of Tim Dolan:**

Treasurer Buc stated that the Finance Committee has recommended Tim Dolan to serve as a member/owner member on the Finance Committee. There were no objections by the rest of the board.

#### **4. Board Education:**

Board Member Salomone gave the board an introduction of Libee Uhuru, Produce Manager. Libee worked through the talking points that the BDC gave her. Libee gave the board an overview of her background, she reviewed her department and how she does certain things within her job like finding buyers, what happens to unpurchased items, department strengths & weakness, and so forth. Board members asked different questions on what Libee had reported. President Leonard thanked Libee for her presentation and the informative information.

#### **5. Remodel Report:**

GM Rosenberg stated that we did not pass our final inspection. There is a list of small things that need to be completed to pass the inspection. Those items will be completed and we will call for a new final inspection to be scheduled.

#### **6. Patronage Dividends:**

Board President Leonard stated that Accounting Manager Wright sent out detailed and thorough information on patronage dividends.

Accounting Manager Wright stated that we had to post our PPP Loan as income. The State of California has decided that all PPP loans are taxable and they want the tax in 2020. This raises our bottom line way up and shows earnings before income tax of basically \$1M. Most of the profit was PPP funds and that we didn't make very much from sales in 2020. Board Member Bailey inquired if we would be forgiven on the PPP loan. Accounting Manager Wright stated that it would be a slim chance that it won't be forgiven, however, other Co-ops have already received their forgiveness. We were told that we should be notified by May 2021. If we are not forgiven, then we will have to pay it back and repayment would start this November.

In 2021 we are predicting a flat year as expenses to sales. It is not unusual to pay dividends from cash reserves, this is another reason why Lori and I are recommending keeping it at a 40% cash dividend and 60% retained. We still have a healthy cash reserve. If we do the 40% this would be more than what we have done over the last two years. Treasurer Buc discussed a bill that was being put in front of congress about the PPP loan. There was a discussion on this bill and what that looks like for the Co-op and what that process would look like. There was also a discussion on what the split would look like. The staff is recommending a 40% cash distribution. Board Member Bailey inquired as to why the Finance Committee didn't have a recommendation. Board President Leonard stated that staff at the meeting had different ideas before this report and they came together on the split. There was a long discussion on what the split would be and what the board should give to giving the members in addition to an explanation to the members as to the amount of the split.

Board Member Salomone **MOVED to accept the staff recommendation of 40% cash dividend and 60% retained.** Seconded by Vice President Oliveria. **MOTION PASSED.**

Yes: Board Members;  
Robinson, Calvo Evans, McChesney, Bailey, and Salomone

No: Board Members;  
Leonard, Buc, Mayfield, Oliveria

There was then a discussion on a 50%/50% split among the board.

#### **7. Annual Membership Meeting for April:**

The marketing department has been working on building this virtual piece for the meeting. The date is April 24th, this is the day when the virtual video will be happening. It will be sent out to members.

#### **8. Strategic Plan Revision:**

Treasurer Buc stated that we have updated the Plan to Plan Doc and everyone should have that. We have a sign-up sheet in the staff lounge for people to engage. Board Member McChesney stated that she has reached out to four facilitators and is just waiting for one more to set up a meeting.

#### **9. Farmer Loan Update:**

Board Member Bailey stated that Cinnabear farms have had a two-year-long loan relationship with us before and has been paid off. This new loan of \$2,500 has been approved. Mendo Grass has been put on hold, due to some of our concerns. The original amount was \$10k, however, we might approve for \$8k and once our concerns are addressed and his loan may change as to what he needs. The applicant will come back in April and provide an update.

#### **10. Committee Reports:**

Board Member Salomone stated that at the BDC meeting we talked about social media content from the board. It's encouraged that the board thinks about what we would like to put out into the world and if you have any ideas or something that you would like to go out, please send them to Board Member Salomone.

Board Member Robinson stated that concerning the Pandemic Relief Fund, they have different pots of the fund on where the money can go, we want it to go into the non-profit relief fund.

### **11. Consent Agenda:**

Board Member Mayfield **MOVED to approve the consent agenda.** Seconded by Vice President Oliveria. **MOTION PASSED.**

Yes: Board Members;  
Oliveria, Mayfield, Robinson, Buc, Bailey, Leonard, Calvo Evans, McChesney, and Salomone

Absent: Board Members;  
None

### **12. Little Questions:**

Board Member Salomone inquired about seeing Don's position posted and inquired if he is leaving and GM Rosenberg stated that yes, he will be leaving once we get someone in to take his position and he will participate in training the new person.

Board Member Bailey stated that on the GM's Report what does GUBTA mean? GM Rosenberg stated that it means Greater Ukiah Business and Tourism Alliance.

### **13. Topics for Next Month:**

- Board Education - Chris
- Strategic Planning – Treasurer Buc
- Farmer Loan Committee Update
- Margaret McClure Letter - ORC
- Annual Membership Meeting - GM Rosenberg
- Board Members Leaving (Robinson, McChesney, Calvo Evans)
- Operational Plan - GM Rosenberg
- Remodel Update – GM Rosenberg

### **14. Closing and Evaluation:**

President Leonard adjourned the meeting at 7:21 P.M.

Next Meeting **April 19<sup>th</sup>, 2021** via Zoom

Submitted by Erica Ramirez, Board Administrator