

Dill Pickle Board Meeting - February 12, 2024
Official Notes

Present: Brock, Patrick, Mark, Sarah, and Josh + l'Talia

Agenda approved unanimously

Owner Comments:

- Provide more context on what is driving positive changes in the emails (local products, full shelves, positive footing with union) - we are finding our footing
- Evercrisp Apples from McKlug are amazing!
- Gotham Greens salads are great and selling well!
- Interested to see some additional variety in beer. Discussed doing a monthly focus on a different beer - we have over 15 local breweries we work with.

Financial Discussion:

- Sales fell a bit in December due to holidays and the store had a small operating loss. December saw us meet and exceed our margin goals.
- Doing monthly inventory now
- January sales were great - much higher than expected
- AP went down slightly in January
- Expect final January numbers in time for the February finance committee meetings
- Capital campaign (first 4 weeks of Jan) raised about \$2,600
- Discussed communication with landlord
- Financial Review - Audrey is ready to discuss the official inquiry with management
- Upcoming expenses: POS upgrade, 401K payments; key fob improvements
 - Mark offered to help with IT/POS related project
- Agreed to move forward on the POS upgrade
- No other expected one-off expenses for February
- No union holidays expected in February
- Reviewed cashflow model put together by Suzanne - plan to review budget to actual once we get full January financials
- Deferral from lenders seems to be moving forward for Feb - May 2024. Discussed plan for restarting payments to institutional lenders.
- Discussed situation with owner loans.
- Reviewed the weekly scorecard - the start of the year has been quite exceptional for us. Mercato sales have been up significantly (3X) the volume of the previous quarter - change to one-hour window for delivery and upped the number of potential orders per hour to 6. Have highlighted Mercato through our emails to owners. AP level has fallen and cash has risen.
- Discussed if bi-weekly payroll amount has stabilized - l'Talia wanted to give it a few more weeks before feeling confident about it.
- Discussed State grant earmarked for grocery store energy efficiency/conservation projects. Sarah is taking the lead. Grant application is due Mar 25. Discussed what we'd

apply for. We have a lot of bids from Zone Mechanical for replacement of different HVAC equipment. Need letters of support! Need to register on sam.gov. Discussed whether or not we would pay taxes if we received the grant. Need to think about an owner match.

Operations Discussion:

- Reviewed marketing deck that Patrick created - key options for marketing:
 - Sidewalk A-frame messaging
 - Window decals highlighting 'groceries for everyone'
 - Holiday endcaps
 - Events - local love event and worker wednesday
 - Round-up
 - Targeted mail campaign
 - Website updates
 - Positive press for the store
- Local Love Event - Feb 25th from 2-5pm. Patrick and Brock can be there to support
- Discussed Christine's template for more holistically marketing the round-up at the register. The current vendor is Nourishing Hope. We have not activated it yet. Aim to share with the recipient's network and the co-op's network. Have something easy to see at the register and have cashiers promote it. We can also promote it through the alderman. Need to build the process. Christine offered to own and Patrick and Brock offered to help!
- Discussed sidewalk A-frame. Need to create a key set of messages. Cashiers can own this. Key marketing tool to catch people walking by. Chris (cashier) enjoys doing the A-frame. Nora may be open to helping if there is an artistic element.
- Discussed 'Worker Wednesday' options - something stipulated in our bargaining contract. Leaning towards last Wednesday of the month. Aligned on a 5% discount for everyone on that day. Aim for inclusivity by providing everyone the discount. Josh will look into whether we can program our POS to automatically provide a discount on this one day per month - make it the least possible work for cashiers.
- Discussed 'Staff/Owner favorite products' - may not be many left in the stores due to product discontinuations. Josh to find template and board to create new 'favorite' tags. Patrick - interested to have his company create the templates/branding.
- Board to further review and add to marketing deck.
- Worker Wednesday - lets promote it.
- Store changes: l'Talia - nothing imminent
- UNFI call - Phil, l'Talia, and Brock connected with UNFI and NCG. Missed out on threshold to keep current discount (\$30K/week). UNFI offered some limited support on bulk items.
- Upcoming Holidays to plan for: Easter and St. Patrick's day. Just received some new Easter candy. St Patrick's day - specials on beer, possibly some corned beef.

Confirmed l'Talia's upcoming PTO.

Crisis Management Policy - Board votes unanimously that we are still in crisis.

Consent Agenda - Board passes the consent agenda unanimously.

Board meeting adjourns.