



Board of Directors Meeting Minutes

February 1, 2024 • 6 – 8pm

Jefferson Community Center

Present at meeting:

Board Members: Mike Connors (Treasurer), Roger (Vice President), Mimi Smith (Employee Director), Ellis Smith (Employee Director), George WinterSun (Secretary)

Absent Board Members: Brenda Harper (President), Laura Jones (Director)

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

Member-owners:

1. Welcome

The meeting was called to order at 6:07 by Roger.

2. Agenda Review and Approval

Agenda approved by consensus.

3. Member Comment Period

- Ellis – I like the new decal in the Eureka store over the kitchen and shoppers like it too.
- Sean – I’ve gotten a few member comments about wanting more vegetation in the Arcata parking lot. The City of Arcata is responsible for completing the landscaping and we’re waiting for that.

4. Approve January 2024 Board Minutes

<p>Motion: Approve the January 2024 board minutes. Approved by consensus.</p>
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5. Board Correspondence – reported by Brenda

Roger – a staff person said they’re upset about other staff wearing fragrances. There is a policy for this.

6. Finance Report – reported by Sean

We had strong sales for P8 and payroll was just under budget. Benefits were high but have been down the last couple of months and we are currently under budget for benefits.

- Mike – the net sales for benchmarks don’t match the income statement. It’s off by about \$2,000. The income from the operations line has been negative for 5 months consecutively. I’m wondering what is causing this and how will it turn around to become positive? It seems the benefits were much higher in those five months and that the gross margin numbers were below target for that stretch.
 - o Sean - Those are the main contributing factors. Q1 margins were strong and Q2 were not strong. We don’t know what Q3 is yet but I’m optimistic that with Thanksgiving and Christmas we’ll have a profit. Margin is the area that we have some control of, and we are looking into what’s driving the margin numbers and looking for that sweet spot for pricing and margins.
- Mike – as far as being self-insured for health insurance,
 - o Sean – we are rare. Most businesses are not self-insured. Typical insurance generally costs more for the business and offers less benefits to staff. We like the fact that we are able to offer better insurance to staff. Barney and I estimate that the store has lost ~\$500k from various unexpected events, such as the parking lot, the power going out and some large health claims.

7. Fiscal Year 2025 Board Budget – reported by Mike

We made a couple of tweaks to the Board budget. We plan on updating the GM Review process and are increasing the budget for that. We want the review to be more tied to the cooperative principles. We also added money to the food category to supply staff with some gratitude meals.

Motion: Approve the FY25 Board budget.
Approved by consensus.

8. Nominating Committee Members

Motion: Appoint George WinterSun and Brenda Harper to the Nominating Committee.
Approved by consensus.

9. Strategic Plan Quarterly Review – reported by Sean

Sushi packaging is transitioning to a more environmentally friendly packaging the first week in March. And we'll also be getting a new paper box for our take n bake pizzas.

10. GM Report – reported by Sean

We had strong sales in January for Member Appreciation Month. Mary Cooper, our Accounts Payable Clerk, is retiring after 34 years. Jolie Harvey is taking over Mary's job and leaving her position as Outreach Coordinator. We're replacing a lot of lighting in the Eureka store to improve the lighting. The exterior paint job in Eureka is chugging along when the weather allows.

11. Member Comment

- None.

12. New Business (items for next agenda):

- Employee Speaker
- Management Speaker
- Nominating Committee Report

Consensus reached to adjourn the February 1, 2024, meeting at 7:29pm and move into Executive Session.

Minutes by Emily Walter

**North Coast Co-op
Board of Directors Executive Session Minutes
February 1, 2024**

Present at meeting:

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

Absent Board Members: George WinterSun (Secretary), Laura Jones (Director)

Co-op Employees: Sean Nolan

No reportable action.

Executive Session ended at 7:43pm