

Board of Directors' Meeting Notes for January 20, 2020

Board of Directors present: Lynn Wade, Steve Myrick, Jamie Decker, Kylie Oliver, Sarah Tipple, Stephanie Mood, and Merrin Muxlow.

Staff present: Jim Kase and Gloria Isselhard.

Guests present: Peter Doft, Jennier Jiau, Paul Coogan, and Phillip Gianopulos.

New Business

Stephanie circulated a sign-up sheet for directors to sign up to lead a Board Study session. Stephanie said that at the next Board of Directors' (BOD) meeting the Board Study topic will be ideas for administrative agenda monitoring. She suggested starting with our "ends policy." Everything we do should go toward our "ends."

Outreach and Education Committee

Stephanie said she would like to set up a schedule for hosting a Board of Directors' information table at the Co-op, a committee to update the bylaws, and a definition of the duties of the board officers. Lynn volunteered to set up the tabling schedule for February and to schedule the March tabling in conjunction with the Meet and Greet event.

Jim read thank you notes from recipients of donations from the Co-op including Ocean Beach Elementary School, Friends of the Ocean Beach Library, and the Ocean Beach Town Council Board of Directors.

Jim reported that as soon as we have a health permit we will be next on the waiting list for a booth at the Ocean Beach Farmers' Market. The plan is to serve organic juices, baked goods, sandwiches and salads with a goal to eventually expand the menu selection.

Kylie suggested asking John Noble of Coastal Sage Gardening to conduct a botany class outside the Ocean Beach Woman's Club for children during the Co-op's Annual Meeting. Lynn said she works with John and will contact him.

Stephanie gave the background of policy governance: what is the policy of the board, what we are doing, and how we are doing.

Stephanie asked for volunteers to serve on a committee to update the bylaws. She will chair the committee and is planning to have a meeting within the next two or three weeks.

Finance Committee

Steve reviewed the December Financial Reports for the market and cafe. He reported that although café is closed there are still monthly expenses which will continue until the café is sold.

Total revenue for the market for December was down 2.22% for the month compared to December 2018 and up 1.01% year-to-date. Net income from operations was up 390.45% for the month and up 176.67% year-to-date.

Total revenue for the café was down 100.00% compared to December 2018 and down 39.97% year-to-date. Net income from operations was up 64.48% and 29.51% respectively.

Total revenue for the market and café was down 5.20% for the month compared to December 2018 and down 1.18% year-to-date. Net Income from operations was up 635.39% for the month and up 85.85% year-to-date.

The sales per paid labor hour ratio were \$84.53 compared to \$68.82 last year at this time.

Steve made a motion that the board adopt the discount policy presented by the Co-op's General

Manager. Sarah seconded. Vote: ayes – 4; nays – 2; abstained – 1. Motion passed.

Steve made a motion that the board approve \$4,000 to obtain a 2020 ASCAP (American Society of Composers, Authors and Publishers) license. Jamie seconded. Vote: passed unanimously.

Bylaws Committee

Stephanie reported that they had a committee meeting and they went over the lawyer's guidelines. She asked that anyone who is interested in serving on the committee contact her.

Policy Governance

Review of the Co-op's Ends: Stephanie said that the ends are the end goals that everything should be geared toward. She went over the terms.

General Manager's Operations Report

Gross sales were down 3.5% at the market compared to January of last year. The Co-op posted a net profit of \$25,261 however, compared to \$14,172 last January.

Market

	2020	2019	% Change
Sales	\$1,110,238	\$1,150,009	-3.5
Basket Size	\$26.95	\$26.55	1.5%
Customer Count	41,820	43,881	-4.7%

January personnel costs were 26.2% of gross sales. Payroll reporting now includes costs for payroll processing and workers' compensation insurance. The Board of Directors will be reviewing the current labor target in March to include these additions.

An engineer from KPFF, the engineering firm that helped design the truss system supporting the Co-op's mezzanine, had a final walk through in January with a report due in early February. The trusses have been surveyed to quantify any sagging that has occurred during the 17+ years since our building was constructed. The report generated will help inform what, if anything, needs to be done to the tension cables below the trusses. This will help determine the scope and timing of possibly replacing our rooftop solar arrays along with resealing the roof, both of which are showing their age.

January of 2020 marks one year since a letter was sent to owners asking them to shop their Co-op first. The initial surge in sales has faded, but the Co-op remains profitable. While January sales were below those of last year, they did surpass January of 2018. A new owner discount structure is being rolled out in March of 2020, with the intent of making People's healthy, organic food affordable to more members in our community.

The "Co+op Explorers" program launched this month. It is an interactive program for kids to have fun and educate them about the benefits of healthy eating. Children who are signed up for the program receive a free piece of organic fruit and those who complete an Explorer Passport will receive a reusable lunch tote.

The Co-op's café has been listed for sale and has been shown to several very interested restaurateurs. The sale of the property will help us to retire the debt and unencumber the grocery store.