

**DRAFT - UKIAH NATURAL FOODS  
(A.K.A THE HOMESTEAD EXCHANGE)  
MINUTES OF THE BOARD OF DIRECTORS**

The regular meeting of the Ukiah Natural Foods Board of Directors was convened on Monday, February 15, 2021, at 5:32 PM via Teleconference through Zoom.

**BOARD DIRECTORS PRESENT:** Steve Oliveria (Vice President), Leo Buc (Treasurer), Larry Mayfield, Krista Robinson, Beth Salomone, John Bailey

**BOARD DIRECTORS ABSENT:** MaryLou Leonard (President), Lorena Calvo Evans, Angie McChesney (Secretary)

**STAFF PRESENT:** Lori Rosenberg (General Manager), Anne Wright (Accounting Manager)

**GUESTS:** None

Vice President Oliveria called the meeting to order at 5:32 P.M.

**1. Introductions and Check-Ins:**

**2. Brief Announcements; Confirm Agenda:**

Board Member Mayfield **MOVED to approve the agenda.** Seconded by Board Member Bailey.  
**MOTION PASSED.**

Yes: Board Members;  
Oliveria, Mayfield, Robinson, Buc, Bailey, and Salomone

Absent: Board Members;  
Leonard, Calvo Evans, McChesney

**3. Consent Agenda:**

Board Member Salomone **MOVED to approve the consent agenda.** Seconded by Treasurer Buc.  
**MOTION PASSED.**

Yes: Board Members;  
Oliveria, Mayfield, Robinson, Buc, Bailey, and Salomone

Absent: Board Members;  
Leonard, Calvo Evans, McChesney

**4. Remodel Update**

GM Rosenberg stated that all the updates are in her report. The Fire Marshall will be doing an inspection tomorrow and if passed then we can start cooking. Mid-March we are planning to have food service.

## **5. Approval of 2021 Budget:**

Accounting Manager Wright reviewed the budget by line item to the Board and reviewed all the changes within certain aspects of the budget with employee benefits.

Board Member Bailey inquired about the NCG Benchmarks compared to what we are looking at. Accounting Manager stated that we are set for a little higher with 25% of sales, and we are high this year, but we have an unknown labor force this year.

Accounting Manager reported on the following.

Occupancy, we will see an increase in insurance due to increased property value. We are at 2.2% gross sales which are right on target.

The contract with the greenwall is that we are locked in until September of this year and we will pay them \$1,400 a month for maintenance. After September, we no longer have to use them, and we will be looking for someone cheaper.

Depreciation, we assumed that the whole project was going to get depreciated in 2020, it will not be. Some equipment is being depreciated right now, stuff that's already in service. Most of the deli stuff is going to be depreciated in 2021. In 2021 there will be the bulk of the construction cost.

Marketing, last year was budgeted at \$207k and spent \$180k and this year we are budgeted at \$163,400k. There was cutting to this budget to see a net profit, we had to cut "The Back to Schools" and part of the sponsorship last year was \$6k, and this year it's \$3k. If sales exceed the budget expectations, then we can add some of that back in. There was a discussion on the Back to School's week and the impact of not doing it this year. Treasurer Buc stated that there was a lengthy discussion on this budget item at the finance committee meeting and a couple of things to note are, we do have a third staff person in the Marketing Dept, and marketing is now done in-house, and the additional 10% ownership appreciation day. There are still concerns with the advertising section of this budget. GM Rosenberg stated that another reduction to this budget was going down to one billboard from two last year.

Governance, board expense was increased in this area and board admin has some funds left. We also did not have the Annual Member Meeting, but we will do a Zoom Meeting this year. The board expenses have been increased for the new board admin person and for the training that we did with Holly last year. Treasurer Buc stated that we might be going over this budget due to us having a full Strategic Plan Revision and that we would need \$7,500 for this.

Operating was high this year due to PPE supplies due to COVID. We are thinking that we will be spending the same amount on PPE supplies.

The budget will need to be offset due to the increase of board governance, there was a discussion on what would be adjusted. The asset budget was reviewed and discussed.

