



**Board of Directors Meeting**  
**Date: February 10, 2020**  
**Time: 6pm**

<b>Time</b>	<b>Topic</b>	<b>Information/ Action</b>	<b>Presenter</b>
6:00pm	<b>Preliminaries</b> Introductions Agenda Review Review tasks from January meeting Review and accept Jan. meeting Minutes Announcements	Share/ Listen Review Review Review/Decide Share/ Listen	Delfina Delfina Stacie All Delfina / BOD
6:10pm	<b>Open Comment</b>	Listen	Delfina
6:15pm	<b>Committee Business</b> Committee Reports <ul style="list-style-type: none"> <li>• Nominating Committee</li> <li>• GM Search Committee</li> <li>• Election Committee</li> </ul>	Information Information Information	Steve/Zina Steve Joe
6:30pm	Committee Appointment <ul style="list-style-type: none"> <li>• Policy Committee</li> <li>• Election Committee</li> </ul>	Action Action	Delfina Delfina
6:35pm	Election Timeline	Information/ Action	Joe
6:45pm	<b>General Manager Reports</b> B1 – Financial Conditions	Information/Action	Delfina
6:55pm	B3 – Assets Protection	Information/Action	Delfina
7:05pm	Global Ends	Information/Action	Delfina
7:35pm	<b>Board Self-Monitoring</b> Policy C3 – Agenda Planning Policy C4 – Board Meetings	Information Information	Delfina Delfina
7:45pm	<b>Closings</b> Review Board Calendar Review Tasks & Assignments	Review Review/ Add/ Edit	All Admin



# Board of Directors Meeting Unapproved Minutes

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Date: January 13, 2020

Convened: 6:00pm Adjourned: 8:07pm

Directors Present: Delfina Vargas, Charles Fitzpatrick, Kim Glazzard, Steven Maviglio, Barbara Mendenhall, Glenn Carnahan, Zina Kotko

Director(s) Absent:

Staff Present: Tyler Burch (IGM), Keely Aubert (Store Director), Nick Adams (IT Director), Jennifer Cliff (Marketing Director), Angela Borowski (Finance Controller)

Members and Guests Present: Sign in Sheet located in Board Admin Binder

Notetaker: Stacie Larkin Meeting Chair: Delfina Vargas

## **PRELIMINARIES**

Introductions took place.

## **Agenda Review**

Add a motion to appoint a delegate to the Associated Cooperatives Board.

Motion to approve agenda - Barbara

Second - Steven

Agenda approved with one addition

## **Tasks from previous meeting reviewed**

Tasks reviewed

## **Approve Minutes of Prior Meeting**

Motion to approve December meeting minutes with the two slight edits submitted by Barbara - Steven

Second - Charles

Discussion: Some discussion about adding additional items to the minutes.

Vote

In Favor: Barbara, Glenn, Steven, Charles, Zina, Delfina

Opposed: Kim

Minutes approved

## **Announcements**

No Announcements

## **Member Comments**

One comment was made about the committee charters (included in meeting packet)

## **General Manager Report**

Tyler Burch (IGM) gave an overview of store sales through the Holidays, and other highlights of operations over the last months.

## **Independent Auditors Report**

The Board was joined by Bruce Mayer and Brian Dahlk from Wegner CPAs and Tony Alongi, SNFC Finance Consultant.

Brian gave an overview of the Financial Audit process. It is the opinion of the Auditor's that the SNFC financial information is materially correct. Brian reviewed the auditors recommendations with the Board and complimented the staff on the process of working with the auditors.

Motion: To accept the 2019 financial audit - Charles

Second: Glenn

Vote

In Favor: All in Favor

Opposed: none

2019 Financial Audit is accepted

## **Discussion Items**

Board Compensation (Policy C9)

The proposal was circulated to the board. Some discussion about the timing and wording of the policy. Revise section 4 to read "On July 1 of every year thereafter, the SNFC Treasurer will determine the San Francisco area Consumer Price Index as published by the Bureau of Labor Statistics for the most recent 12-month period and the amount of Board stipends for the upcoming year shall be adjusted by this Index."

Motion to adopt the policy (as amended above) and with section 6 to read "Board directors shall receive a store discount of 15% that will be reviewed at the August 2020 Board of Directors Meeting."

- Charles

Second - Glenn

Discussion: no further discussion

Vote

In Favor: All in Favor

Opposed: none

Motion passes, policy C9 will be added to the policy set

## **Committee Business**

Committee Charter Updates

Committee Charters were all updated to reflect the need to have two board members on every board committee (Per California Corporations Code).

Motion to adopt all Charter revisions (with the understanding that the Admin will make necessary adjustments as discussed.) - Charles

Second - Barbara

Vote

In Favor: All in Favor

Committee Charter amendments approved.

