

**Minutes of the
Marquette Food Co-op Board of Directors
November 19, 2024 Meeting**

Start time: Meeting was called to order by president M. Augustyn at 6:01 p.m.

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

Absent: None.

Staff: GM Matt Gougeon, Bri Larson, Sarah Monte, Kim Sheridan, Jess Zerbel, Evan Zimmermann.

Public: Alfred Dixon from Anders, Hooper, Pavlik PLC (*virtual*)

II. Preliminaries:

- (a) Approval of Agenda & Additions: Agenda was reviewed.

III. Consent Agenda:

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

Motion: To approve agenda and consent agenda without changes (motion by A. McGrath, second N. Frischkorn).

Action: Motion passed unanimously.

IV. Public Comment Period: None.

V. 2023 Financial Review (Anders, Hooper, Pavlik PLC): GM introduced Alfred Dixon from Anders, Hooper, Pavlik PLC who reviewed 2023 financial report. Dixon reviewed the report provided to the board and noted differences from prior years. The board inquired about miscellaneous income and expense category in the report. Dixon explained that the category refers to grant proceeds, other income, UPFE income, and cooking class income and other items that generate smaller income and expenses than general operations. It was also noted that adjustments have been made to more accurately reflect patronage dividends expected to be paid out. Dixon reviewed notes. The board thanked Dixon for reviewing the reports with them.

VI. Board Education: MFC Merchandising (Jess Zerbel): Jess Zerbel introduced herself and explained about her role at the MFC in the Merchandising department which covers center store procurement, product, placement, pricing, and promotions. The board expressed appreciation for Zerbel and her role at the MFC. Zerbel acknowledged the work of the entire merchandising team. It was noted that Zerbel will be moving next year.

VII. GM Monitoring:

- (a) Store Report (M. Gougeon): Written report was provided prior to the meeting. GM discussed that the store is preparing for the holiday season. GM reported on Co-

op Month promotions and noted that the discounts and promotions have helped increase the margin. Sales patterns were discussed. New member numbers reflect growth in membership. GM noted that the 5/2 plan has worked well for members for whom the \$150 membership payment was an obstacle. Prepared Foods was discussed. NCG recommendations have resulted in positive results. GM requested authorization of use of funds to proceed with making some of the bigger changes and equipment purchases that have come out of the recommendations from NCG. GM noted that these changes will allow the MFC to work with more local vendors, increase selection, and reduce loss in Meat, Seafood, Bakery, Hot Bar, and Deli departments. GM anticipates that this will help increase revenue. The board expressed enthusiasm for the proposed changes. It was noted that discussion was held during Finance Committee meeting and a motion was drafted.

Motion: To approve the release of funds from existing line of credit in an amount not to exceed \$200,000 for the purpose of refurbishing and redesigning the Prepared Foods and Meat and Seafood departments (motion by T. Rulseh, second E. Sally).

Action: Motion passed unanimously.

- (b) L5 – Financial Condition 3rd Quarter (M. Gougeon): Written report was provided prior to the meeting. Board inquired about put options paid out. GM explained reasoning for shares being paid out.

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): The report was provided prior to the meeting along with supporting documents. Discussion was held about changes to proposed successors.

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. Board Monitoring & Discussion:

- (a) Committee Reports and Discussion:

- i. GM Evaluation (M. Augustyn, M. Danz, M. Dewar, R. Kochis, T. Rulseh): Closed Session will be held at the end of the meeting.

- ii. Finance (R. Kochis, M. Danz, M. Dewar, T. Rulseh): Committee discussed personnel costs. Committee also discussed line of credit and drafted motion. Tax preparation is expected to be conducted earlier in the year next year. New contract for credit card fees has yielded increased savings.
 - 1. Board Budget Finalized:

Motion: To approve the board budget presented by the Finance Committee (motion by R. Kochis, second T. Rulseh)
Action: Motion passed unanimously.

- iii. Community Engagement (N. Frischkorn, M. Augustyn, O. Kingery, E. Sally): Discussion was held about Earth Day cleanup. Cleanup is tentatively scheduled for April 26, 2025. Committee will explore collaborating with League of Women Voters who reached out to the MFC to inquire about working together on the event.

Bylaws change regarding the date for the Annual Meeting was discussed.

Motion: To make an exception to the Bylaws with regard to the Annual Meeting date to hold the Annual Meeting on April 4, 2025 (motion by T. Rulseh, second N. Frischkorn).
Action: Motion passed unanimously.

- iv. Elections & Orientation (R. Kochis, O. Kingery, A. McGrath): Discussion was held about wording of application questions. Committee reported that four applications have been received. Board discussed inclusiveness of application process and marketing of elections and whether photos of applicants should be posted with candidate applications. Further discussion will be held at a future date.
 - 1. Election & Orientation Committee Report Due 11/10 for December publication: Discussion was held about content of article for newsletter. M. Augustyn volunteered to write the article.
- v. Governance (M. Augustyn, N. Frischkorn, A. McGrath, T. Rulseh): Bylaws committee met and identified areas that need to be revised. Attorney Michelle Halley is currently reviewing the bylaws. Committee will meet again on December 5. N. Frischkorn encouraged board members to review the document online and make proposed changes for discussion at the next meeting.
 - 1. Bylaws Committee Report due in January for February publication: Discussion was held about announcement for the newsletter to inform membership about proposed changes which will be voted on at the Annual Meeting of Owners.

vi. Diversity, Equity, and Inclusion (E. Sally, O. Kingery): Local DEI facilitator reached out to the board and committee followed up. Charter is updated. E. Sally shared positive feedback from a community member.

(b) Approve Committee Charters and Procedures: Committees can upload charters directly or send to Board Recorder to upload.

(c) Set Retreat Date: Retreat is scheduled for January 11.

IX. Public Comment Period: None.

X. Closings:

(a) December Assignments:

- i. L6 – Budgeting and Financial Planning (M. Gougeon)
- ii. Store Report (M. Gougeon)
- iii. Committee Reports and Discussion
 1. Sign Contract with GM (GM Evaluation)
 2. Bylaws Changes
 3. Retreat Planning
- iv. 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 enter Closed Session at 8:01 p.m. (motion by N. Frischkorn, second R. Kochis).*

Action: Motion passed unanimously.

Discussion was held about GM job performance and employment contract.

Motion to return to open session at 8:34 p.m. (motion by T. Rulseh, second N. Frischkorn).

Action: Motion passed unanimously.

XI. *Motion to adjourn at 8:35 p.m. (motion by T. Rulseh, second N. Frischkorn).*

Action: Motion passed unanimously.

Next Board Meeting: December 17, 2024 at 6:00 p.m.

Emily Weddle
Board Recorder
(virtual)