

Board of Directors Meeting
Monday, March 21st 2022
6:04 PM Open | 7:21 PM Adjourn

6:04 Opening

- Attendance: Brock Auerbach-Lynn, Mike Strode, Troy Martin, Christine Bucheit, Suzanne Keers, Victoria Birkbeck, Peter Frank
- Owners: Lisa Junkin Lopez
- Staff: I'Talia McCarthy (GM), Robert Curtis, David Nobel, Alexis Figueroa

Introduction: What spring activity are you looking forward to?

6:08 Meeting Agenda- Lisa

- Is the proposed agenda okay with everyone?
- Victoria would like an extra 5 minutes to discuss the board retreat, after the operations report. Brock will facilitate.
- Lisa: Thumbs for approval?
*Everyone thumbs up.

6:11 Owner Comments

- No owner comments were made.

6:12 Operations Report

- Lisa: Has everyone had a chance to look over the report? Does anyone have any questions for Italia?
- Italia: I'd like to point out that it says we had a huge drop in sales from January to February but keep in mind January has 31 days and also holidays in it and February only has 28 days. When I did the difference I saw a 4% decrease compared to the prior month. We also saw more snow days in February. Those days we see a drop in sales because there's less traffic for the store. We had a couple of cooler meltdowns in February as well.
- Brock: How are things going with gift cards? Sounds like some progress was made.
- Italia: There was some progress and NCG is dealing with it right now. Josh is the point person. Another co-op has a reader that they don't use anymore so they're going to send it over to our store that way we can process the gift cards while NCG works on trying to fix everything. We plan on entering a new contract with a different gift card company since the NCG cards are going away. We have a meeting this week. We also found this function on the registers that we used to use that if you are an owner you can have it credited to your account. So if you're an owner we can just look you up and take the gift card from you and credit that amount.
- Brock: Great! My other question is about the wine section and Café. I know we talked about rough ideas of where it's headed. Do you have any further updates?
- Italia: We are going to attempt to get one of those isles out so that we can start re-opening at least half of the café. The wine is going to be moving to a new section of the store.
- Rob: We are going to remove the set of shells next to the wall. Probably bringing back about 6 to 7 tables and the whole store bar. Only two top tables, not four tops.
- Italia : We are easing into this. There are Covid surge is coming back so this will take time.

- Christine: We saw higher sales numbers in February last year. Is that also the explanation for higher sales last year versus this year?
- Italia: We were right in the middle of Covid last year. Sales are inflated because of Covid. We probably won't see sales that we saw last year again.
- Suzanne: Can we discuss the finances because we didn't have a finance meeting this month?
- Italia: Sure do you have any specific questions about Nancy's report?
- Suzanne: Have we seen anything on the ERC money? Anything new?
- Italia: No not yet. No ERC credits
- Suzanne: I was shocked by the numbers. Could there be anything else contributing to the low sales?
- Italia: I got a report from NCG. Across-the-board people are saying sales decreases all around so it's not just our store. People are strapped for money right now we're hitting the hard part of the recession.
- Brock: We can see the average basket size is lower. Also the availability of goods.
- Italia: yeah before the pandemic the average basket size was \$28 if you were a really really good store. So we are still above the average. We're going to see that fall.
- Suzanne: Are we seeing any movement with the amount of goods coming in? We see produce is doing well.
- Italia: Produce is probably the safest department right now but with the amount of out of stocks from UNFI and Kehe we are in a hard place. We are ordering things and if they don't come in there's nothing we can do about it. I'll continue to send updates.
- Victoria: Are we hiring for the HR manager position?
- Italia: I'm holding off on hiring right now with the sales decline. I have to start cutting somewhere. And if we don't have enough items to stock onto the floor we are just paying people to stand around. We are holding off for right now.
- Victoria: Who is handling all of that right now?
- Italia: Rob and I are handling most of it. Alexis is doing recruiting and Edwin handles 401Ks.
- Peter: We have a draft for our audit it's showing we have a clean opinion for this year. Which is worth celebrating. The other main thing is we have a positive note from our lenders that we are trying to refinance from so it looks like it *can* be refinanced. They are working on approvals.
- Troy: I noticed there are no share withdrawals. That's great.
- Lisa: Anything else for the operations report?

6:34 Board Retreat Goals:

- Brock: We can go through the list made at the retreat every board meeting to assess if any progress has been made also to hold people accountable.
- Victoria: Suzanne would you be able to attend the leadership team meeting in April and lead a SWOT analysis?
- Suzanne: Yes, that works for me.
- Specific committees can take a few things over like owner linkage can handle some of them.
- Brock: Can we circle back next meeting to go through the priority list?
Thumbs?
*Everyone thumbs up.

GM Monitoring:

- No monitoring reports this month

6:43 Policy Monitoring B7

- Lisa: Italia indicated noncompliance to the first and compliance for the next four sub policies. Are there any questions? Is there adequate data to demonstrate compliance? Thumbs?
*Everyone thumbs up.

- Is Italia's plan and timeline for compliance for number one acceptable? Thumbs?
- Motion to accept? Thumbs?
- *Everyone thumbs up.

6:47 Policy Monitoring B8

- Lisa: There are three sub policies. Italia has reported compliance for each of them. Any questions?
- Suzanne: Is The Brine a board thing or an Italia thing?
- Italia: That's a board thing.
- Lisa: Compliance? Thumbs?
- *Everyone thumbs up.

6:50 Policy Monitoring C1

- Victoria: I think the process we have is strong. The system we have is still working.
- When the Brian was coming out monthly it did mention what was going to be discussed in the next month. But it wasn't the full agenda. The owner packet has the agenda and policies we will be discussing.
- Lisa: Are we in compliance? No.
- We are out of compliance but that is OK. It's not a bad thing. We will check back in on this next month.
- Lisa: Motion to check back in next month? Thumbs?
- *Everyone thumbs up.

7:02 Approvals

- Alexis needs to change C1 and C2 in the minutes to B1 and B2.
- Motion to approve the minutes? Thumbs?
- *Everyone thumbs up.
- Victoria: We have to formally acknowledge Agela's resignation. Motion to formally acknowledge Agela's resignation? Thumbs?
- *Everyone thumbs up.
- Italia: are we going to look for a replacement or are we going to wait until the next election year?
- Victoria: look for replacement because she has a three-year term.
- Italia: Can David put something in the next owner mail out?
- Victoria: Yes. It's a pretty simple form.
- Christine: I can take over her three years and someone else can fill in my partial term.
- Rob: In an effort to improve relations between staff and the board we might want to seek out a staff owner to be on the board in this temporary period.
- Peter: I'd prefer that honestly.
- Rob: It's entirely possible no staff want to be on the board.

7:12 Upcoming Items

- B6 Policy

7:15 Meeting Assessment

7:21 Motion to Adjourn

*Everyone thumbs up.

7:21 Meeting adjourned.