

Board of Directors' Meeting Notes for March 15, 2021

Board of Directors Present: Lynn Wade, Janice DuVall, Kylie Oliver, Steve Myrick, Peter Doft, Jamie Decker, Paul Coogan, Torran Owens, and Jennifer Jiau. Staff: Sarela Bonilla and Gloria Isselhard. Guests: Loni Lavalier, Stephanie Kent, Lisa Carman, and Mark Spitzer.

Board Study

Lynn asked the board members to send ideas to her regarding subjects for Board Study. Once received, she will create a calendar.

Executive Session

Lynn reported that the board held an Executive Session at which the café was discussed.

New Business

Lynn reported that the Bylaws Committee has met and finished updating the bylaws. The update will be sent to the Co-op's attorney for review.

Policy Governance: Lynn read from the C1 Governing document regarding focusing our vision outside to the future and following policy governance principles.

Outreach and Education Committee

Janice said she has been in contact with students at Bastyr University who are doing research on food as medicine for cardiovascular disease. She said that she would like to work on developing an educational program on food for cardiovascular health. Peter said that type of program could be construed as practicing medicine without a license, and we should be very careful about crossing that line.

Paul spoke of reaching out to schools, in particular, the Waldorf School. Jamie said that prior to the pandemic, People's was very active in local schools, Girl and Boy Scout programs, and other youth organizations by hosting field trips to the Co-op, helping with their school gardens, as well as supplying food at their events. She said this type of outreach is good however, at the present time we need to work on operations.

Finance Committee

Steve reviewed the Financial Statements for February. The revenue for the market and café was down 26.9% compared to February 2020, and year-to-date it was down 25% compared to the prior year. Sales per paid labor hour was \$91.31 as of February 2021 compared to \$100.82 in 2020.

Jamie reported that we were approved for a second Paycheck Protection Program (PPP) loan and it has been deposited in the bank. The loan is expected to cover six payrolls. The application for forgiveness of the current loan has been submitted to our credit union.

Nominating Committee

Paul reported that the Candidates' Meet & Greet did not take place due to an edit made in error to the Zoom meeting's passcode.

A minimum of 350 votes is required in order for the election to be valid. Lynn said she would check the vote count weekly and Peter offered to help.

Interim General Manager's Operations Report

Gross sales were down 27.67% for the market compared to March of 2020. For the first quarter of

the year we are down \$897,264, or 25.98% in sales compared to the first quarter of 2020. Our organization posted a net loss of \$32,620 in March of 2021, compared to a net income of \$93,167 in March of 2020.

Market

March	2021	2020	% Change
Sales	\$906,871	\$1,253,787	-27.67%
Basket Size	\$40.86	\$42.14	- 3.03%
Customers	22,499	29,968	-24.92%

March 2021 total personnel costs at the market came in at 29.95% of gross sales, with an increase of 2.15% from 27.8% last month. In the first week of March People’s received a second PPP loan. We received full forgiveness of our first PPP loan at the end of March 2021.

Throughout March we saw a slight decline in People’s Curbside shopping as more owners begin to get vaccinated and feel safer shopping in person, however the program has still been a source of sales as well as a continued support for owners who use the platform for shopping and special orders. Our curbside team is still adding products as well as updating item descriptions.

In early March People’s reset its Certified Organic Produce Department. Utilizing mostly existing materials and purchasing new sign holders, Produce Manager Mike Garcia and Facilities Manager Juan Villela, with the support of staff, broke down and rebuilt the displays in just under five hours. The main intention was to create better visibility from the front of the market through the Produce Department, improved pathways, and accessible displays.

From the start of March through early April there was a heightened focus on our Annual Meeting and Board of Directors’ Election. With over 11,000 active owners we struggled to engage our owners during election time and worked diligently to get the 350 consumer votes necessary for a valid election. With in-person voting running alongside e-voting, we did have a valid election which will be reported on in more detail next month.

At the end of March and the first quarter of 2021, we completed our Quarter 1 inventory, and this time we opted to use RGIS, an inventory service company. While it is convenient to employ their services, we are planning to do an in-house inventory count for Q2 in order to achieve more accuracy.