

**Minutes of the
Marquette Food Co-op Board of Directors
November 15, 2022 Meeting**

Start time: Meeting was called to order by president M. Augustyn at 6:00 p.m.

Roll call: M. Augustyn, E. Bateman, H. Bush, K. Cantway, R. Kochis, M. Linck, T. Rulseh.
Absent: Z. Eppensteiner (*excused*), K. Pierfelice (*excused*).
Staff: GM Matt Gougeon, Kat Eaton, Mary Moe, Sarah Monte.
Public: Paul Nardi.

II. Preliminaries:

(a) Approval of Agenda & Additions: Policy review from September, October, and November was moved to the Consent Agenda. It was noted that Policy review will be conducted quarterly.

III. Consent Agenda: Consent agenda was updated to reflect the above change with the addition of item (e) Board Monitoring.

- (a) Electronic Communications
- (b) Approval of October Meeting Minutes
- (c) Outreach Report (S. Monte)
- (d) UP Food Exchange Report (S. Monte)
- (e) Board Monitoring (Governance Committee)
 - i. G5 – Board Committee Principles
 - ii. D2 – Accountability of the General Manager
 - iii. L7 – Asset Protection
 - iv. L11 – Strategic Planning

Motion: To approve agenda and consent agenda with changes (motion by M. Linck, second R. Kochis).

Action: Motion passed unanimously.

IV. Public Comment Period: None.

V. 2021 Financial Review (Paul Nardi): Paul Nardi from Makela, Toutant, Hill, Nardi, and Katona, PC reviewed the 2021 Financial Report, which was provided to the board prior to the meeting. Nardi reviewed financial statements, balance sheets, income statements, statements of changes in shareholders equity, statements of cash flows, and notes to the financial statements. Nardi noted total sales showed an increase. Operating expenses also increased, which is attributable to wage increases. Nardi noted that cash flows from operating activities were positive. He also noted that all disclosures are in the footnotes and encouraged the board to reach out with any questions. Board discussed percentage of member and non-member sales. Nardi talked about the upcoming opinion audit for 2022. Discussion was held about the audit and best practices. The board thanked Nardi for his report.

Motion: To contract with Paul Nardi for the financial review and review of agreed upon procedures in lieu of doing a full audit (*motion by R. Kochis, second H. Bush*).

After further discussion the motion was retracted. Further discussion and consideration will be held in Finance Committee, which is tasked with weighing the intended benefit of an audit versus the anticipated cost. Further discussion will be held at the December meeting.

VI. Board Education: None.

VII. GM Monitoring:

(a) Store Report (M. Gougeon): Report was provided prior to the meeting. GM discussed sales, reported on conversations with staff following the staff survey, and updated the board about the status of the patronage dividend.

(b) L5–Financial Condition 3rd Quarter (M. Gougeon): GM discussed notes on financial statements that were provided in addition to the report.

Board received the report prior to the meeting and came prepared to act.

Operational definition/interpretation reasonable: Yes.

Adequate Data to determine compliance/accomplishment: Yes.

Does the data demonstrate compliance/accomplishment: Yes.

Report was accepted as in compliance.

(c) L9–GM Succession (M. Gougeon): Board received the report prior to the meeting and came prepared to act. It was noted that Bri Larson was added to the succession plan.

Operational definition/interpretation reasonable: Yes.

Adequate Data to determine compliance/accomplishment: Yes.

Does the data demonstrate compliance/accomplishment: Yes.

Report was accepted as in compliance.

VIII. Public Comment Period: None.

IX. Board Monitoring & Discussion:

(a) Committee Reports and Discussion:

i. GM Evaluation (M. Augustyn, M. Linck, K. Pierfelice): Met with GM and will be in contact with Michelle Halley to draft the contract.

- ii. Finance (R. Kochis, Z. Eppensteiner, K. Pierfelice, T. Rulseh): Committee met and discussed bakery operations. Committee reviewed key indicators chart. The committee also talked about open book management
- iii. Owner Linkage (K. Cantway, H. Bush, E. Bateman): Committee met and welcomed E. Bateman to the committee. Committee discussed plans for the upcoming owner meeting and owner engagement opportunities around the holidays. Committee also discussed the previous owner survey and noted that the survey may be conducted biannually instead of annually.
- iv. Elections & Orientation (R. Kochis, M. Linck, K. Cantway): Committee noted that H. Bush, K. Cantway, and Z. Eppensteiner are up for reelection and will need to complete their applications by the deadline.
- v. Governance (M. Augustyn, H. Bush, R. Kochis, K. Pierfelice): Committee met and discussed policies from the last three months. The DEI committee is also reviewing policies. Committee reviewed the Ends and will be meeting again in the next month. Discussion was held about the board retreat and what direction the board is interested in pursuing for facilitation.
- vi. Diversity, Equity, and Inclusion (H. Bush, Z. Eppensteiner, T. Rulseh, E. Bateman): Committee met and discussed policy review and work with the Governance committee.

X. Public Comment Period: None.

XI. Closings:

(a) December Assignments:

- i. Board Candidate Nomination Period Ends January 15
- ii. Sign Contract with GM
- iii. L6 – Budgeting and Financial Planning (M. Gougeon)
- iv. Store Report (M. Gougeon)
- v. Committee Reports and Discussion
 - 1. Board Monitoring (Governance Committee)
 - i. G6 – Governance Investment
 - ii. L5 – Financial Condition 3rd Quarter
 - iii. L9 – GM Succession
- vi. Consent Agenda:
 - 1. Electronic Communications
 - 2. Approval of November Minutes
 - 3. Outreach Report (S. Monte)
 - 4. UP Food Exchange Report (S. Monte)

XI. Motion to adjourn at 7:36 p.m. (*motion by H. Bush, second T. Rulseh*).

Action: Motion passed unanimously.

Next Board Meeting: December 20, 2022 at 6:00 p.m.

Emily Weddle
Board Recorder