

Daily Groceries will be a welcoming place to shop and work. Intentionally sourcing food; nourishing a kind, engaged community.

Daily Groceries Co-op - Board Meeting-Mon. August 10th 5:00 PM - Virtual/Conference Call

In attendance: Kara Brown, Will Hodges, Landon Bubb, Hether Frayer, Tom Reynolds, Theo Horne, Liz Solomon, Amelia Herb

I. Approve August 2020 Meeting Agenda: Liz motions, Landon seconds. Passes.

II. Approve Minutes From July 2020 Meeting: tabled to next month

III. GM Report

A. General Manager Updates

- Pricing is active from Co-op Basics
- Coupon rounds happening
- We will be involved in monthly promos starting in October
- Used newsletter last month to inform customers about Basics
- Emailed Melissa Link about Pope Street
- Soon to be losing another employee to moving on with life, we will miss him
- Give pay differential to folks picking up the added responsibility
- Maybe merging two departments into a “Fresh Manager” perhaps
- Room to continue to adapt to new needs
- Continuing hazard pay
- Recommend applying for another PPP loan should that become available
- Staff adapting and performing well in these uncertain and variable times
- Verbalizing needs and feedback welcomed and desired
- Slight expansion of hours has gone well
- Weekends seem slower than weekdays
- Online sales continue to be ½ to ⅓ of daily sales
- An employee is a new local farmer we buy from, GM does transactions with partner, not employee, to avoid COI
- Installed another endcap to maximize rebates from a separate sales area
- Cooler failed recently, caught early, handled problem, minimized losses
- Quarterly maintenance for coolers and HVAC went as scheduled
- HVAC person mentioned that the heat load from the coolers makes the AC work hard, upgrading when replacing is recommended. It’s far in future hopefully
- PPP application for forgiveness should be open soon and we are ready to act
- Rent discrepancy found and remedied
- Sales up from June
- Basket size fluctuating
- Continuing equity payments and adding new members

- Board application packet ready
- Theo readying to call for candidates

B. GM Monitoring

a. B1 Financial Condition - 2nd Qtr 2020

- Last reported in May for 1st Qtr
- Compliance with some parts
- Non-compliance with sales growth metrics
- Fluctuations due to many reasons, financial and population related
- Many coops dealing with same, especially college towns
- Pandemic procedures took time to flesh out
- Had to properly deal with the unfortunate event of an employee testing positive
- Online sales and procedures improving
- We are able to run very lean without in-store sales
- People expressing gratitude every day for our safety policies
- Profitability is not possible at this point but we are doing well considering all of circumstances.
- Bread still difficult due to loss
- Losing some bulk items has affected the subdept
- Meat continues to grow as % of store
- Produce continues to hold its own w/dry goods as % of store
- Alcohol grew as % of store
- New NCG contract will help us keep with our margin \$
- We are running lean and really evolving to the times
- Labor is consistent with other time periods, even though it seems worse due to sales
- Fortunate in local inventory solutions and that our lower prices to benefit customers
- Conventional metrics are not good comparisons at the moment
- Subpolicy 3, compliance on liquidity
- Very fortunate because of the federal loans; this capital has been vital
- Numbers are quite unconventional
- Investments in assets will need to happen in future
- Member equity is always helpful
- Incurred new debt with the loans to remain open
- All monies paid into NCG now is listed in Other Assets, so an investment rather than only an expense
- Compliance with 6
- Compliance with 7
- Paylocity is now the owner of the liability for payment of taxes
- Compliance with 8
- Compliance with 9
- Compliance with 10

- Do review of fiscal policy for 2021 to be in compliance with NCG
 - Landon mentions that simple survival as an organization is a good success metric
- b. B5 Treatment of Consumers
- Note that this report has been prepared during a pandemic
 - GM is responsive to the customers and their satisfaction
 - Basket size trends, growing
 - Transaction numbers, lowering
 - We reached out to our community and showed vulnerability in late 2019
 - Customers shifted their practices
 - Big shops, pantry loading, less panic buying after early days of pandemic
 - Maintaining basket size 25-30\$ will be great
 - Lifestyle changes with healthier food, cooking at home, bulk buying
 - The metric of membership growth is an indicator of customer satisfaction
 - Some departments satisfy the customers; our unique value offerings
 - Few people spend all of their grocery dollars at the coop
 - Prices are the main reason
 - Hopefully that changes with the prices
 - Fortunate to have local options for supply chain potential issues
 - To solve needs that we don't carry, special orders make it possible to get most anything, if members willing to order a case at a discount
 - Plant Paper toilet paper has been available the whole pandemic time
 - Likelihood of recommending to a friend, 72.4%, great number
 - Great satisfaction numbers
 - Transparency and vulnerability with happenings within the store are of high value to the community
 - Still have comment cards
 - Multiple avenues for customer feedback
 - Google My Business has great info for us
 - Social Media is great 2-way communication
 - Customer safety is being protected via inspection passing, accident free, recall compliance

❖ Tom moves to accept, Liz seconds. Kara's reports accepted

IV. Board Report

A. Vacant Board Seats

A. Board Election Packet Review

- Caroline Singletary submitted application
- We have many options regarding action

- Table discussion regarding such until next month
 - Putting out the call for more applications
 - Tentative meeting October 15th
 - Should we appoint someone in the interim, or wait till election
 - Tom mentions appointing her to avoid losing her
 - Also, a potential to appeal to folks if there's no opposition
 - Planning for annual meeting...virtual, of course
 - Theo has been networking with other coops, good ideas brewing
 - Liz jokes about drive-through meeting
 - Will asks for volunteers to help Theo
 - Landon suggests asking the members what they'd like to learn
 - Theo mentions he'd like to touch base with each board member to gather a bit of info and approve of a few posts that are forthcoming
- B. Board Application Caroline Singletary sent in email
- C. Board Application Packet saved in Google Drive and emailed out

B. Board Policy Monitoring Discussion (If needed)

- A. Review Policy
- B. C8 Committee Principals

C. Open Discussion

- A. Member Engagement and Capital Planning For the future etc....

V. Member Forum

VI. Next Meeting September 14th

VII. Executive Session (If needed)