Board Member Bailey **MOVED to approve the 2021 budget with the two adjustments, training for the board was increased and the adjustment in the labor budget to off-set that adjustment and put on the agenda for March discussion of additional budget allocations to support Strategic priorities for 2021. The asset budget was also approved.** Seconded by Board Member Salomone. **MOTION PASSED.**

Yes: Board Members;  
Oliveria, Mayfield, Robinson, Buc, Bailey, and Salomone

Absent: Board Members;  
Leonard, Calvo Evans, McChesney

#### **6. Approval of Grant Recipients:**

Vice Present Oliveria reviewed the grant applications that were received and approved by the Owner Relations Committee along with the ones that were not granted.

Board Member Salomone **MOVED to approve the grant recipients as recommended by the Owner Relations Committee with the understanding that the board would like more information on the Pandemic Relief Fund.** Seconded by Treasurer Buc. **MOTION PASSED.**

Yes: Board Members;  
Oliveria, Mayfield, Robinson, Buc, Bailey, and Salomone

Absent: Board Members;  
Leonard, Calvo Evans, McChesney

#### **7. Annual Report – Board Contribution:**

Board Member Salomone stated that it would be great if the board contributed to the Annual Report. Treasurer Buc stated that he would be happy to write something on behalf of the Board. President Leonard and Treasurer Buc will be working on this together along with GM Rosenberg.

Board Member Salomone **MOVED to approve President Leonard and Treasurer Buc coordinate as the board representatives to develop a message for the Annual Report.** Seconded by Treasurer Buc. **MOTION PASSED.**

Yes: Board Members;  
Oliveria, Mayfield, Robinson, Buc, Bailey, and Salomone

Absent: Board Members;  
Leonard, Calvo Evans, McChesney

**8. 2021 Draft Operational Plan:**

GM Rosenberg stated that she has been working with Managers on the operational plan. There was a discussion on the operational plan and that this will bring some clarity to the team. Board Member Salomone stated that there wasn't anything on cross-training for other departments. GM Rosenberg stated that last year we have done some cross-training. We are still working on cross-training as it has been a bit of a problem, but we are working on it. There was a further discussion on the operational plan. GM Rosenberg will work on questions and then they will be discussed at the March Board Meeting for clarification.

**9. 2021 Board Election & Open Seats:**

The board thanked Board Member Robinson for her time on the board.

Vice President Oliveria stated that we have two seats open and we will need to fill those. We do have an application from Leo Buc.

Board Member Salomone **MOVED to approve Leo Buc as a Board Member.** Seconded by Board Member Robinson. **MOTION PASSED.**

Yes: Board Members;  
Oliveria, Mayfield, Robinson, Buc, Bailey, and Salomone

Absent: Board Members;  
Leonard, Calvo Evans, McChesney

Board Member Salomone stated that we do have Tim Dolan is still interested in being on the Board and on the Finance Committee. He will still need to fill out an application and then the Board has to approve him and then we would have one open seat.

**10. Annual Membership Meeting for April:**

GM Rosenberg stated that we have to have a meeting this year, this will be a virtual meeting on a Saturday in April. This is also our 45<sup>th</sup> Anniversary and we are working on having a virtual presentation on the Coop which is will be a part of the meeting. Vice President stated that it was also discussed having small virtual tours that are small. There were discussions on other ideas for the Annual Meeting.

**11. Committee Reports:**

Skipped

**12. Board Education Discussion:**

Board Member Salomone stated that we will have monthly Board Education items moving forward.

### **13. Strategic Planning Revision Draft Timeline:**

Treasurer Buc stated that this is the current draft of the timeline. This year is a full Strategic Plan Revision, and this year we would like a higher level of engagement with staff and the Board. We have several Managers that want to be a part of this and have expressed interest. GM Rosenberg stated that we have had a discussion on a consultant and has reached out to a few different people or if we will be working with the same person as last year.

### **14. Little Questions:**

None

### **15. Topics for Next Month:**

- Board Education - Libee
- Strategic Planning – Treasurer Buc
- Budget -
- Patronage Dividends -
- Annual Membership Meeting -
- Farmer Loan Update – Board Member Bailey
- Operational Plan - GM Rosenberg
- Remodel Update – GM Rosenberg

### **16. Closing and Evaluation:**

Vice President Olivera adjourned the meeting at 8:07 P.M.

Next Meeting **March 15<sup>th</sup>, 2021** via Zoom

Submitted by Erica Ramirez, Board Administrator