

SRFC BOARD OF DIRECTORS MEETING
APRIL 26, 2016
MINUTES

Board Meeting Commenced @ 6:10 PM

Present: John, Deb, Andy, Tom, Meagan, Brianna, Jeremy, Jen

Absent: Larry (with notice), Steve, Abigail

Preliminaries

Ends: read by John

Ground Rules / Guest Rules: waived

March Minutes

Moved to accept as submitted by John, seconded by Deb. Andy and Tom abstained; all else in favor (absent Larry, Steve, Abigail).

GM REPORTING

A. FYI Report

- New Members: 7 new members joined during March. This is expected to be the trend until new value can be attached to membership without the benefit of a monthly discount. Events such as the founder's day bulk sale will demonstrate to customers that there is still an economic advantage to membership. Staff is working on an updated membership pitch.
- Staff: Don will be attending Marketing Matters in Chapel Hill on June 8-9. Jen and Gabriel will attend the NCG Convergence in July.
- Major Expenditures: Nicole Klimek, a store designer from CDS Consulting Co-op – commission for possible visit in July
- Other:
 - Rosie Deliveries – Considering exchanging a weekday delivery slot for a Saturday morning slot. Friday afternoon/evening tends to get the least amount of orders.
 - NCG Meeting – Jeremy discussed rebranding with other co-ops such as the PFC in Kalamazoo and Lexington in Buffalo. PFC changed their name from People's Food Co-op in order to sound less exclusive and more accessible. Lexington has not yet had any negative feedback related to changing the store name or rebranding. Also, NCG adopted new operating standards for co-ops, but we already meet these requirements.
 - Peg Nolan – Jeremy will be working with her to develop a formalized multi-year business plan and budget. This service is included with our NCG membership.
- Financial Report:
 - Mixed performance on product margins. Decrease in cheese department sales due to experimenting with new product sold at a lower margin and shrink due to cooler breaking down. Increase in beer department sales due to aged beer sales.

Mel provided a produce pricing spreadsheet that has been helping Reina achieve her margin. Gabriel and Scott will be working with Stephanie to revamp the wellness and HBC department, bringing in more basic supplements. Successes in frozen and dairy. Bakery is struggling.

- The co-op produce share is in its third week and there are about 28 current subscriptions with about 15 full-season shares. An extra produce shift has been added to Wednesdays to help with labor while Reina assembles the shares.
- Movement on key financial ratios not currently great due to expenses for training with Mel, Rosie expenses which the program is still “growing” into, credit card reconciliations, and the expense of ordering extra cases of product that hasn’t caught up yet in sales.
 - Accrued liability – we have more cash on hand from pre-season co-op share sales. The sales only hit the books once the shares have been put out.
- Some products have been priced lower, to compete in the market. Focusing on growing sales before cutting labor hours or backsliding on pricing. Despite mixed financial results recently, we are on track to have one of our highest-sales years.
- There hasn’t yet been a difference in member sales since the end of the discount.

B. GM Monitoring Report: B5 – Management Continuity

Jeremy hopes to have Scott (assistant manager) attend a board meeting this year, possibly next month. Jeremy and Scott review and discuss policy reports regularly. The daily cash report and cash reconciliation files contain embedded instructions, and Scott is already trained on completing cash reconciliation. There is an admin Dropbox folder that contains encrypted files documenting key operational info and resources. With the level of cross-training and documentation available, Jeremy is confident that Scott could manage the store in an emergency or unexpected transition.

Moved to accept by John, seconded by Deb, all in favor (absent Larry, Steve, Abigail).

C. GM Monitoring Report: B2 – Planning & Budgeting

Postponed to May board meeting; will incorporate work with Peg Nolan (NCG).

BOARD ADMIN & PLANNING

A. Upcoming Dates

5.8 Backyard Garden Work Day

5.16 CDS Monthly CBLD Call

5.17 Board Packet Due

5.22 Spring Membership Meeting

5.24 Board Meeting

5.30 Memorial Day Co-op Cookout at John's

BOARD EDUCATION & OUTREACH

A. Spring Meeting Prep and Coverage

There will be an information table staffed by board members in front of the store. The longer board members can be there the better, and ideally there will be a mix of old and new board members for each shift. Now is an ideal time to start thinking and talking about board recruitment for this fall's election. Briana, Andy and Deb volunteer to come up with a fun activity that will help make the information table more inviting for customers. There will also be a backyard gathering space with refreshments and info about the Permaculture Garden project, including efforts to engage volunteers for the garden committee. The event will coincide with the founder's day bulk sale.

B. Garden Committee Charter Proposal

Board members met with Frank and discussed goals for this year and the formation of a board garden committee. Goals include making the backyard accessible through the walkway, signage, creating a seating area, adding more perennials, creating a weekly or monthly schedule for volunteers to keep up with basic maintenance, and attending work days. Meg has written a rough draft of a charter proposal and would like to recruit board members to sign on. Discussion will be continued via email.

C. Co-op Cafe Video - Courageous Leadership Today, Stronger Co-ops Tomorrow

Viewed and discussed. Jeremy hopes the video reinforces the need to update the store to better serve customers and diversify and improve product offerings. There is a need to keep in mind the silent majority of shoppers, who may not speak up about unmet needs, but will simply decide to shop somewhere else. Keeping the needs of all types of customers in balance is key.

BOARD MONITORING

A. Revised Policy D.5

- D5.6 revised
- D5.8 revised
- D5.9 added

Andy moved to accept, seconded by John, all in favor (absent Larry, Abigail, Steve).

B. Board Monitoring: D.4 - Officer's Roles

Prepared by Deb

Moved to accept as submitted by John, seconded by Meagan, all in favor (absent Larry, Abigail, Steve).

EXECUTIVE SESSION

Discussed GM evaluation plans and expansion planning. (No motions proposed.)

ADJOURNED: 9:10