

6	4/25/23	Eleanor, Charlotte	5/23	Eleanor and Charlotte will help Rachel with operational definitions for 2.3 and 2.3.1.
7	3/28/23	Marc	6/23	Marc will reach out to TriMet in June to set up a check-in on the effects of the change.

DECISIONS:

DECISION: March minutes approved as revised.

DECISION: Alexis and Marc will be the initial self-monitoring subcommittee and test out a google form survey for a year and see how it goes. Start with both surveys since we're about to have new Board members so they can observe, then move to alternating.

DECISION: No patronage dividend this year, with provision that this would be reconsidered if CPA numbers come back with positive taxable net income.

DECISION: Accept IMR 2.3 as written, with note to work on 2.3.1 and 2.3 definitions for next time (which is next month). (Brion: Stand-aside.)

DECISION: Accept IMR 2.4 as written, non-compliant with 2.4.4.

NEW COMMITMENTS:

Marc will draft a letter about the patronage dividend decision for the Annual Report. (Could repurpose a draft from the last few years.) **Eleanor** will help edit.

Gayle will add to Policy Notes 2.3.1: Add operational definitions of adequate, source data, and rationale, and also for 2.3: Add a separate and distinct operational definition for 2.3 with accompanying data.

Eleanor and Charlotte will help Rachel with operational definitions for 2.3 and 2.3.1.

M-O FORUM:

- Christopher appreciated the Book Group—hope these will continue. Very worthwhile. Eleanor and Amanda will meet with him.
- Edward shares gratitude for the opportunity to be here and inspiration to get involved.

CONSENT AGENDA:

- N/A.

AGENDA REVIEW:

- Agenda was revised from original—make sure we are looking at the updated packet.

MINUTES APPROVAL:

DECISION: March minutes approved as revised.

1) Board Self-Monitoring

Sponsor: Alexis

Purpose: decide

- Accountability! Board hasn't been doing self-monitoring, and that's something we want to put in place. Method: Policy reflection approach via survey for policies 3 & 4.
- Proposal: Alexis and Marc will be the initial self-monitoring subcommittee and test out a google form survey for a year and see how it goes. Start with both surveys since we're about to have new Board members so they can observe, then move to alternating.

DECISION: Alexis and Marc will be the initial self-monitoring subcommittee and test out a google form survey for a year and see how it goes. Start with both surveys since we're about to have new Board members so they can observe, then move to alternating.

2) Patronage Dividend Decision

Sponsor: CM Link

Purpose: decide

- Packet P&L was a draft; now there is a second draft as sent to the CPA. It's a bit better, but still negative:-76K instead of -87K.
- When there is a positive taxable net income, CM proposes 3 models of patronage refund. This year, there is no taxable net income. (Not verified by CPAs yet, but not expected to be different enough to bring it to a positive.) Thus, there is no proposal to issue dividends. Decision has to be made at a Board meeting and put into Annual Report, etc. We'll have official CPA numbers in May.
 - o If there actually is a positive number, CM will bring it to Board officers right away and bring patronage dividend question back to the Board.
- How shall we report this to Member-Owners? Write a letter to put in Annual Report by May 25.
- Celebrating how unique it is that we have a business model to share profits when we can!

DECISION: No patronage dividend this year, with provision that this would be reconsidered if CPA numbers come back with positive taxable net income.

Marc will draft a letter about the patronage dividend decision for the Annual Report. (Could repurpose a draft from the last few years.) Eleanor will help edit.

