

**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 20, 2024, at 5:32 PM at Ukiah Natural Foods.

BOARD DIRECTORS PRESENT: Gideon Burdick (President), Tim Dolan (Treasurer), Steve Groff, Angie McChesney (Vice President), Steven Turner, Christine Rodrigues (Secretary), Larry Mayfield, Ky Mayers and Thomas Chandler

STAFF PRESENT: Lori Rosenberg (General Manager), Anne Wright (Accounting Manager)

GUESTS: William Deal, Western Region Director, Presanna Regmi, Co-Op Resource Manager

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

1. Introductions and Check-Ins:

2. Brief Announcements; Confirm Agenda:

Board Member Rodrigues **MOVED to approve the agenda.** Seconded by Board Member Turner. **MOTION PASSED.**

Yes: Board Members;
Burdick, McChesney, Rodrigues, Groff, Chandler, Dolan, Mayfield,
Mayers, and Turner

3. Consent Agenda:

President Burdick stated that one small correction to the last board meeting minutes, change Gideon Burdick from VP to President.

President Burdick **MOVED to approve the consent agenda with the minor change listed above.** Seconded by Board Member Mayfield. **MOTION PASSED.**

Yes: Board Members;
Burdick, McChesney, Rodrigues, Groff, Chandler, Dolan, Mayfield,
Mayers, and Turner

4. NCG Presentation:

NCG Western Region Director Deal and Co-Op Resource Manager Regmi both spoke about who is NCG and its purpose.

- NCG is a Co-op that UNF belongs to, a business that services Co-Op for food retail co-ops to help in compete with larger store chains.
- NCG researches trends and market forces so it can be shared data with member stores.
- KeHE, UNFI are companies that manufacture house brands.
- NCG also offers training on Co-Op U, marketing and branding templates, retail tools, and research (SPINS database, CoMetrics reporting)
- Advocacy for important issues, track sustainability outcomes, and community impact.
- Twice a year, convene GMs from all 137 co-ops for networking and education. Even department heads can reach out to NCG for support.
- Collect and monitor financial reports to collect data for everyone, and monitor for risk.
- Smaller peer groups of stores – there are 17 in the western corridor group with UNF.
- Each store's Designated Rep (i.e. the GM) is the primary contact, but sometimes they will reach out directly to boards.

NCG support for the GM transition:

- Columinate - we can work with Melanie Reed, roughly \$8K to navigate/manage the process (ask her about what's included in a la carte, full service, full service with recruiter).
- Recommends paying someone to manage the process, there are so many moving pieces that are hard to keep track of.
- Four months if managed; four to seven months if you do it yourself, based on what they've seen.
- GM salary will likely INCREASE to meet market rate.
- NCG can:
 - Share what's worked for others
 - Provide GM salary benchmarking for our area
 - Support the GM or IGM once they're in the role
 - Provide transitional documents (succession plan, onboarding documents)

NCG & what they've seen in GM transitions:

- 18 months to transition for a new GM outside of the co-op world (1 year if from the co-op world)
- There has been a big wave of retirements at many co-ops across the country. The West has some of the biggest stores in the nation.
- Allow 4 months for the search itself, plus their giving notice, plus any other complications
- There will be a big culture change, and staff, customers, and community often resist changes
- Some staff will resign

- The board MUST be unified, and cannot splinter. Unhappy staff will come to individual board members, but we need to speak with one voice.

Recommendations based on our board questions:

- No big changes for 120 days – for real!!
- Keep your staffing, purchases, org chart, all reporting in place
- Streamline General Manager and board reports – much less detail, but have the major measurements
- Avoid splitting, and don't allow individual board members to have side conversations with individual staff members (there should be a policy in the handbook – how to redirect to the GM and/or how to bring to full board)
- Avoid the “knight” syndrome, don't try to fix problems as a board member – listen, thank them, and follow up with the GM later but don't undercut their authority
- Take the time to check in with the GM frequently, because this might be the first time that they have had nine bosses, allow them some grace to get used to this model
- See the Columinate website to see what resources are available in their library for board members.
- Need to have a 3-5 year vision for the new GM – have a clear plan and metrics for how they will be successful
- New GM should have check-signing ability immediately – with controls in place (i.e. GM audits Finance Mgr spending, board members audit GM spending)
- Interview the whole family if they're new to Ukiah – make sure they get a real feel for what it's like to live here

GM past experiences:

- The new GM will never be immediately accepted or loved by all!
- Expect staff turnover – it is OK
- How do I make this work in a new town? Lots of check-ins, feedback (good and bad), really make sure that person is happy
- If relocation assistance can include a clawback provision
- The transition from corporate to co-op used to be more difficult, but with the right support it can be successful
- How long do unsuccessful GMs last before they leave? Those who leave early are often hired into no-win situations, problems they couldn't overcome
- The strength and unity of the board can often be the deciding factor in the new GM's success
- Check references!!!!

5. GM Report:

GM Rosenberg stated that the office remediation should be completed in a few days and that the new vendor would save us money. GM Rosenberg shared that there will be a new breakfast service rolling out end of June, and the store will be testing out a new organic bagel vendor. There are some open positions as people are moving out of the area. Daily sales have been decent and hopefully, it continues throughout the year. The HR manager is leaving at the end of January. The assistant will be promoted to take her place, and someone new will be hired to fill in the open assistant position.

6. Committee Reports:

Owner Relations - Board Member Groff reported that he and Steve Oliviera went to the College Scholarship Ceremony, but only one of the scholarship recipients was there. We can invite the students to come in the Fall semester to thank and meet us. We could also invite and introduce them at the annual member event.

Board Development - Board Secretary Rodrigues reported that new Board Member Mayers was onboarded on May 8, it was a great opportunity for the gathered board members to provide comments on the slide deck and put their spin on what the priorities are for the years.

Finance Committee - Treasurer Dolan gave an overview of the Finance Committee report and said that in general, the trends are good and improving. We now have the auditor's financial review of analytical data. Tim pointed out that the review is different from the audit of transactions, which occurs every other year (and will occur next in 2025.)

Overall in 2023, we exceeded our budget goals – kudos to everyone for really managing the heck out of the year!

GMEC - No update/Report given.

Strategic Planning - Board Secretary Rodrigues reported that the committee has put together a draft plan, to be presented at the June board meeting. This plan will likely need to be revised to include long-term vision/goals to guide the new GM for the next 3-5 years

Farmer Loan - No updates.

Executive Search - No update.

President Burdick **MOVED to approve the Finance Committee recommendation to accept the Q1 2024 financial statement, the completed financial statements for 2023, and the auditor's review report.** Seconded by Board Member Groff. **MOTION PASSED.**

Yes: Board Members;
Burdick, McChesney, Rodrigues, Groff, Chandler, Dolan, Mayfield,
Mayers, and Turner

7. Little Questions:

None

8. **Topics for Next Month:**

- Strategic Planning
- Executive Search

9. **Closing and Evaluation:**

President Burdick adjourned the meeting at 7:29 P.M.
The next Meeting is on **June 17, 2024**, via Zoom
Submitted by Erica Ramirez, Board Administrator