

**SUGAR BEET FOOD STORE COOPERATIVE**

**BOARD OF DIRECTORS MEETING**

**Tuesday, August 24, 7:00pm**

**VIRTUAL MEETING**

**MEETING MINUTES**

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**Attendees**:

Board of Directors: Bill Gee, Tom Hollinden, Cassie Janis, Peter Nolan, and Chuck Wolf

GM: Angelic Lugo

Guest: Paula Gilbertson, NCG

Owners/Customers/Staff: Marcus Carrigan, Warren, Mary Perantau, Lissa Dysart

**Meeting Called to order:** 7:02PM

**1.** **Welcome and review the agenda (Tom)- 3 minutes**

**2. Questions and Comments from Owners and other participants – 10 minutes**

Q: Mary – life of produce once taken home, seems produce shelf life is shorter than expected? Ex. Cucumbers and lemons this week

A: Angelic – only recent issues on avocadoes and reached out to suppliers on the issues, specific items?

Did have issues on lemons recently, we can refund any items that went bad but do see a shortened life.

**3. GM Report (Angelic)**

* WSR- recent sales
  + W33 review
    - Labor up due to new hires (deli and produce manager) -labor at 19-20% and budgeted 17%
    - W34 similar results with sales trending down a bit but labor down marginally
    - Goal to keep labor at 18%
  + Q & A
    - Q: Tom – What’s driving margin up 2 points over budget?
      * A: Pricing adjustments and this is just a projection mid-quarter, will adjust when non-fresh inventory adjusted for

Q: Bill – are wage increases already included in current reports?

A: Angelic – Yes, gave the wage compression increase and is already reflected in the current labor percentages

* GM update
  + Last month’s 6th Anniversary event was a big success
  + Bill – BY volunteering, I got a better understanding of challenges of the mask mandates for in-store staff when customers are non-compliant
* Key Initiatives
  + Staffing Update
    - 2 new hires one for Deli and one for Product Manager
  + Store Windows and other upcoming initiatives
    - Q: Peter – what is status on window updates?
      * A: Lissa – working through permits, first finalizing how the lighting will work with our windows. Timing is TBD.
      * Bill – has a contact that is working with a company that is finding work for socially displaced workers, they are working on graphic wrappers and willing to assist for a deal and use as example of work (3M vinyl wrap solution)
      * Lissa requested Bill to please send contact information and to get quotes

**3. Committee Updates**

* Community Outreach & Ownership- Jill, Bill, Cassie, Peter
  + Key Initiatives Updates
    - Quarterly Board newsletter
      * First completed in July – c
      * Bill will work on next update, will reference the Owner Drive planned for October.
    - Owners pick shelf tags –
      * Next steps to be addressed partnering with Lissa for email reach out and in-store approach
    - Shop & Share
      * One pager draft with local schools (10% back) for qualified sales
      * Paula raised concerns related to margin concerns with 10%, is this the right amount? Or 10% up to a certain dollar amount
    - Support for volunteers at Sugar Beet events (ex. 6th Anniversary event in July)
* Finance- Jim, Tom
  + Monthly Financial Dashboard draft in process, should be available next month
  + Owner Loan Payments
    - Processed 6 loans since last meeting (YTD saved ~3.2K
    - 2 loans left for the end of the year totaling $12K
    - Loans due 2022 are half that of 2021 (~$68K)
  + Reviewing refinancing alternative for CCLF/Shared Capital and debt
    - Forest Park Community Bank (~$300K due Q1 2022) – current rate a little high but need to understand underwriting implications of refinancing (next month
    - PRI with community foundation will look into next month
  + PPP forgiveness application through Byline Bank
    - Qualify for full forgiveness of $175K received (30-60 days to process)
  + Q: Paula - ERC (employee retention credits) are we applying
    - Yes, Angelic and team looking into >$200K eligible
  + Paula –Reminder Balance sheet is next step for financial reporting beyond Income statement & P&L monthly, still pending RFS follow up (Angelic to follow up)
  + Peter – all of this financial data assists with addressing Pete’s opening in 2023
* Admin- Ryan, Chuck, Beth – no report this month

**4. Other Business**

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**Meeting Adjourned 7:58PM**

**Upcoming Board Meetings**

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*