

**Minutes of the  
Marquette Food Co-op Board of Directors  
July 17, 2018 Meeting**

**Start time:** Meeting was called to order by president Phil Britton at 6:04 p.m.

**Roll call:** P. Britton, H. Bush, A. Cherrette, R. Kochis, M. Linck, C. Noordyk, C. Thompson.

**Absent:** C. Morgan, M. Augustyn

**Staff:** GM Matt Gougeon, Sarah Monte

**Public:** Evan Zimmerman, Kat Eaton

**II. Preliminaries:**

(a) Approval of Agenda & Additions:

*Motion:* To approve agenda without changes (*motion by C. Noordyk second C. Thompson*)

*Action:* *Motion passed unanimously.*

**III. Consent Agenda:**

(a) Approval of June Minutes without changes

(b) Electronic Communications

(c) L6 – Budgeting & Financial Planning (M. Gougeon)

*Motion:* To approve consent agenda without changes (*motion by C. Noordyk, second*

*C. Thompson*).

*Action:* *Motion passed unanimously.*

**IV. Public Comment Period:**

**V. GM Monitoring**

(a) Store Report (M. Gougeon): Sales and cash on hand are beating budget. Net profit is also ahead of budget. Productivity and net margin management are helping to meet expenses. Total personal costs are higher than budgeted. Management is considering a fall offering of preferred shares. New preferred shares would be offered to help offset other long-term debt. Current sales are above earlier projections. There are now 63 full-time and 17 part-time employees. The deli's gross margin is 62%.

**VI. Outreach Reports**

(a) Outreach Report (S. Monte): Outreach is moving forward with web-store and new website. Outreach met with MARESA for farm-to-table planning in public schools.

(b) UP Food Exchange Report (S. Monte):

**VII. Second Public Comment Period:**

**VIII. Board Monitoring & Discussion**

(a) Committee Reports:

(i) GM Evaluation (P. Britton, C. Thompson, M. Linck): Did not meet.

(ii) Finance Committee (R. Kochis, P. Britton, H. Bush, C. Thompson): New long term loan rate: 4.99% instead of 4.75%. Equipment loan matures in about 5 years and stays at 4.75%. (\$235,000 about). Sales per labor hour is about 24%, which is target. Includes wages and benefits. Currently we have 80 employees. 63 full time and 17 part time. There is some occasional overtime, mostly in prepared foods. Overtime is avoided as much as possible. Aging summary is currently \$201,429, which fluctuates and is good as very little is over 30 days. Deli is expensive to run, but has a gross margin of 62% and shows a profit. NCG 2017 review is coming soon. Preferred share dividends are being paid out of cash and not out of the line of credit. Right now there is about a healthy \$57,000 cash on hand.

(iii) Communications Committee (C. Morgan, C. Noordyk, M. Augustyn): Did not meet.

(iv) Elections & Nominations (M. Linck, H. Bush, R. Kochis):

1. Nomination Committee Begins Work. Presented an initial plan for recruitment of new board members by using a survey in an upcoming Fresh Feed.

(v) Board Education & Orientation (C. Morgan, M. Augustyn): Did not meet.

(b) Board Monitoring 1<sup>st</sup> Quarter:

(i) D – Global Governance-Management Connection

(ii) D1 – Unity of Control

(iii) D2 – Accountability of the General Manager

(iv) D3 – Delegation to the General Manager

(v) D4 – Monitoring General Manager Performance

(c) Board Work and Action Items:

## **IX. Third Public Comment:**

## **X. Closings**

(a) August Assignments:

i. Store Report (M. Gougeon)

ii. Outreach Reports (S. Monte)

iii. Review and Approve Committee Charters and Procedures

iv. Consent Agenda:

1. Approval of July Minutes

2. Electronic Communications

3. L5 – Financial Condition 2<sup>nd</sup> Quarter (M. Gougeon)

**XII. Motion to adjourn at 7:09 p.m.** (*motion by C. Noordyk, second H. Bush*).

*Action: Motion passed unanimously.*

**Next Board Meeting: August 21, 2018 at 6:00 p.m.**

Submitted by R. Kochis

Board Member