



Board of Directors Meeting Minutes

January 4, 2024 • 6 – 8pm

Zoom

Present at meeting:

Board Members: Brenda Harper (President), Mike Connors (Treasurer), Laura Jones (Director), Roger (Vice President), Mimi Smith (Employee Director), Ellis Smith (Employee Director)

Absent Board Members: George WinterSun (Secretary)

Co-op Employees: Emily Walter, Sean Nolan, Kiya Villarreal, Jason Davenport

Member-owners: Kathleen Pelley

1. Welcome

The meeting was called to order at 6:06 by Brenda and introductions were made.

2. Agenda Review and Approval

Agenda approved by consensus.

3. Member Comment Period

- Mike – I received an employee comment that may be in jest... but it was a suggestion to have ice cream shakes sold at the deli. I heard from a member about ENF's 25% off everything in the store day and they wanted to know what we'd do about it.
- Ellis – I heard from an employee wondering if other departments could have discounts like Wellness Wednesday.
- Mimi – I get a lot of comments that people want the 5% discount back instead of the quarterly discount.

4. Approve December 2023 Board Minutes

<p>Motion: Approve the December 2023 board minutes. Approved by consensus.</p>

5. Board Correspondence – reported by Brenda

No correspondence.

6. Guest Employee – reported by Roger

A lot of staff tell me they don't want to come to Board meetings. Maybe we could have staff fill out some kind of comment card to give the Board feedback.

- Sean – A way to encourage employees to speak to the board could be to decrease the frequency of employee guest speakers to quarterly, or to offer them an incentive, like a gift card. A gift card could come out to the Board budget.
- Ellis – I've let employees know that if they aren't comfortable contacting the board that they can contact me directly and I can relay information for them anonymously.

7. Guest Management – reported by Jason Davenport

I'm the Director of Technology and Maintenance. I oversee Pricing, Janitorial, Maintenance and IT. All the prices in the store come from a centralized computer system. As we receive invoices for products, we enter them into a system. We look at the cost, apply a margin and then create a price. Pricing also creates the promotions/sales which come from UNFI, NCG, and manufacturing and internal strategies. We have four staff that help with pricing (two in each store) and Ed Smith who is the Manager for Pricing. Ed also helps with IT. Our pricing Department is filled with long-term staff with institutional knowledge. They're really good at continually reviewing margins to find the sweet spot for both customers and the Co-op.

- Sean - In the last year we created an automated margin system. It was a huge undertaking and now we have an incredibly efficient pricing system.

- Roger – One of the great parts of a Co-op is that it’s a team of people working together. I hope we can find a way to present this to staff and our members.
- Mimi – I feel like transitioning to having only one janitorial staff has been difficult.
 - o Jason – We are aware of areas that are currently difficult and need improvement. We are trying to find the best way to manage janitorial duties. Janitorial is the most difficult department to manage. I plan to continue this discussion with Sean and Alanna.

8. Finance Report – reported by Sean

We are looking at Period 7. October sales were surprisingly good considering the Arcata parking lot was under construction. Arcata did better than previous year and Eureka was down. Payroll was under budget. We had a large health benefit claim which took us over budget by about \$100k. Thankfully, over the last weeks we’ve had low benefit claims and we should be right about on budget at this point. Our customer counts are back to normal after the dip during Arcata parking lot construction. Eureka sales have been increasing the last few weeks.

- Mike – I understand P7 is based on estimates for margins.
 - o Sean – We did inventory last Saturday and I’m hoping for better margins in Q3. Margins and benefits are the two things that contribute to negative numbers.
- Brenda – How do you measure the impact of sales like FLASH50?
 - o Sean – you can measure success by how many people use the discount. We can’t actually tell how many people it actually brings into the store. The main reason for the FLASH50 sales is to create a buzz and get people excited. It’s an additional layer of member discounts during Member Discount Month.
- Mike – How did the turkey giveaways go?
 - o Mimi – Most of the people that got the turkeys didn’t know the promotion was going on. Some customers didn’t want their turkeys and opted to donate their turkey to Food For People.
 - o Sean – Christine, the Store Manager in Eureka came up with the turkey promotion idea as a creative way to deal with too many turkeys on hand.

9. Nominating Committee Members – reported by Laura
Tabled until February.

10. Board Meeting Locations – reported by Brenda

I’ve talked to people about meeting in person versus zoom. There was a suggestion to meet quarterly or twice a year in person.

- Ellis – I like quarterly or twice a year in person. I’d like it to be in Eureka and Arcata.
- Roger – I think it’s a downhill slide when we start moving away from in person meetings. It will change how member interaction takes place.
- Brenda – I personally like Zoom because I can hear better on Zoom. It seems unless there is a major issue going on, historically board meeting attendance is not great.
- Laura – I like that people are not driving cars to Board meetings.
- Mike – I prefer Zoom because it’s easier for me to attend no matter where I am. But I want this to be as open to our members as possible.
- Roger – I’d like to see the meeting held in the stores.
- Mimi – I prefer Zoom but quarterly in person sounds good.
- Sean – I believe that if we do in person, then we should only do in person and not a Zoom hybrid meeting.

AGREEMENT: Hold quarterly in person Board meetings the months of February, May, August, and November.

11. GM Report – reported by Sean

We’ve been waiting on a part for our new generators. We were told we’d have them this or next month and now I’ve been told that Eureka’s part won’t be ready until April and Arcata’s won’t be available until August.

- Mike – Given this delay, can we find a different supplier?
 - o Sean – We are under contract with these generators and parts.
 - o Roger – This is a common issue with this type of installation and not necessarily the contractor’s fault.

Sean - We bought an electric van to replace our old van. The van is used for deliveries between the stores. Inventory was smooth in both stores following strong sales in December. We had a snafu with SNAP that was due to lack of communication (missing notifications) from SNAP. Thankfully, Brenda was a great help as SNAP would only speak with the President and not Sean.

ACTION: Sean will ask our Lawyer if there is a way to have a staff member on the USDA SNAP corporate documents, and other corporate documents.

- Mike – What is the passport cross training?
 - o Sean – that is being spearheaded by Store Managers. It’s about cross training staff. The passport is like a checklist of things for cross training.
- Mike – Under HR there is a DEI committee being researched.
 - o Sean – we don’t yet have a timeline for a DEI committee. Alanna and I have a loose structure we’ve put together. The basic idea is that it’s an employee led committee with loose structure and guidelines. We are meeting to work out more of the details.
- Brenda – I’m hoping we can have more consistency with the timing of the newsletter. And sometimes there isn’t a print version available.

12. Member Comment

- Kathleen – people were fighting over eggnog during the holidays.
- Mike – I know someone that has recently become a member of the Co-op and they haven’t received their Co-op card and materials.
- Roger – I think sometimes when members come to meetings they comment, and they receive no response. I think we can do a better job with responding. I think it discourages people from participating. I encourage board members to write something to share with the membership. It doesn’t have to go into the newsletter.

13. New Business (items for next agenda):

- Employee Speaker
- Nominating Committee Members
- Quarterly Review of the Strategic Plan
- Board Budget

Consensus reached to adjourn the January 4, 2024, meeting at 8:14pm and move into Executive Session.

Minutes by Emily Walter

North Coast Co-op Board of Directors Executive Session Minutes January 4, 2024

Present at meeting:

Board Members: Brenda Harper (President), Mike Connors (Treasurer), Laura Jones (Director), Roger (Vice President), Mimi Smith (Employee Director), Ellis Smith (Employee Director)

Absent Board Members: George WinterSun (Secretary)

Co-op Employees: Sean Nolan

No reportable action.

Executive Session ended at 9:03pm