

Board of Directors' Meeting Notes for June 15, 2020

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

Staff: Jim Kase and Gloria Isselhard.

Old Business

Lynn reported that action was taken at an Executive Session of the board, which was held on May 26, 2020.

Board Study

Lynn reviewed the points in Policy Governance Section D.

New Business

Lynn made a motion that the board accept Jim's reports on section B1 of Policy Governance Executive Limitations. Peter seconded. Vote: passed unanimously.

Jamie made a motion that the Board of Directors (BOD) accept Jim's report on B7 of Policy Governance Executive Limitations. Peter seconded. Vote: passed unanimously.

Peter made a motion that a letter written to the owners by Steve from the BOD be placed on social media, sent in an email to our owners, and printed in the Co-op's newsletter. Jamie seconded. Vote: passed unanimously.

Lynn asked for feedback from those who had attended the Consumer Cooperative Management Association conference workshops, which were held virtually this year.

Outreach and Education Committee

Janice DuVall was elected committee chair at the June 8, 2020 committee meeting.

She suggested that music be played outside for customers to hear while waiting in line. Jim said he would not want a lot of people hanging out listening to the music.

Janice reported that she is interested in developing a video featuring the history of People's, which could be presented at an O.B. Historical Society meeting, for instance.

She then suggested that some of our local farmers could come to People's so that customers could meet them. An alternative would be to provide field trips to local farms that supply produce to the Co-op, but it was mentioned that farmers are very busy during this time of year. Jim suggested that we wait until the pandemic is over and possibly schedule a farm trip then.

Finance Committee

Steve was elected committee chair at the June 8, 2020 committee meeting.

Steve reviewed the May financial reports. The year-to-date revenue for the Co-op was down 14.28% in 2020 compared to 2019. Cost of Sales was down 15.36% year-to-date compared to last year at this time. The sales per paid labor hour ratio was \$97.66 in 2020 compared to \$87.15 in May 2019.

Jamie reported that the \$667,000 obtained through the Paycheck Protection Program has been deposited into the Co-op's payroll bank account. This program is an SBA (Small Business Administration) loan that provides small businesses with the needed resources to maintain their payroll and hire back furloughed employees. It will be used according to the SBA's loan forgiveness requirements to ensure that the funds won't have to be repaid.

Nominating Committee

Sarela was elected chair of the committee. She reported that they had discussed the importance of having at least one committee member who is not a director.

General Manager's Operations Report

Gross sales were down 24.8% at the market compared to June of last year. Operating hours were expanded at the beginning of July. We have begun opening from 8 a.m. to 9 a.m. for seniors and those community members with disabilities and compromised immunity, and then continuously until 8 p.m. for everyone. Additionally, we no longer close for an hour in the middle of the day. We also started taking cash payments again as of June 1. Year-to-date, the market is \$827,750 behind last year in gross sales, or 12.6%. Our organization posted a net loss of \$96,318 in June of 2020, compared to a profit \$51,743 last year. Year-to-date, we have a net loss of \$39,142 compared to a net profit of \$121,384 at the same point last year.

Market

	2020	2019	% Change
Sales	\$789,028	\$1,060,782	-24.8%
Basket Size	\$51.15	\$27.13	89.3%
Customer Count	15,741	39,724	-60.4%

June personnel costs at the Co-op came in at 27.7% of gross sales, down from over 30% the previous month. Maintaining COVID-19 prevention protocols continues to put pressure on our labor budget. Despite these trying times, staff has continued to show positivity and resilience throughout the pandemic. Masks and social distancing are still mandated by the county for shoppers and staff, and those unable to wear a mask will be accommodated through our curbside pick-up program.

June was also an Owner Appreciation Month. Over \$30,000 was given in discounts to owners in the form of a one-time use 10% coupon at the register. The event was dampened a bit by the protocols we need to follow, but we appreciate everyone who continues to support their community-owned market. We will be maintaining our COVID-19 prevention protocols for the foreseeable future, and we are grateful to all who bring their patience and positive attitude with them when they shop.