

Board of Directors' Meeting Notes

for June 19, 2017

Board of Directors Present: Ofelia Alvarado, Andi Briceno, Stephanie Mood, Jamie Decker, Steve Myrick, Derek Casady, Nate Bazydlo, and Tasha Dewey. Staff: Jim Kase, Jessie Lamb, and Gloria Isselhard. Guests: Paul Maschel and Phillip Gianopulos.

New Business

The minutes of the previous meeting were approved unanimously with corrections and one abstention.

Jamie distributed copies of the current Directors' and Officers' insurance policy. She also distributed copies of the scheduled meeting dates for July through December 2017.

Outreach and Education Committee

Jim read thank you letters from the Ocean Beach Historical Society and the Ocean Beach Elementary School for donations they received from People's.

Stephanie made a motion that the committee recommend to the Finance Committee that People's donate \$1,000 per month for the third quarter of 2017 to Wild Willow Farm and Education Center. Derek seconded. Discussion followed. Stephanie amended her motion to adjust the amount to \$500 per month for the third quarter of 2017. Derek seconded. Discussion followed. A decision was made to table the motion until the farm's director, Mel Lions can provide updated information regarding the farm's budget and staffing.

Planning Committee

Stephanie announced that Board Study for June has been suspended.

Ofelia reported that the General Manager Search Committee's work will be finished by the end of the month and that People's new General Manager will be hired by July 1st.

Nancy announced that her contract as Project Manager for People's new café has come to an end. Jim Kase will take over as the Project Manager.

Stephanie reported that the work on the café is going forward as expected.

Finance Committee

Steve reviewed the May financials. Total revenue was down 3% for May 2017 and down 2.5% year-to-date compared to 2016. Total cost of sales was up 2.5% for the month and down 3.2% year-to-date. Gross profit was down 1.3% and down 1.4% respectively. Sales per paid labor hour was \$88.05, down from \$90.42 in 2016.

Labor to sales ratio for the month was 24.35% as compared to 22.21% for May 2016, while year-to-date was 24.50% compared to 23.85% in 2016.

The utilities report showed that electricity usage was up, gas was up, and water was down, compared to May 2016. Total usage was up 6.25% for May but down 4.10% year-to-date.

The Voltaire St. duplex property had the usual expenses and income. The café had property

tax and water expense, with no income.

Steve made a motion that People's spend \$3,150 for a MAS 90 (accounting software) upgrade. Derek seconded. Vote: passed unanimously.

Jamie made a motion that the Board of Directors (BOD) approve the following resolution: The Board of Directors of the Ocean Beach People's Food Co-op, Inc., at a regularly scheduled meeting of the board on June 19, 2017, hereby resolves that Nancy Casady, retiring Project Manager, be removed from the café checking account ending in #0344 at North Island Credit Union, a division of California Credit Union. Tasha Dewey seconded. Vote: passed unanimously. Steve made a motion that the BOD approve repairing and sealing the Deli floor at a cost of \$1,540. Derek seconded. Vote: passed unanimously.

Nominating Committee

Nate reported that the 2017 - 2018 Nominating Committee held their first meeting. Andi made a motion that Jessie Lamb be approved as a non-BOD member of the Nominating Committee. Stephanie seconded. Vote: passed unanimously.

General Manager's Operations Report

June saw a considerable drop in sales (-5.8%) compared to June of 2016. June of last year had Owner Appreciation Days, and while we gave out \$10,000+ more in discounts, sales were considerably higher. It should be noted that even with the higher sales, June of 2016 was barely profitable after taxes and depreciation. We plan on offering more Owner Appreciation Days, but on varied days of the week so that more Co-op owners can take advantage of the discount.

The Maintenance Dept. had a department meeting which concentrated on communication, coverage, as well as the value of both worker and consumer customers. Other departments are in the process of scheduling their meetings. We are planning to have an all-staff meeting by the end of September, before the busy holiday months begin. Customer service and efficiency will be primary topics, with a round table discussion planned to address staff comments and questions.

Building repair and maintenance consisted of mostly small projects such as refinishing hand rails, replacing drain pipes and minor refrigeration repair. Sealing the kitchen floor in the Deli is planned for early July; it is one step in an ongoing string of stopgaps to prevent leaks onto the first floor. More attention will need to be given to this issue down the road, but that will be a big project that will require appropriate planning.