

**Minutes of the
Marquette Food Co-op Board of Directors
October 15, 2024 Meeting**

Start time: Meeting was called to order by president M. Augustyn at 6:02 p.m.

Roll call: M. Augustyn, M. Danz, M. Dewar, N. Frischkorn, O. Kingery, R. Kochis, A. McGrath, T. Rulseh, E. Sally.

Absent: None.

Staff: GM Matt Gougeon

Public: None.

II. Preliminaries:

- (a) Approval of Agenda & Additions: Agenda was reviewed. Closed Session was added after closings. Outreach Report was postponed to next month.

III. Consent Agenda:

- (a) Electronic Communications
- (b) Approval of September Meeting Minutes
- (c) Outreach Report (S. Monte) Postponed.
- (d) UP Food Exchange Report (S. Monte)

Motion: To approve agenda and consent agenda with changes (motion by T. Rulseh, second A. McGrath).

Action: Motion passed unanimously.

IV. Public Comment Period: M. Augustyn shared about the Co-op Month apple pie contest. O. Kingery commented on the squash tasting at the Marquette Farmer's Market, noting the community's enthusiasm for winter squash. T. Rulseh shared about recent news report about the Keweenaw Co-op.

V. Board Education: Board requested a Board Education session on merchandising. GM commented that it is part of orientation for new staff and GM will coordinate with Jess to plan an education session. Discussion was held about merchandising. Board members discussed favorite products from the store. Board expressed interest in doing a "Board Picks" feature to indicate products that are particular favorites of individual board members.

VI. GM Monitoring:

- (a) Store Report (M. Gougeon): Written report was provided prior to the meeting. GM reported that in general things are going well. Revenue is up. GM reported that member accounts have been credited with funds from patronage dividends. GM discussed MFC involvement in helping the Keweenaw Co-op get set up for its opening tomorrow. GM reported that benefits enrollment is underway for MFC staff and noted that benefits costs decreased this year. GM attended NCG's Change Management Seminar and the NCG Fall Meeting. GM shared about the conference, updates and trends from other large co-ops, and challenges other

cooperatives are facing from competition from corporate grocers. Discussion was held about predatory business practices of other corporate retailers. Affordability of conventional products was discussed as well as trends among cooperatives to include recognizable conventional brands in their product mix. Discussion was held about conventionally grown produce from small cooperative farms available through NCG and how co-op grocers can support cooperative farms such as the Millstone Cooperative from Tennessee. The board expressed enthusiasm for supporting cooperative farms. Currently the MFC carries all USDA organic or local produce. GM turnover in cooperatives was discussed.

- (b) L7 – Asset Protection (M. Gougeon): Written report was provided prior to the meeting. GM provided supporting information about insurance coverages. L7.1 was discussed. Board inquired about measures taken by the MFC to reduce risk including safety protocols. GM will include this information in future L7 interpretation.

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 with the condition that future L7 reports will include interpretation that explains risk mitigation measures for L7.1.

- (c) L11 – Strategic Planning (M. Gougeon): The report was provided prior to the meeting along with supporting documents. Discussion was held about strategic planning and future work that will be undertaken in developing retail strategy that will inform work over the next few years. Discussion was held. Board inquired about prepared foods remodel. GM updated the board about work underway regarding refrigeration and carpentry and noted that he expects tear down and remodel to begin in January.

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.

VII. Board Monitoring & Discussion:

(a) Committee Reports and Discussion:

- i. GM Evaluation (M. Augustyn, M. Danz, M. Dewar, R. Kochis, T. Rulseh): GM evaluation process is underway.
- ii. Finance (R. Kochis, M. Danz, M. Dewar, T. Rulseh): Committee reviewed finances. Discussion was held about patronage rebate. Explanation of operational profit in the profit and loss statement was discussed. Board budget was discussed and committee provided a proposal for the 2025

budget. Committee reviewed last year's expenses and will be clarifying how expenses for the Columinate retreat facilitator for last year's board retreat were categorized. Committee charter was not changed. Committee also discussed hiring a consultant to discuss how MFC's accounts and assets could be used in the future.

1. Board Budget Finalized: Final budget proposal will be submitted in November.
- iii. Community Engagement (N. Frischkorn, M. Augustyn, O. Kingery, E. Sally): No report.
 1. Co-op Month
 - iv. Elections & Orientation (R. Kochis, O. Kingery, A. McGrath): Met with Sarah Monte to discuss election procedures.
 - v. Governance (M. Augustyn, N. Frischkorn, A. McGrath, T. Rulseh): Committee is working on the bylaws and is gathering information reviewing bylaws from other organizations. MFC attorney is reviewing the bylaws. Board is encouraged to share comments and suggest changes.
 1. Review Bylaws
 - vi. Diversity, Equity, and Inclusion (E. Sally, O. Kingery): Did not meet. Committee is reviewing ways to consider how the MFC can accommodate needs of diverse groups.
 1. Review Bylaws

(b) Approve Committee Charters and Procedures: Moved to November.

(c) Set Retreat Date: January 11 was proposed.

VIII. Public Comment Period: Board inquired about customer data collected by the MFC. GM reported that the information collected is aggregate data about shopping behavior and customer demographics. MFC did not renew software license.

IX. Closings:

(a) November Assignments:

- i. L5 – Financial Condition 3rd Quarter (M. Gougeon)
- ii. L9 – GM Succession (M. Gougeon)
- iii. Store Report (M. Gougeon)
- iv. Committee Reports and Discussion
 1. Approve Committee Charters and Procedures (All Committees)
 2. Election and Orientation Committee Report (Due 11/10/24)
 3. Board Budget Finalized (Finance)
 4. Set Retreat Date
- v. Consent Agenda
 1. Electronic Communications
 2. Approval of October Minutes

3. Outreach Report (S. Monte)
4. UP Food Exchange Report (S. Monte)

- X. ***Motion to enter Closed Session at 7:57 p.m. (motion by T. Rulseh, second O. Kingery).***
Action: Motion passed unanimously.

Board discussed GM performance evaluation.

- XI. ***Motion to adjourn at 8:49 p.m. (motion by T. Rulseh, second R. Kochis).***
Action: Motion passed unanimously.

Next Board Meeting: November 19, 2024 at 6:00 p.m.

Emily Weddle
Board Recorder