\*Approved Committee Charters will be updated on the website

### Finance Committee report

Committee submitted two proposals, one for Preferred Shares one for Patronage Refunds. Motions and votes below in Board decisions.

Committee is discussing putting together guidelines on Patronage refunds for future boards.

### GM Search Committee Update

There have been some changes to the language of the qualifications. Committee should have some candidates to interview within the next month.

Some discussion about a GM qualities survey.

### Committee Appointments

#### Member Engagement Committee

Motion to approve Linda Bell for the Member Engagement Committee - Kim

Second - Zina

Vote: All in Favor

#### Policy Committee

Motion to nominate Kim to Policy Committee - Barbara

Second - Zina

Vote: All in Favor

Motion to nominate Michael O'Sullivan as the Board representative to ECOS - Barbara

Second - Glenn

Vote: All in Favor

### Twin Pines/ Associated Cooperatives Update

Barbara included information in the packet about Associated Cooperatives, the history and the Twin Pines Cooperative Foundation.

Motion to nominate Barbara as the SNFC representative to the Associated Cooperatives Board -

Charles

Second - Zina

Vote: All in Favor

## **Board Decisions**

Motion: To approve paying Preferred Shares Dividends for 2019 - Glenn

Second: Barbara

Vote:

In Favor: All in Favor

Opposed: none

Motion: To not distribute a patronage refund due to negative adjusted net savings as defined by the bylaws - Charles

Second: Barbara

Friendly amendment: With the intention of discussing alternatives to a patronage for members.

Second with amendment: Zina

Discussion: About alternatives and communication.

Vote

In Favor: All in Favor

Motion with amendment passes

Motion: To enter into agreement with Columinate for the CBL complete - Barbara

Second: Steven

Vote

In Favor: All in Favor

Opposed: none

### **Board Self-monitoring**

Policy C6

Some discussion about the responses and ask for clarifications. Policy committee will look at the surveys for the coming cycle.

### **CLOSINGS: Review Tasks & Assignments**

Tasks/Assignments

1. Tyler to submit a response to the auditors recommendations by the next meeting.
2. Stacie to make necessary adjustments to Committee Charters and upload new approved Charters to website and add to policy documents.
3. Add discussion of potential patronage alternatives to the March agenda.
4. Survey for GM qualities should be completed by January 30, to be reviewed at the retreat, Barbara will send out.
5. Stacie to amend Board Policy document (add new policy) and add to website.
6. Ends Report Assignments:
  - a. Barbara - #1
  - b. Charles #2
  - c. Glenn #3
  - d. Kim - #4a
  - e. Steven - #4b
  - f. Zina - #4c
  - g. Delfina - #4d

### **ADJOURN MEETING**

Motion: Charles

Second: Second

Vote: All in Favor

Respectfully submitted by,

Stacie Larkin

Executive Assistant

## SNFC General Election Timeline DRAFT for 2020

March 27	Deadline for members to be active to run for the Board of Directors.
May 14	Quarterly Meeting Candidate Statement of Interest due for members seeking recommendation for nomination by the Nominating Committee and members intending to run by petition.
June 8	Board Meeting Board Nominating Committee (BCDNC) will declare recommended candidates for nomination by the Board.
July 17	Petitions to run with signatures of 3% of active members are due for candidates seeking nomination by petition. Declaration of Candidacy and Code of Conduct forms are due for <b>all</b> candidates.
July 27	Campaigning may begin for the Board of Director candidates.
Aug. 10	Board Meeting Board certifies measures and bylaw amendments for the ballot. Candidate Background checks to be completed by this date.
August 12	Ballot Measures and bylaw amendments are posted. Candidate Statements and Photos are due.
August 21	Pro & Con Arguments due.
August 24	Pro & Con Arguments posted.
Aug. 24	Members must be current in their fair share investment on this date to vote.
Aug. 31	Rebuttals to Arguments due.
Sept. 4	Rebuttals to Arguments posted. Ballots uploaded to the printer.
Sept. 14	Board Meeting
Sept. 9	Meet the Candidates Night & Election Forum – Candidate meet & greet and discussion of ballot measures.

Sept. 15	Deadline for ballot packets mailed (First Class) to members who were current in fair share investment on August 24. Electronic Voting Opens.
Sept. 22	Mailed ballots must be postmarked by this date.
Sept. 27	Last day to vote electronically, or drop off ballots at the Co-op.
Sept. 30	Last day for ballots to be received by Simply Voting, postmarked by Sept. 27.
Oct. 1	Ballots counted and results verified by Simply Voting. Results reported to the Board President and Election Committee.
Oct. 2	Election Results posted in-store and online. Last day to file a challenge to the election.
Oct. 12	Board Meeting Full Election Results submitted to the Board. New directors are seated.

