

Board of Directors' Meeting Notes for November 16, 2020

Board of Directors Present: Lynn Wade, Chair: Peter Doft, Paul Coogan, Janice DuVall, Steve Myrick, Kylie Oliver, Jennifer Jiau, and Jamie Decker.

Staff: Sarela Bonilla and Gloria Isselhard.

Guests: Kim Kane, Dean Peabody, and Joe Edmonds

New Business

Two member-owners of People's, who wish to remain anonymous, made an offer to donate \$1,000 for the cost to print discount coupons and another \$4,000 for postage to mail them. The goal would be to help People's recruit 100 new Co-op member-owners, as well as to help financially aid the Co-op through the COVID-19 pandemic. Jamie thanked them for their offer and said she would have to check into whether there may be any tax implications resulting from the Co-op's acceptance of the donation.

Lynn reported on C8 Governing Investment.

Lynn presented the *Social Media Marketing Report* prepared by the Co-op's Marketing Director, Amber Forest McHale, which included pictures of the Co-op's social media posts, ads, flyers, posters, signage and their intended goals. Peter asked about the cost for sending a letter to the owners. Kylie reported that it could be very high. Jamie requested that a quote for the mailing costs be researched and brought to the next Finance Committee and Board of Directors (BOD) meetings.

Outreach and Education Committee

Regarding a speaker for the Co-op's Annual Meeting, Janice reported that she had spoken to the agent for Professor of Nutrition and Food Politics at the University of Georgia, Marion Nestle. Ms. Nestle has written a number of books on food politics; e.g., *The Politics of the Potato*. Janice asked if she could have a list of the local organic farmers that the Co-op does business with. She suggested that one or more could speak on the topic of organic food if Ms. Nestle is unavailable.

Janice presented a model release form to be completed by people who she may interview for the People's Co-op history project. She asked if she should have the Co-op's attorney look at it, and Peter, a retired attorney and judge.

Finance Committee

Steve reviewed the October Financial Reports. He said that were three payroll periods during October and it was also the first month that the Paycheck Protection Program (PPP) funds had been depleted, so the amount of cash used during the month was increased. Revenue for the month showed a decrease of 19.85% from October 2019 and it was down 15.4% year-to-date. The market and café income for the month was down 19.85% compared to October 2019, and year-to-date it was down 18.68%.

Nominating Committee

Paul reported that they had moved the deadline to receive candidate applications for the 2021 Board of Directors' election to January 8, 2021, and that they can be submitted in person at the Co-op or emailed.

Interim General Manager's Operations Report

Gross sales were down 21.65% at the market compared to November of last year. Year-to-date, we are \$1,895,126 behind last year in gross sales, or 15.98%. Our organization posted a net loss of \$11,557 in November of 2020, compared to a net income of \$21,611 last year. Year-to-date, we have a net loss of \$362,256.

Market

October	2020	2019	% Change
Sales	\$856,710	\$1,093,497	-21.65%
Basket Size	\$43.97	\$28.41	54.77%
Customer Count	19,762	38,973	-49.29%

November personnel costs at the market came in at 27.4% of gross sales, with a decrease of 3.6% from 31% last month. Labor was adjusted at the start of November with revised department schedules and a focus on efficiencies. We were also able to bring down labor expenses through attrition and going on a hiring freeze unless it was essential to bring new staff on board, and in those cases we have made sure that new hires are cross trained and able to be utilized in multiple departments or on various tasks.

With the month of November bringing a heightened focus on food and home cooking, we held our traditional November Owner Appreciation Days. To ensure that we were able to provide every Co-op owner the opportunity to shop and receive their 10% discount, we extended the traditional 5 to 7 discount days to a two week period. This allowed us to not only provide more discount shopping days to more owners, but also ensured that we still maintained a limited in-market customer count to allow for social distancing for all shoppers and staff.

This year we also instituted a first and made our award-winning Deli food available to order online with Thanksgiving Heat and Serve meals, allowing customers to place advanced orders on our website and pick them up curbside. We found this to be a success as we navigate to find new ways of meeting our customers' needs during these challenging times.

People's welcomed National Co-op Grocers Produce Specialist, Jeffrey Owens to the Co-op in November. Jeffrey met with our produce team and Interim Produce Manager, Mike Garcia. Jeffrey was with us for three days and provided insights and training that will assist us moving forward. Our goal was to establish a recommitment to People's core values and high standards in our Produce Department.

Lastly, People's participated in the O.B. Town Council's (OBTC) Restaurant Walk. This year it was modified to be a take away experience in order to ensure public safety. People's Marketing Director, Amber Forest McHale, along with support from the Deli and myself, handed out meals to roughly two thirds of the participants who purchased tickets to the event. OBTC holds the annual Restaurant Walk as a fundraiser to provide food and toys to over 100 local O.B. families and seniors in need during the holidays.