

Board of Directors' Meeting Notes for October 16, 2017

Board of Directors Present: Ofelia Alvarado, Andre Andersen, Derek Casady, Stephanie Mood, Andi Briceno, Steve Myrick and Jamie Decker.

Staff: Jim Kase and Gloria Isselhard

Guests: Ellee Igoe, Nancy Kelly, Paul Maschel, and Phillip Gianopulos

Board Study

San Diego Small Scale Farming: Ellee Igoe from Solidarity Farms spoke regarding their cooperative farm in Pauma Valley.

Outreach and Education

Jim read thank-you notes from the Pacific Southwest Chapter of the California Certified Organic Farmers for a donation that People's made to their symposium as well as from the O.B. Town Council for a donation of organic orange juice for the Ocean Beach Pier Pancake Breakfast.

Andi circulated the updated donation report for the year. The third quarter total was \$3,537.30, year-to-date total was \$16,437.18, and the 2017 budget is \$27,713.

Planning Committee

Jim reported that the Dept. of Health has completed their inspection and the café was 100% in compliance. Hiring for the café staff will be completed this month. No date has been set for the soft opening pending final city code inspection.

Finance Committee

Steve reviewed the financial reports for September. Total revenue was down 3.5% for the month compared to September 2016 and down 2% year-to-date. Total cost of sales was up .3% for the month and down 2% year-to-date. Gross profit was down 10% and down 2.5% respectively. Sales per paid labor hour was \$87.56 year-to-date compared to \$88.52 in 2016. Labor to sales ratio for the month was 26.25% compared to 25.16% in September 2016 and 24.60% year-to-date, which is close to last year's ratio of 24.26%. Utilities showed electricity use and cost up and gas and water costs down, compared to 2016, resulting in year-to-date total cost of minus 0.24%

The Co-op's duplex property showed normal income, and the only expenses were property taxes and insurance. The Co-op's Voltaire East property showed property taxes and water expense with no income. Steve made a motion that the board approve up to \$5,000 to replace the Deli's ice machine. Vote: passed unanimously.

Jim reported that the cost of repairs needed to service the elevator this month were covered by the maintenance agreement.

Nominating Committee

Andi reported that applications for board membership are available on People's website and at the

membership desk on the second floor of the Co-op. Committee members will have a table set up at the entrance to People's on the following Sundays: October 29, November 5 and 12, from 12 noon to 2 p.m. There will be information, board candidate applications, and committee membership applications available. All board members are encouraged to attend and talk to shoppers.

General Manager's Operation Report

Sales in October of 2017 were down 6% compared with October of 2016, with year-to-date sales down 2.8%. All departments, with the exception of two, were down compared to October of 2016.

People's held an all-staff meeting at the Ocean Beach Woman's Club during the third week of October and the Co-op closed at 6 p.m. so that all employees could attend. The meeting was held in a town-hall style with the General Manager giving a short presentation about where we stand as a business and as an organization, followed by a question and answer period. It was the first all-staff meeting held in more than a year.

The annual Organic Certification inspection for the Produce Department took place on October 26 and we passed with flying colors.

People's Marketing Director, Amber Forest McHale, and Membership Coordinator, Kylie Oliver, represented the Co-op at two events this month at Point Loma Nazarene University (PLNU). One event, the Creation Care Fair was student centered, and the second event, PLNU's Fall Festival was open to the general public, with more than 5,000 in attendance. Attendees of both events were treated to organic cameo apples courtesy of People's and recieved information about Co-op membership, sustainable food choices, and more.

All Co-op owners recieved a 10% discount on bulk items during two days in October. This not only yielded higher than normal sales in the bulk departments, but also brought storewide sales up compared to the same days of the prior year.

People's Scholarship application period for college-bound high school seniors continues to be announced in the Co-op's newsletter.

The end of the month saw the annual O.B. People's Healthy Halloween Carnival, which had a solid turnout of costumed kids and adults alike. Clowns and a magician entertained the crowd while bags of healthy treats were handed out. Thank you to staff members Jamie Decker, Elizabeth Sampe-dro and Juan Villela who organized the event.