

Board of Directors Meeting
Monday, September 19th 2022
6:04 PM Open | 7:39 PM Adjourn

6:02 Opening

- Attendance: Brock Auerbach-Lynn, Mike Strode, Troy Martin, Whytnee Bush, Suzanne Keers, Victoria Birkbeck, Peter Frank, David Culpepper
- Staff: I'Talia McCarthy (GM), Jessico Dickerson, David Nobel, Alexis Figueroa

Introduction Question: What's your favorite fall activity?

6:09 Meeting Agenda

- Any changes to the agenda?
- We should put the turn around plan before the operations report
- Remove the audit from the approvals and add it to next month's packet..
- Do we approve the changes made to the agenda?
*Everyone thumbs up.

6:11 Owner Comments

- No owner comments.

6:12 Turn Around Plan

- Brock : The report is the summation of Scott's work.
- Whytnee: I know the lenders require we bring him on but are we required to bring on any further work
- Brock: The requirement is to have him and have monthly check-in's.
- Peter : they (the lenders) expect us to follow through with his recommendations. What's going to be the hardest thing to implement?
- Italia: our distributors. Them giving us product. UNFI is extremely unreliable. We don't see changes happening with them anytime soon. Also he wants a cash infusion in many areas of the store but we don't have money for that right now.
- Peter: They know we need capital. They might let us use the money from the IRS or any grant money coming our way. If we tell them the consultant says we need this they might agree to our requests.
- Brock: Scott suggests a task force with one board member keeping things on track and keeping people accountable.
- Suzanne: There's a lot of marketing in this plan, David how are you feeling about the things he mentioned?
- David N: A lot of the things he mentioned were already in place. So I was fine with everything he brought up. I've already had a meeting with Italia and Jessico to get things moving.
- Brock: In terms of next steps does it make sense to reach out to lenders to get this process started seeking additional capital and or their thoughts? Does anyone have any thoughts on next steps?
- Peter: there's already a mid October check in with the lenders I think it would be good to let them know that we are all on board with this. And that we are all proactively working with him. Doing what we can to move forward with this and to let them know that this does include that cash and fusion.

- Brock: We might also want to mention the progress we've been making towards reducing the operational loss as we wait for September's results.

6:37 Operations Report

- Italia: right now we had the conventional reset last week. There's a lot to do because we didn't receive a third of the order from SuperValu . We are going to re-order all these products I'm trying to get in. We made space for all of them on the selves so hopefully we will get those things in.
 - There are a couple other items we want to bring in that are conventional that have nothing to do with a SuperValu. We have to order them directly from the company like Coca-Cola products and conventional chips.
 - We had our clothing swap recently that went well. A lot of people are sweeter than that. We have a lot of people who want to do it again but it was a huge undertaking so we will probably wait until after the new year to do another one.
 - We have been getting A lot of new owners through the needs based owner program. Even more than we have been getting during the owner drives.
 - We lost two employees in August and we just recently lost another cashier. We currently only have four cashiers.
 - The hiring freeze is over. I have to hire cashiers.
 - We're hoping to get those positions filled ASAP.
 - Sales are kind of all over the place. We usually make about 14K or 15K and our lower sales days are strangely Friday and Saturday.
 - Peter: Are you staying below the hiring freeze level of labor cost?
 - Italia: Yes. We can't have only four cashiers, it's insane. We are at the lowest level of employees we've had. And I know sales are low but if we wanna grow sales there's a point in labor where you can't cut anymore or else you kind of ruin your ability to grow sales and right now we've hit that point.
 - Brock: Italia has there been any progress with the sushi people?
 - Italia: I've been checking in to see if the city of Chicago was able to schedule an inspection and they said they were 2 months behind so there is no update. They can't start until they get the permit and inspection from the city.
 - Brock: Was there an update from our donut distributor about using our space to make the products?
 - Italia: we haven't set up a meeting with Joe quite yet we have to wait until Phil comes back from vacation. I'm still waiting on our insurance carrier to give us the go ahead for us to do so to see if there's anything we need to update for liability insurance having a third-party vendor use our equipment. But it's not a lot of money that well be making from Joe using our kitchen for an hour. We could definitely expand by renting out the kitchen after doing a test run with Joe.
 - We are a CSA pick up point for one farm. We get pickups once a month. It doesn't take a lot on our part.
 - Whytnee: is there a union update?
 - Italia: unfortunately the RWDSU pulled out of working with our bargaining unit so the election is no longer currently the bargaining unit is working on their next steps.
 - Brock: motion to approve the operations report?
 - Thumbs?
- *Everyone thumbs up.