3) IMR 2.3: Financial Conditions & Activities (Q4/all of 2022)

Sponsor: CM Link

Purpose: decide

- There are 2 sets of numbers for some things because of our PPP loan during 2020, which was forgiven, but we chose to apply some of it in 2021 and 2022 to cover labor expenses. Numbers are taxable income for 2022 vs internal accounting of how the PPP money was applied.
- Budgeted for a loss, but we lost less than expected, so some PPP money is retained earnings.
- Question about 2.3.1: Have we heard anything from customers about prices rising?
 - o It's not just us; it's everywhere across the board. Haven't heard complaints about People's prices specifically.
 - o Our non-food items tend to be less expensive than New Seasons!
- Any directors unprepared? No. Operational definitions/interpretations unreasonable? 2.3.1 seems more statement than definition—would like to have definition of “adequate” rather than just stating a number. Otherwise no. Data inadequate? Possibly; see below.
 - o Add operational definition of “adequate” to Policy Notes.
 - o Also: Add a separate and distinct operational definition for 2.3 with accompanying data.
 - o Also for 2.3.1: Slight conflict in report data: it says we meet one percentage, then later says we are at a different percentage.
 - There's operational definition, and there's the actual data—two separate things we look at. Very cool that we ended up with positive sales growth that exceeds what was budgeted, even though we didn't get positive net income.
 - It's hard to see this as in compliance when it's a negative number, even if that's the number that we budgeted for due to extreme circumstances (pandemic). Should some reference to this be in the operational definition?
 - The data does have context. Operational def shouldn't have specifics about circumstances.
 - Vibe check: This is hard. Two local groceries have closed. This conversation is possibly relevant to our future—need to stay alive as a business.
- Proposal for moving forward: Accept report as written, with note to work on 2.3.1 and 2.3 definitions for next time (which is next month). Set a big chunk of time for policy reflection next month. (Eleanor and Charlotte will help Rachel with new definitions.)

Gayle will add to Policy Notes 2.3.1: Add operational definitions of adequate, source data, and rationale, and also for 2.3: Add a separate and distinct operational definition for 2.3 with accompanying data.

Eleanor and Charlotte will help Rachel with operational definitions for 2.3 and 2.3.1.

DECISION: Accept IMR 2.3 as written, with note to work on 2.3.1 and 2.3 definitions for next time (which is next month). (Brion: Stand-aside.)

4) 2.3 Policy Reflection

Sponsor: all

Purpose: discuss

- Skipping for today; will give extra time here next month when we do Q1 2023.

ANNOUNCEMENTS:

- People's has an excellent culture of communication!
- We still have \$1500 surplus for classes with CBLD. Let's use it!
- We have 3 Board candidates and 4 NMEC candidates.

5) IMR 2.4: Long-Term Planning

Sponsor: CM Link

Purpose: decide

- Recent events in Portland prompted additional conversation about long-term planning.
- CPAs can do reviews and audits; audits are more in-depth. We need to have a review every year and an audit every 4 years. 2022 would have been an audit year, but because of our CPA bowing out last year, we are out of compliance with that. We will find an auditor for 2023.
- There is a detail about our loan to Food Front; it's in question now since they closed. They were still making payments, and they do plan to finish out with paying back the remaining balance of \$16,825.
- Anyone unprepared to act? No. Definitions or interpretations unreasonable? No. Inadequate data? No. Does the data not demonstrate compliance? See below, otherwise no.
 - o Maybe not, since the plan is now out of date.
 - The plan has been and still is useful to us for guiding decisions moving forward, and we need to adjust it for current circumstances. One big goal in 2019 was to buy a warehouse, but that hasn't happen due to pandemic, etc.
 - o Probably can't act on significant external situations in near-term?
 - Long-term plan first steps are getting us closer to where we could respond. But we need to get our taxable income positive, increase staff, etc before we

could get financing to take a vacant space—can't do that quickly. One part of the plan is to allow larger shares so members can invest more money, but that would take a bylaws change, external financing, etc.

- We are planning to use less of the PPP next year and use as retained earnings.
- Proposal: Accept IMR 2.4 as written, non-compliant with 2.4.4.

DECISION: Accept IMR 2.4 as written, non-compliant with 2.4.4.

6) 2.4 Policy Reflection

Sponsor: all

Purpose: discuss

- Anything need to change in the policy? No.

Meeting adjourned at 8:32.