

Item 2.1 | Approved March 14th Minutes



Board of Directors Meeting Approved Minutes

Date: March 14, 2022

Item 1.0 Call to order:

The regular meeting was called to order at 7:03 PM in hybrid meeting via webinar on Zoom: <https://us02web.zoom.us/j/82694021115> Meeting ID: 826 9402 1115 and in person at 537 G Street, Davis, CA, by Sharon Tobar.

Directors Present: Sharon Tobar, Samantha Conselman, Angelo Esquivel, Faye Dixon, Kim Coontz, Prasanna Regmi, Gustave Cirhigiri

Director(s) Absent: Aditi Risbud Bartl, Madison Souja

Staff Present: Laura Sanchez, Rachel Warner, Michele Henley, Vince Marchese, Alex Arroyo

Guests Present: None

Facilitator: Sharon Tobar
Time Keeper: Samantha Conselman
Notetaker: Rachel Warner

The President determined that notice of the meeting was duly provided as required by Article V of the Bylaws and that a quorum of Directors was present.

Preliminaries:

Welcome and Introductions took place.

Owner Comments:

There were no owner comments.

Board Announcements:

Sharon announced that Aditi Risbud Bartl resigned from the Board of Directors before the start of the March meeting.

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Agenda Review:

Kim moved to approve the agenda. Angelo seconded the motion. All were in favor and the motion passed unanimously.

Item 2.0 - Consent Calendar

Samantha moved to approve the consent calendar. Faye seconded the motion. All were in favor and the motion passed unanimously.

Item 3.0 President's Update

Sharon discussed the upcoming Board retreat in April for the Board to review the proposed facilities updates/improvements. Sharon requested that the Board propose what they would like to see and discuss at the retreat.

Sharon also discussed with the Board ways to potentially adjust the meeting formats and shorten the length of the monthly Board meeting.

Item 3.1 Operations Update

Laura presented the Operations Update for January-February 2022, as well as the financials from January.

Item 4.1 - Board Development

Samantha discussed the upcoming CCMA conference with the Board and who may be interested in attending. She informed the Board that there were options to attend in person and virtually this year.

Item 4.2- Board Education - Fiduciary Duty

Kim reviewed with the Board what their fiduciary duties are. The Board discussed their fiduciary responsibilities and walked through several scenarios they might encounter.

Item 4.3 - Patronage Refund

Kim moves that the Board of Directors of the Davis Food Co-op allocate 100% (estimated at \$587,035.92) of the qualified pretax net profit from Fiscal Year 2021 to patronage refunds as a nonqualified written notice of

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allocation; and further that 100% of the allocated patronage refund amount shall be distributed to members in the form of store credit with an expiration date of 06/15/2022, in accordance with the rules outlined by Internal Revenue Service Subchapter T and California state laws; and further that any distribution of an amount that is less than \$5.00 shall not be distributed, and that the related profits shall not be allocated.

Samantha seconded the motion. All were in favor and the motion passed unanimously.

Item 4.4 - Bylaw Amendments

The following amendments were proposed to the DFC bylaws (changes in ***bold italics***).

5.1 Number and Composition. The Board shall be composed of ***seven to nine (7-9)*** Directors, ***the specific number to be set by resolution of the Board. No reduction of the authorized number of directors may have the effect of removing any director before that director's term of office expires.*** Directors shall be elected from among the Members of the Cooperative, ***having been nominated by the Nominating Committee of the Board, or nominated by Member petition signed by at least 1% of the Membership.*** All Directors must remain Members of the Cooperative during their term of office. A maximum of two eligible owners who are paid employees of the Cooperative may serve as Members of the Board at any one time, if they are not disqualified by any other provision of these Bylaws.

5.4 Terms and Elections. Elections shall occur annually, in a manner prescribed by the Board and set forth in the Cooperative's Policy Manual. Directors ***shall serve four (4) year terms***; and those terms shall be staggered such that approximately one-third of the Board is elected each year. A ***Director may be re-elected any number of times following the expiration of their term.***

7.2 (B) (3) The net earnings of the Cooperative for each fiscal year, to the extent attributable to the patronage of Members in good standing, shall be allocated and distributed among such Members as Patronage Refunds in proportion to their patronage. In determining and allocating net earnings, the Cooperative shall use a single allocation unit except to the extent that it may subsequently engage in any new and distinct line of business. Should the Board declare a Dividend on investment shares, such Dividend shall be paid first from that portion of net earnings attributed to non-Member business from the ***current year and then prior years' accumulated earnings.***

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Item 5.0 - Check-in & Choose next Timekeeper

Faye led the check-in. Kim moved to adjourn the meeting. Samantha second the motion. All were in favor, and the motion passed. The meeting was adjourned at 8:53 PM.

/s/ Samantha Conselman, Secretary

Secretary, Davis Food Cooperative, Inc.

Date Approved