February 3, 2020

**TO: BOARD OF DIRECTORS**  
**FROM: ZINA KOTKO, STEVEN MAVIGIO**  
**RE: BOARD CANDIDATE DEVELOPMENT AND NOMINATING COMMITTEE**  
**BOARD RECRUITMENT PLAN 2020**

The committee's charter requires us to submit a plan to the Board for approval to recruit Board candidates. This plan will dovetail with the election timeline, which, once proposed by the Election Committee and approved by the Board, will require us to swing into action almost immediately.

This year, we have two Board positions open. In addition, many of our committees need to be filled beyond the appointments of Board members made at the last several Board meetings.

Just as a reminder, recruitment of qualified and appropriate candidates is not a one-month or even a three-month process. It is a YEAR-ROUND responsibility which requires that *each board member* constantly keep an eye out for potential candidates. All directors should approach potential candidates, point out their qualifications, and ask them to think about running for the board. The best candidates will want to think about this and spend some time getting to know more about the co-op and the issues it faces, before making the decision to take on such a position of responsibility. In addition, many of the best candidates may need to clear their crowded schedules.

The below are some of the strategies we hope to deploy:

#### **COMMITTEE RECRUITMENT**

- Send email to Co-op membership on committees and requesting interest (\*We've completed one of these);
- Post information on social media platforms including Facebook, Instagram, Twitter. (\*One of these have been posted; we need to do these again);
- Poster on the Board bulletin board in the store seeking individuals;
- Asking committee chairs to recruit committee members; and
- Include question at end of annual Board survey to membership (similar to the past).

#### **ZINA – WHAT ELSE?**

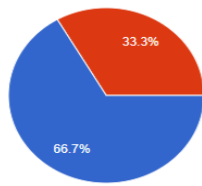


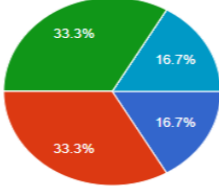
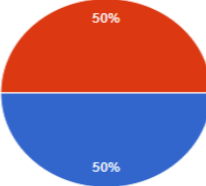
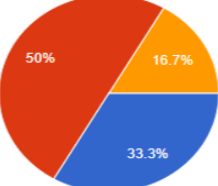
#### **BOARD RECRUITMENT**

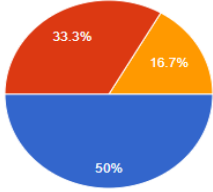
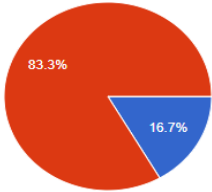


- Work with existing Board members for recommendations throughout the year;
- Hold "Want to Run for the Board" workshop;
- Send two emails to membership with a call for candidates, with one promoting workshop;



- Committee tabling outside and inside the store 2 to 4 weeks prior to workshop to promote the workshop and identify possible candidates;
- Extensive social media campaign featuring specific attributes desired in candidates and promoting workshop (some samples from other Coops have been sent to Jennifer);
- Outreach to major organizations in Sacramento with request to attract diverse candidates, such as reaching out to ethnic groups with Coop members;
- Dedicated board recruitment website page similar to this:  
<https://middlebury.coop/participate/joining-our-board/>

**ZINA – WHAT ELSE?**

Please type your name	The Board follows and annual agenda that focuses the attention upward and outward.	The Board starts the governing cycle when the newly elected directors are seated (currently the October meeting).	The Board creates, and modifies as necessary, an annual calendar that includes membership meetings, the election cycle, board training schedule, monitoring schedule and the GM evaluation.	The board attends to consent agenda items as expeditiously as possible.	The Board limits the amount of meeting time taken up by monitoring reports, discouraging discussion unless the reports indicate policy violations, or the policy criteria themselves need review.	How well do you think the board as a whole has performed with regard to policy C3?	Comments about the board's performance?	Do you think Policy C3 needs to be reviewed or changed? Which part and why?
Charles Fitzpatrick	Always	Always	Always	Usually	Usually	Somewhat well		
Barbara Mendenhall	Usually	Always	Always	Rarely	Always	Somewhat well	Many aspects of this policy are well executed. We do not seem to find consent items.	Let's see what the Policy Committee comes up with.
Steven Maviglio	Always	Always	Always	Don't Know	Usually	Very well		
Delfina	Always	Always	Always	Rarely	Usually	Average		There is disagreement over the purpose of board meetings. There may never be total agreement on how much time we should take to discuss items, particularly GM reports, but it's worth taking a moment every year to review expectations and desired outcomes.
Kim	Usually	Always	Always	Usually	Always	Very well	As this is only my second year on the Board, I cannot speak to what the Board has done in past years, but in the past two years the Board has begun the governing cycle during the October meeting when new directors are seated.	The policy language that states "The Board follows and annual agenda that focuses the attention upward and outward" may need to be reviewed to provide increased clarification.
Zina Kotko	Always	Always	Always	Always	Always	Somewhat well		
							<ul style="list-style-type: none"> <li><span style="color: blue;">●</span> Very well</li> <li><span style="color: red;">●</span> Somewhat well</li> <li><span style="color: orange;">●</span> Average</li> <li><span style="color: green;">●</span> Not well</li> <li><span style="color: purple;">●</span> Very poor</li> <li><span style="color: cyan;">●</span> Don't Know</li> </ul>	

