

**SUGAR BEET FOOD STORE COOPERATIVE**

**BOARD OF DIRECTOR’S MEETING**

**Tuesday, June 22, 2021 7:00pm**

**Virtual Meeting**

**Meeting - Minutes**

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

**Staff Members Present**: Angelic Lugo, Lissa, Jolie

**Meeting called to order**: 7:02 PM CST

**1.** **Welcome (Peter)-** Peter presented the agenda for the meeting: sales update, GM report, committee updates, public comment/Q&A

**2. Guest Comments – N/A none present**

**3. GM Report (Angelic)**

**Overview**

* Sales have been about $95K per week
* Labor – most recently 19.1%, YTD 18.4%
	+ Target for the next 6 months is to keep it at 17%.
	+ Concerns about labor coming down to 17% given minimum wage increase pressures– would like to understand a thoughtful plan to get to 17%
	+ Price increases to handle COGs increases and sell at higher rate with same staffing level should balance this
	+ Labor reduction opportunities if no longer leverage external kitchen in prepared foods vs bring in pre-made (Jolie - ~extra 10 -12 hours per week due to external kitchen) – Could sacrifice margins if bring in third party pre-made foods

**Operations Updates**

* Looking for a new Kitchen Manager and Produce Manger.
	+ Updating costs and retail pricing in CoPOS
	+ We are at 85% completed.
* Looking at sets to revamp started this 06.21.2021 with UNFI representative coming in to revamp. Utilizing movement reports for all sets.

**Team Updates**

Previous Months activities:

* Cross training team members in departments.
* Coop u classes to begin again soon and we will have TM get food safety certificate online class
* Gatekeepers no longer needed/scheduled

Activities Planned for the next three months:

* Cleaning Schedule initiative for all departments.
* Promote Fresh Deals in Produce more often.
* Keep virtual classes ongoing.
* Still updating HR SOPs working with Chuck

**Upcoming Initiatives**

* Reviewing SOP next roll out.
* Monthly Meeting for Managers/Leadership team
	+ Next Meeting Wednesday July 14, 2021
		- Agenda: Q2 6 pillars, increasing basket size/Merchandising/Buying budgets.
	+ Staff will be retrained on Recycling and Composting. ONGOING
	+ All Perishable Inventory July 25, 2021.
	+ All Store Inventory Q3 October 7, 2021.

Focusing on sales and labor.

**Financial Updates**

* Sales ~$94K, down from projections of $100K/week but very closed
* Recent financial results
	+ April EBITDA positive and positive to budget to budget
	+ Additional financial statements for the board moving forward leveraging Retail Financial Services (RFS) –
		- Existing monthly P&L
		- New - YTD 2021, ’20 and ’19 P&L view
		- Monthly balance sheet
	+ Audit potential – leverage Wegner or RFS if preferred.
		- Finance Committee to look into this
* Update on Retail Financial Services
	+ Moving forward with this partner
	+ Confirmed cost is approx. the same as current solution
	+ Reviewed revised reporting schedule and terms
* PPP and ERC Update
	+ PPP forgiveness loan will be completed no later than June.
	+ Also applying for the Employee Retention Credit.
* Update on recent NCG visit
	+ Paula & Meredith – met with all managers and Meredith spent time with Jolie
		- Paula & Meredith will send out a recap of their visit and any ideas/opportunities for the team

 **4. Committee Updates**

* Administration Committee Update- Ryan, Chuck, Beth
	+ First meeting in June
	+ Reviewed Charter and previous goals
	+ Next month- additional documents on action plans and calendar
* Finance Committee Update - Jim, Tom
	+ Loans being repaid as agreed
	+ Saved ~$3K YTD restructuring of owner loans
	+ Potential for additional capital campaigns
		- Future growth initiative
		- Pay off traditional debt
	+ Finance team to look at options for refinancing our traditional debt
* Community Outreach & Ownership Committee Update- Jill, Bill, Cassie, Peter
	+ Charter defined
	+ Action plan next steps
		- Meet with Lissa and understand current plans
		- Plan monthly activities to support Angelica and Lissa

**5. Other Business**

* Angelic met with Jacques – reviewing new equipment options to potentially move into our space as coffee provider.

**5. Additional Q&A from Guests –** N/A

**Move to Executive Session –** N/A

**Upcoming Board Meetings**

7/27 (planning) – Board members agree to an in-person meeting

8/24 (public)

9/28 (planning)

10/26 (public)

12/7 (planning)

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**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*

**Adjournment**: 8:22 PM CST