6:54 B9

- Italia: I thought about this after I updated this report, should we be adding Chuck (our lawyer) to this report?
- Peter: I think it's smart to include a contractor and as a support person I would also include our CPA.

- Victoria: I don't think it needs to be part of the report because the executive leadership already has contact with those people so we would go to executive leadership and they would go to those people.
- Suzanne: Is there something written down like an actual plan that outlines what happens if there's no GM?
- Italia: in the past when there's no GM the role is taken over by three people. That's what has worked in the past. If you would like one soul person I would have to redo my interpretation of this policy.
- Brock: Italia mentioned these people will be responsible for these tasks. I don't know how I would feel about multiple people versus a single person being in charge. The assumption is that different people would be in charge of different things.
- Peter: The last time you reported on this do you remember what the plan was before?
- Italia: last time I reported on this I had four people still. It was the HR manager, the store manager, the board admin, and the marketing manager. So it wasn't one soul person last time I reported on this.
- Peter: I think this is a fair support team.
- Victoria: we're all circling around "is this the policy that we want" and I'm wondering if maybe we want to add that there needs to be an emergency plan in place. If we know the employees have a plan in place it might alleviate our stress.
- Brock: Do we want to add and make this more concrete?
- Suzanne: I think it's worth a discussion.
- Sending to the policy committee.
- Do we find this policy in compliance?

7:10 **B10**

- Victoria: Will this policy be updated next year after the reset? The reset helps with accessibility to everybody but it's not listed here because the reset isn't complete.
- Italia: I wasn't sure I could change that without your permission.
- Victoria: You can change it to whatever you want. We must make sure the standards are met.
- Italia: yeah I think after we see how the reset goes we can look into adding that bullet point.
- Brock: I like the idea of more explicitly putting in here a thing that specifies that there is another need that we are filling as a store with regards to how we do product selection. I don't think there's anything preventing us from adding that.
- Italia: I would like to add that we have not gotten any nasty comments about the new conventional products that we sell. Last time we started sprinkling in conventional products we got quite a few disgruntled comments.
- Suzanne: if we want to survive as a store we have to have the products people want. Having only organic natural products is no longer a competitive element.

7:18 **Annual Meeting Plan**

- Mike: Whitney will be the chat host. Brock will be the MC/host. Alexis will be recording the minutes.
- Victoria: It will be the 24th. The Monday after the board meeting.
- Italia: can we please combine the annual meeting and the board meeting next month?
- Victoria: Unfortunately we cannot but we can try to make it as short as possible.
- Mike: Is there a theme?
- Brock: Meeting the needs of the community?
- Peter: Reset? Resetting the store and resetting as an organization and resetting the shelves.
- Brock: We should probably start getting the word out so they can start saving the date.
- Mike: We can live stream it in the cafe. We need some photos from the year.
- David: I share the drive of photos with you.

7:32 **D1**

- Brock: Does anyone have any questions?
- Does everyone find this in compliance?

7:34 D2

- Victoria: I think it's really clear boundaries.
- Mike: I like the policy and I would write as well.
- Brock: any questions or comments?
- Move to find this in compliance. Thumbs?

7:35 Approvals

- August Minutes
- Finance Notes
- Board Budget

7:37 Upcoming Items

- Board Officer Nominations
- A Policy (Global Ends)
- Board Calendar

7:39 Motion to Adjourn