

**SUGAR BEET FOOD STORE COOPERATIVE**

**BOARD OF DIRECTORS MEETING**

**Tuesday, October 26, 7:00pm**

**\*\*\***

Board of Directors: Ryan Bradley, Beth Dougherty, Jim Doyle, Bill Gee, Tom Hollinden, Cassie Janis, Jill Niewoenher, Peter Nolan, and Chuck Wolf

GM: Angelic Lugo

Guests: Paula Gilbertson, NCG, Lissa Dysart

**Meeting Called to order 7:06PM CT**

**1.** **Welcome and review the agenda (Peter)**

**2. Guest Comments**

N/A

**3. GM Report (Angelic)**

* WSR- recent sales
	+ Sales $90-$97K
	+ Labor 20.5% YTD 19.3 % - this week at 18.8% - Next 6-month target 18.7%
		- Getting to target, opportunity to work with Jim and Paula on if original labor targets are feasible
* Key Initiatives- Board questions about GM report
	+ Lighting details? – Previously used vendor replaced fixtures however still a bit dim so Angelic and Lissa looking to see what works to brighten up the store
	+ Staffing
		- Fully staffed and no new hires needed/available now
		- Nora and Quentin departing the team but still staffed fully
	+ Completed initiatives
		- HR Audit – date to begin is Nov. 2/3 Dawn coming in for audit
		- Help with the policy book - Melanie reaching out next week on when to begin the process
	+ Margin analysis still in flight (Deli & Produce missing margin)
	+ Alley area/Refuse looks great and neat – good job
	+ What is a Coop-U? NCG modules that can be assigned to team members for specific areas as staff training tools (Angelic and Jen can send to team members)
		- Any incentives for Participation? Not at this time
* September P&L Overview
	+ Nice to see monthly perishable inventories post 2021
	+ UNFI shelf resets – retailer/manufacturer pricing resets hitting the market – do we have resources to support pricing adjustments? Wholesalers not giving indication of price increase, competitive assessment. Margins healthy this month – supporting managers as needed. (market pressures seeing 5-10% commodity price increases)
	+ EBITDA Strong in September – why so much stronger than prior months? Price and attention to buying and cost controls.
* Q3 Financials
	+ Great results and great 2-year results holding given headwinds of the last year
* Marketing Highlights – Lissa
	+ Link Match nearly $5K/month redeemed – more expected in coming months
	+ Window graphics – working with challenge of tinted windows and illustrator in progress to finalize drawings
	+ Co-op Wars Virtual Film Screening and Panel – pending final funds for donation to area Co-ops – 20 people in attendance at panel discussion
	+ Owner driver – 2,584, pending final results from drive ending Oct. 31st
	+ Dill Pickle – Sugar Beet Ride – Build Co-op to Co-op relationships and connect with the community

 **4. Committee Updates**

* Community Outreach & Ownership- Jill, Bill, Cassie, Peter
	+ Did not meet this month
	+ Peter completed the Board Letter
		- 28% open rate, great
	+ Owner list storage best practice in COPOS
		- New owner information in the system within a week
		- Look at owner regional locale
* Admin- Ryan, Chuck, Beth
	+ Met with Angelic for mid-year check in and reviewed goals to ensure still appropriate and progress
		- More focus on additional pillars readouts in GM reports now that financial results much improved
		- Ensure Board is supporting Angelic and teams vision for the store
	+ Angelic and Managers meeting next month along with Paula to talk through planning for next year – in preparation visiting competitors and documenting experiences for improvements – market research planning
* Finance- Jim, Tom
	+ Monthly Dashboard underway
	+ $6K owner loan payment in the last month with only one remaining the rest of the year
	+ Refinance alternatives review underway
		- Bill comment/assist – sustainable investing and re-investing in the community opportunities (OPRF community foundation connection – PRI concept)
	+ Other
		- PPP forgiveness as revenue for Sept 2021
		- Employee retention credit estimated completion Q1/Q2
		- Updating long-term financial plan for Board review
		- Working on 2022 Finance Committee goals

**5. 2022 Planning- next steps**

* 1-2 top goals/key initiatives
	1. Preparation for Pete’s opening (village allowed for extension on timeline with Nov 2022 still as opening date)
		+ Comprehensive marketing plan for the Pete’s opening
		+ Market research report shared with Lissa and Angelic as they go into planning on marketing - what is the goal (new customer acquisition, existing customer retention/frequency/basket size)
		+ Work with local organizations to address food inequality and community issues (how can we help? What do you need?)

**6. CBLD Training**

* Opportunity for a consultant to observe and give feedback? Given time/cost of initial options/packages
* Can try then revert back if not helpful
* How do we hold to account weekly/monthly to get traction – part of consultancy
* Where are we going? How do we define our vision/strategy to drive toward? What are we accountable to at the end of the day?
* What does Angelic need from the board?
	+ Consistency to drive to get things done
	+ Realistic expectations on what can be achieved when

**Meeting adjourned 9:11pm CT**

\*\*\*

**Upcoming Board Meetings**

12/7 (planning)

**\*\*\***

**Our Strategic Pillars**

* *Run a financially viable business for our owners*
* *Be a great place to work for our staff*
* *Provide a thriving marketplace for local farmers and producers*
* *Address inequality in our local food system for our broader community*
* *Be a great place to shop for our customers*
* *Be an environmental steward to protect our planet*