

# Board of Directors' Meeting Notes for February 17, 2020

Board of Directors Present: Stephanie Mood, Chair; Steve Myrick, Lynn Wade, Merrin Muxlow, Sarela Bonilla, Kylie Oliver, and Jamie Decker. Staff: Jim Kase and Gloria Isselhard. Guests: Peter Doft and Phillip Gianopulos.

## Board Study – San Diego Cooperatives

Merrin discussed the difference between a consumer co-op and a worker owned co-op. She covered descriptions of the UCSD co-ops, FruitCraft, certified EOS, Modern Times Beer, and certified ESOPS.

## Old Business

Stephanie reported that the Board of Directors (BOD) held an Executive Session on February 3 and on February 10.

## Outreach and Education Committee

Lynn reviewed the schedule for the board's information table at the Co-op and asked for volunteers to fill open dates in February and March. She said that the tabling event is the opportunity to tell the community what the board does and doesn't do and to notify them of upcoming actions and events. Stephanie suggested that a bulletin board with board activities be displayed at the table.

Kylie reported that currently, thirty children are enrolled in the Kids' Co+op Explorer Club. The program replaces People's Free Fruit of the Month and, along with a free piece of fruit, children can pick up a Kids' Co+op Explorer Passport and coloring sheets. A prize is given to children who show their completed passport to any cashier.

Jim circulated thank you notes from recipients of donations from the Co-op via the market and our customer donation boxes. Recipients included Mama's Kitchen, The Alpha Project, Ocean Beach Elementary, and Point Loma Nazarene University.

Jim reported that People's has won several awards from the *Peninsula Beacon's* Readers' Choice Awards including first place as Best Health Food Store and Grocer and second place as Best Grocery Store.

## Bylaws Committee

Stephanie reported that the committee met last month and will meet this month. Committee members are reviewing suggestions for the document revisions made by our attorney.

## Finance Committee

Steve reviewed the January financial reports. Steve said that there is no longer any revenue from the café. Also, the figures for the month are also the year-to-date figures, since this is the first month of the year.

Total revenue for the market for January and year-to-date is down 3.45% compared to January 2019. Net Income from operations is up 10.69%.

Total revenue for the market and café is down 7.96% compared to 2019, and net income from operations is up 164.78%

Sales per paid labor hour were \$108.42 compared to \$88.16 last year at this time.

Jim reported that historically, we have waived the cost of ownership investment for low income owners. Now, rather than waiving the equity fee completely, we will charge \$5 annually instead of the current \$15.

## Nominating Committee

Sarela reported that the committee met and is looking for a non-BOD member to help with the vote count.

## Policy Governance

Stephanie distributed copies of the policy governance source document. She said that we adopted it last year and that it is a work in progress. It is a good way to work on the ends policies. Jim submitted the B1 financial condition report. The BOD agreed to accept the B1 report with a plan and time line for compliance. He submitted the B9 general manger succession report, and it is in compliance.

## General Manager's Operations Report

Gross sales were up 3.9% at the store compared to February of last year. The difference was due to an extra day in the month as well as daily average sales being about \$100 higher this year. Year-to-date we are about \$1,000 ahead of last year. Our organization posted a net profit of \$68,544 in February of 2020, compared to \$40,307 last February. Year-to-date, our net profit is \$82,809 this year compared to 36,421 at the same point last year.

### Market

	2020	2019	% Change
Sales	\$1,090,112	\$1,049,272	3.9
Basket Size	\$27.93	\$27.04	3.3%
Customer Count	39,498	39,292	0.5%

February personnel costs at the market came in at 24.9% of gross sales. Payroll reporting now includes costs for payroll processing and workers' compensation insurance.

Ownership renewals were up over 10% in February and are up just over 9% year-to-date compared to 2019. New ownerships were also up in February, totaling 182 compared to 163 in February of last year. Year-to-date, new owners are up about 4.5% compared to last year. Beginning in March we will be rolling out our new discount structure. Our intention is to make healthy food available to more people on limited incomes. The program will be called FLOWER, Fresh, Local & Organic Within Everyone's Reach.

The new range in the deli was installed in February, allowing the staff to return to full production. After over seventeen years of service the original range in the market had to be retired. It's amazing how much great organic food was prepared in the oven and on the stove top during that time.

In late March, we entertained visitors from the Japan Agricultural Cooperative. About thirty staff from their retail market toured the Co-op and asked many of questions. We are looking forward to another group from the cooperative visiting again next year.