

**SUGAR BEET FOOD STORE COOPERATIVE**

**BOARD OF DIRECTORS MEETING**

**Tuesday, October 26, 7:00pm**

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

GM: Angelic Lugo

Guests: Paula Gilbertson, NCG, Lissa Dysart

**Meeting Called to order 7:06PM CT**

**1.** **Welcome and review the agenda (Peter)**

**2. Guest Comments**

N/A

**3. GM Report (Angelic)**

* WSR- recent sales
  + Sales $90-$97K
  + Labor 20.5% YTD 19.3 % - this week at 18.8% - Next 6-month target 18.7%
    - Getting to target, opportunity to work with Jim and Paula on if original labor targets are feasible
* Key Initiatives- Board questions about GM report
  + Lighting details? – Previously used vendor replaced fixtures however still a bit dim so Angelic and Lissa looking to see what works to brighten up the store
  + Staffing
    - Fully staffed and no new hires needed/available now
    - Nora and Quentin departing the team but still staffed fully
  + Completed initiatives
    - HR Audit – date to begin is Nov. 2/3 Dawn coming in for audit
    - Help with the policy book - Melanie reaching out next week on when to begin the process
  + Margin analysis still in flight (Deli & Produce missing margin)
  + Alley area/Refuse looks great and neat – good job
  + What is a Coop-U? NCG modules that can be assigned to team members for specific areas as staff training tools (Angelic and Jen can send to team members)
    - Any incentives for Participation? Not at this time
* September P&L Overview
  + Nice to see monthly perishable inventories post 2021
  + UNFI shelf resets – retailer/manufacturer pricing resets hitting the market – do we have resources to support pricing adjustments? Wholesalers not giving indication of price increase, competitive assessment. Margins healthy this month – supporting managers as needed. (market pressures seeing 5-10% commodity price increases)
  + EBITDA Strong in September – why so much stronger than prior months? Price and attention to buying and cost controls.
* Q3 Financials
  + Great results and great 2-year results holding given headwinds of the last year
* Marketing Highlights – Lissa
  + Link Match nearly $5K/month redeemed – more expected in coming months
  + Window graphics – working with challenge of tinted windows and illustrator in progress to finalize drawings
  + Co-op Wars Virtual Film Screening and Panel – pending final funds for donation to area Co-ops – 20 people in attendance at panel discussion
  + Owner driver – 2,584, pending final results from drive ending Oct. 31st
  + Dill Pickle – Sugar Beet Ride – Build Co-op to Co-op relationships and connect with the community

**4. Committee Updates**

* Community Outreach & Ownership- Jill, Bill, Cassie, Peter
  + Did not meet this month
  + Peter completed the Board Letter
    - 28% open rate, great
  + Owner list storage best practice in COPOS
    - New owner information in the system within a week
    - Look at owner regional locale
* Admin- Ryan, Chuck, Beth
  + Met with Angelic for mid-year check in and reviewed goals to ensure still appropriate and progress
    - More focus on additional pillars readouts in GM reports now that financial results much improved
    - Ensure Board is supporting Angelic and teams vision for the store
  + Angelic and Managers meeting next month along with Paula to talk through planning for next year – in preparation visiting competitors and documenting experiences for improvements – market research planning
* Finance- Jim, Tom
  + Monthly Dashboard underway
  + $6K owner loan payment in the last month with only one remaining the rest of the year
  + Refinance alternatives review underway
    - Bill comment/assist – sustainable investing and re-investing in the community opportunities (OPRF community foundation connection – PRI concept)
  + Other
    - PPP forgiveness as revenue for Sept 2021
    - Employee retention credit estimated completion Q1/Q2
    - Updating long-term financial plan for Board review
    - Working on 2022 Finance Committee goals

**5. 2022 Planning- next steps**

* 1-2 top goals/key initiatives
  1. Preparation for Pete’s opening (village allowed for extension on timeline with Nov 2022 still as opening date)
     + Comprehensive marketing plan for the Pete’s opening
     + Market research report shared with Lissa and Angelic as they go into planning on marketing - what is the goal (new customer acquisition, existing customer retention/frequency/basket size)
     + Work with local organizations to address food inequality and community issues (how can we help? What do you need?)

**6. CBLD Training**

* Opportunity for a consultant to observe and give feedback? Given time/cost of initial options/packages
* Can try then revert back if not helpful
* How do we hold to account weekly/monthly to get traction – part of consultancy
* Where are we going? How do we define our vision/strategy to drive toward? What are we accountable to at the end of the day?
* What does Angelic need from the board?
  + Consistency to drive to get things done
  + Realistic expectations on what can be achieved when

**Meeting adjourned 9:11pm CT**

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**Upcoming Board Meetings**

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*