



**Rutland Area Food Co-op Board Meeting
November 21, 2019**

Attendance:

Board: Hannah Abrams, Steve Peters, Irene Gold, Matt Poli, Chris Littler, Chris Etori

Staff: TJ Allen

Absent: Jess Novak, Erin Anderson, Julie Zaloudek

President Hannah Abrams called the meeting to order at 6:42pm.

Hannah asked for a motion to approve the October minutes. Chris Littler motioned, Irene Gold seconded. Motion passed.

Committee Reports:

Finance

Treasurer Chris Littler provided the October financial report.

- October Review
 - Sales were down \$23,486 or 12.1%
 - Cost of Goods down \$20,845 or 11.1%
 - Ended month with a loss of \$6,024, down from a profit of \$2,915 last year
 - Sales in HABA and Grocery were down \$17,000. We believe our overall decrease in sales is largely due to a decrease in CBD sales, which were mostly in these departments
 - However, 2019 sales are down from 2017 sales as well, so it is not all CBD
 - There is a decrease in traffic and basket totals.
 - Co-op has increased advertising to try and fight these trends.
 - They have also reset numerous departments to try and change the customers shopping experience
 - Repairs were up due to a breakdown in the large walk in cooler
 - Culminate billed us for the interim GM, which was a \$1,270 expense
 - There were also 5 weeks of payroll this month.
 - The above three expenses were the three main reasons profits were down over last year
- Year to Date
 - Sales are down \$33,245
 - Cost of Goods are down \$7,280
- Looking Forward
 - Bulk has \$4,000 in loss and waste, but this was from cleaning out a moth problem in certain foods
 - Paid \$4,500 retainer for market study

- Started repairs to tiles on sales floor. Estimate of \$800
- CFNE is working on a program for helping smaller Co-ops that are not NCG eligible. This would help them qualify for eligibility as well as offer them discounts that are not currently available to them. They will reach out as more details become available
- The Co-op is going to add fresh meat!
- Sales for November were down about 3% as of the finance meeting. However, Thanksgiving was a week earlier last year, so we are expecting to catch up once Turkey sales start rolling in.
- Larry Gold is going to look at our damaged hard drive to see if he can recover any info. He will not charge us anything to look at it, but will charge \$1,200 if he can pull data (which will be less expensive than re-entering everything).

D2-DM report

Tabled until December meeting as **Chris Etori** is not present.

B1- Report

TJ Allen presented the B1-Report. The full report is in the Dropbox folder.

Discussion on where the 3% sales growth number came from and why such a high goal is set that is so difficult to achieve. TJ will reach out to other co-ops to see if their B1 are similar. Chris Littler found an old B1 from Leah that stated that there should be 3% growth to be in compliance. Looked in the Governance Toolbox for clarification. Didn't find any concrete data to support the 3% number. There was continued discussion amongst the board.

In summary, the co-op has been operating under the false assumption that sales needed to grow 3% for compliance in the B1 report. However, the B1 policy only states the GM will not allow sales to decline or be stagnant. Moving forward, there won't be a mention of the 3% growth goal.

The report was accepted with acknowledgement on non-compliance.

GM's Monthly Update:

- Floors are being repaired.
- United Way Roundup: \$227.10
- Roundup for the Homeless Prevention Center ends 12/20
- Produce section has been reset. Easier to walk through now.
- Bulk will be reset next week. The whole section will be reworked to have a steam station for premade foods.
- Hired 2 new people. Nick is back on a 90 day trial for front/register and freezer/cooler. Sam Fileramo is the new cook.
- Behind \$36,000 from last year. This week last year was thanksgiving. We didn't take turkey deposits this year.
- 86 turkey orders this year. Up from 84 last year.
- TJ is cooking a thanksgiving meal for the staff on 11/30.

- CAT Market Research study – need to collect member info. Staff will collect during the week. Board volunteers to help on 12/6-7 and 12/13-14: Hannah, Steve, Matt and Irene all volunteered for shifts.
- Community Outreach – TJ and Justin presented to NAACP. Will help with Soul Food Sundays.
- Will plan a wellness faire with the VT Dept of health.
- Had a successful staff meeting. Watched training videos. Reenergized everyone.
- Planning a staff meal in December.

Special Orders

Expansion/Market Research Project

- Glen from Middlebury Co-op suggested doubling or tripling the store's current square footage.
- Letter from Yoder suggested the blue building at the Farmers Food Center.
- The market study will shed more light on the matter when it's completed this spring.

Unfinished Business:

Outreach Committee Decision

Tabled until December so Jess can participate in the discussion.

New Board Member Recruitment

Need new members. The notice has been put in the newsletter. A few people have mentioned it in the store, but not in an official capacity. Chris Littler suggested to put out a Facebook post to advertise the need. Chris Etori suggested using the current board where the board members photos are posted as a message board instead. Need a takeaway flier to give people when they show interest in joining the board. Board members are added to the liquor license, so we need to look into if new members need to have a clean background check to join. May need to look into bylaws. TJ reports that there are 9 people that the staff has currently pinpointed as potential new board members.

Compliance Update from Septembers B3

Fixed.

Announcements:

- Molly's doing well. Her baby is now 10 months old.
- Katie Martin was hired to be the new meeting minute taker
- Julie Zaloudek is resigning from the co-op because she is moving away.

Review of Meeting and Agenda Setting

Review Board Calendar

- D3 – Steve Peters
- B7 & B8 – TJ

Request for new Agenda items

No new agenda items.

Adjournment:

Motion to adjourn the meeting at 8:14pm made by Matt. Seconded by Chris Littler. Motion passed.

Meeting adjourned at 8:14pm.