Please type your name	We use the board meeting time only for work that is the whole board's responsibility.	We avoid operational matters and personal concerns.	Meetings are open except when executive session is officially called.	The meeting agenda is drafted by the board president and executive committee.	Do you have any comments or thoughts about our performance relative to Policy C4?	Do you think Policy C4 needs to be reviewed or changed? Which part and why?
Charles	Sometimes	Usually	Always	Always	Personal opinions should not trump governance principles	
Barbara Mendenhall	Usually	Usually	Always	Always	It sometimes seems that questions are raised that are more of a personal concern than a Board concern.	No
Steven Maviglio	Always	Usually	Always	Always		
Delfina	Always	Always	Always	Always		
Kim	Usually	Usually	Always	Always		I would like to have the part that states "We avoid operational matters and personal concerns." reviewed for possible change. It is perplexing how we are to avoid operational matters when our fiduciary duties are totally dependent on the success or failure of operations.
Zina Kotko	Always	Usually	Always	Always	Yes, a \$25K decision was made by the executive committee that should have been discussed and decided by the whole board.	Yes, the policy should include more specific guidelines and limitations for executive committee actions, which should be a rare occasion when handling by the board is not possible.
						

	Jan. 2020	Feb. 2020	Mar. 2020	April 2020	May 2020	June 2020
Board Education & Development	Board Retreat Part 2 January 30	Co-op Café February 29		CA Co-op Conference April 26-27		CCMA, June 4-6 Sioux Falls, SD
Board Engagement Opportunities	Member Quarterly Article Due 1/9 Charles		Quarterly Meeting Monday Mar. 9	Member Quarterly Article Due 4/9	Quarterly Meeting Thursday May 14	
Required Agenda/ Packet / Executive Session items	Patronage Refunds  Preferred Shares Dividends	Election Schedule		BCDNC plans & Candidate Packets	Review SCCF Grant Proposal	GM Evaluation process  Ballot Measures
Executive Limitation Reports	No Reports	Global Ends B1 & B3	No Reports (Quarterly Meeting)	B4, B5, B6	B1 & B3	No reports
Board Process Monitoring Reports	C6 – Officers' Roles	C3 – Agenda Planning & C4 Board Meetings	No Reports (Quarterly Meeting)	C – Global Governance & C1 – Governing Style	D4 – Monitoring GM Performance	C7- Board Committee Principles & C8 – Governance Investment
Co-op. Community Happenings		Member Days February 15-23		Earth Day Bulk Sale Apr 22-23	Member Days May 9-17	

	July 2020	August 2020	Sept. 2020	Oct. 2020	Nov. 2020	Dec. 2020
Board Education & Development			CBLD Sept. 12	Director Orientation	Director Orientation	
Board Engagement Opportunities	Member Quarterly Article Due 7/16		Quarterly Meeting Wednesday Sept. 9	Member Quarterly Article Due 10/16		Quarterly Meeting Dec. 12  Member Quarterly Article
Required Agenda/ Packet Items/ Executive Session		Board Budget (By August 31)  Call for Officer Interest  ENDS Policy Review	General Election  GM Annual Review & Compensation Discussion	Seat New Board Members  Review 2020 Calendar  Elect Officers	Discuss 2020 Retreat dates  Appoint Committee Chairs	Financial Audit  Board Appointments (ECOS, TPC)
Executive Limitation Reports	No reports	B1, B3, B10	B7, B8, B9	No reports	B1, B2, B3	B
Board Process Monitoring Reports	No Reports	No Reports	D -Global Management Connection & D1 Unity of Control	D2 – Accountability of the GM & D3 Delegation to the GM	C5 – Directors Code of Conduct	C2 – The Boards' Job
Co-op. Community Happenings		Member Days August 15-23	Farm to Fork  SBF Autumn Equinox – Sept. 19		Board Retreat Nov. ?	Member Days December 12-20