

# Board of Directors' Meeting Notes for May 18, 2020

Board of Directors Present: Lynn Wade, Sarela Bonilla, Jamie Decker, Janice DuVall, Peter Doft, Paul Coogan, Jennifer Jiau, Kylie Oliver, and Steve Myrick. Staff: Jim Kase and Gloria Isselhard. Guests: Alice Rogoro and Judith Starker.

## Board Study

Lynn reviewed the subjects covered in the Board of Directors' (BOD) manuals, which have been provided to new board directors.

## New Business

Jamie made a motion that the BOD pass a resolution to add Sarela Bonilla as a signer on the U.S. Bank Payroll checking account. Peter seconded. Vote: in favor – 7, abstained – 1. Motion passed.

Peter made a motion that the BOD approve up to \$1,200 to get Webcart, an e-commerce shopping cart software program, up and running. Paul seconded. Vote: passed unanimously.

Lynn advised that all directors are considered to be members of all board committees. Steve called attention to the fact that the Executive Committee is comprised only of board officers and that it is not open to guest participation.

Jim noted that this year's Consumer Cooperative Management Association (CCMA) conference will be held virtually. The cost to attend is \$25 per person and that a group of 10 receives a 10% discount. He will register the BOD as a group.

## Outreach and Education Committee

Lynn and Steve responded to questions regarding the protocol for notifying Co-op owners of meeting schedules. Emails are sent to those who request to attend 24-hours prior to the meeting. It was suggested that this should be revised to 48-hours. Guests who are in attendance at the meetings will be muted and may use the "raise hand" feature in Zoom or chat window to speak and ask questions. A board member will be assigned to monitor the chat window so that the chair does not have to. Note: raising a hand during the meeting may not be seen, as only a certain number of chat windows can be viewed at one time.

Jim thanked Peter for offering to be a speaker at the upcoming Live Well Advance San Diego conference in December. Janice will be assisting Peter by researching the content of the presentation. Lynn said that the next topic for Board Study will be new board member orientation.

## Finance Committee

Steve reviewed the April financials. Sales for the market were down 32% for the month and down 5% year-to-date. Total revenue for the market and café was down 36% for the month and down 9% year-to-date compared to 2019.

The target for labor as a percentage of sales is 26%, and for April it was 35.25%. The ratio of sales per paid labor hour was \$100 as of April 2020 compared to \$89 in 2019.

Steve made a motion that the BOD approve up to \$1,200 for the purchase of Plexiglas dividers at each cash register station. Sarela seconded. Vote: passed unanimously.

Board consensus is to continue to keep the sale of the café property listed as there is no cost to do so. Currently the site is being used to assist with the Co-op's Curbside Pickup program.

## Nominating Committee

Sarela presented the proposed slate of board officer nominations. They were as follows: President, Lynn Wade; Vice President, Paul Coogan; Secretary, Jamie Decker; and Treasurer, Steve Myrick. The slate was elected unanimously.

## Policy Governance

Jim reported on sections B1 and B3.

Jamie reported that the Financial Officer and the CPA are working to complete the 2018 and 2019 financial reviews.

## General Manager's Operations Report

Gross sales were down 30.6% at the market compared to May of last year. The decline is due to the restrictions in place to help prevent the spread of the novel coronavirus. We reduced hours of operation by 30%, closed the bulk section to self-service and restricted access to the second floor, including the Deli. Year-to-date, sales are \$564,996 behind last year in gross sales, or 10.2%. Our organization posted a net profit of \$1,033 in May of 2020, compared to \$16,133 last May. Year-to-date, our net profit is \$66,471 this year compared to \$69,641 in 2019.

## Market

|                | 2020      | 2019        | % Change |
|----------------|-----------|-------------|----------|
| Sales          | \$760,910 | \$1,096,695 | -30.62%  |
| Basket Size    | \$59.68   | \$26.65     | 124%     |
| Customer Count | 12,818    | 41,661      | -69.2%   |

May personnel costs at the Co-op were 30.03% of gross sales, due to the reduction in sales and the added labor hours related to our response to the virus. The staff continues to be incredibly positive and resilient throughout the current situation, and we all owe them a great deal of thanks for persevering during a very difficult time.

Operations continue to adapt to the new reality of the pandemic, and the recommendations made by the CDC, The State of California and The County of San Diego Department of Health.

We are now looking to slowly ease restrictions by remaining open continuously from 8 a.m. to 8 p.m. and reserving our first hour for seniors age 65 and older, as well as those who have compromised immune systems, or are managing a physical disability. Access to the Deli on the second floor for take-out orders and to use a customer restroom began at the end of May and will continue as long as we can maintain appropriate distancing. We are also returning to taking cash payments as well as using paper ownership forms. We will be emailing and sending postcards to owners who were not able to renew due to prior pandemic restrictions.