

**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. November 9, 5:00 PM - Virtual/Conference Call

In Attendance:

Will Hodges, Board President

Kara Brown, General Manager

Landon Bubb, Board Vice President

Caroline Singletary, Board candidate

Liz Soloman , Board Member

Amelia Herb, Board Member

Annaka Woodruff, Board Member

Patrick Wermert, Member-worker

Michael Brewer, Member

Sage Rios, Board Member

Jenny Gallucci, Board candidate

Theo Horne, Outreach coordinator

## II. Approve Minutes From Sept 2020 Meetings

The Agenda and Minutes from the September 2020 meetings were unanimously approved.

## III. Check In - "Around the Room Chat"

We touched base on a few things briefly, discussed thinking about opportunities to include young people in the co-op.

## IV. GM Report

The vote on issue B7 was unanimously approved; it was submitted by email to the board in October, since we had no meeting in lieu of the annual member meeting.

### A. General Manager Updates

Today 11/9 is the last day of board run-off elections. Kara mentioned a focus on online shopping as the weather escalates this winter might be best. Kara intends to plan a fourth quarter all staff meeting. A revisitation of the employee guide is due- specifically time off, and how it is altered

after Covid. Alcohol license and business licenses are up for renewal- alcohol was approved but some ad valorem taxes are late. October 29th day long power outage losses are still being assessed and insured. Kara would like to be sure this does not affect the premiums as much as possible. Basket sizes are healthy and still receiving equity payments. Retail Financial Services is taking primary control of our property and income taxes in 2021 for now due to consolidation/ simplicity purposes. We received a loan and grant from Athens-Clarke County, should cover two more payrolls in what Kara anticipates may be a slow portion of the year. PPP loan forgiveness is in the application process, and we expect at least \$59,575 to be forgiven. Board support contract with Columinate renewed for 2021. NCG may have additional funds for co-op boards. Board Retreat is next week, 11/15. Per our CBLD contract, we have additional time left over following the four hour retreat.

## B. [GM Monitoring](#)

### B1 Financial Condition Q3 2020

Last revised in August for the second quarter. Kara replied noncompliance to healthy growth at negative 30.8% growth, below the +3% goal. Sales have fallen into a more regular pattern however, and so may be easier to predict. There was a slight rebound after the summer dip, but into September the store was open in very limited capacity, slowly ramping up to four person capacity today. Weekends are slower, but Monday through Friday tend to be the strongest days of sales. Lunch business is slowly regaining. Kara advises tempering expectations of sales growth given the uncontrollable nature of external forces through Q4 2020. Online ordering/ curbside has seen a huge uptick post-pandemic. The capacity currently does exist to grow up to 20% through 2021, but not knowing when a global solution to the pandemic is available hampers that capability.

Net income of sales did not meet set goals. Gross profit margin goal is 37% and the whole store achieved 38%. Whole store margin goal in 2021 will be set at 40%. Kara explained these margins need to be rethought moving forward across the industry as a whole based on effects to the supply change

Computer expenses are over expectations, but that is inline to keep up with online sales. An optional service fee has been added to compensate for this cost. Store supplies were over budget due to gloves, sanitizer, and other needed sanitization tools. Labor costs/ goals are covered up till now by government assistance programs, extra PTO and other exceptional changes from standard operations. Kara believes these sick leave programs need to be re-evaluated for 2021. Kara would like labor to reach 28% of sales. Net income year to date is -\$80,000, but after PPP forgiveness and grants, that lowers the number to -\$8000 so far. Sub policy three on liquidity is reported to be in compliance. We have 27 days cash-on-hand.

Sub policy four is not in compliance, though the balance sheet is improving. Member equity share continues to grow. Subpolicy five was reported in compliance. Subpolicy six was reported in compliance. Subpolicy seven was reported in compliance. Subpolicy eight was reported in compliance- one late payment notice was received but that was due to a delay in the mail and was resolved. Subpolicy nine was reported in compliance. Subpolicy ten was reported in compliance.

Will asked about upgrades to a POS system, Kara explained that will be hopefully taken care of by October of 2021.

Liz asked to clarify if labor costs will be covered through the end of the year.

The monitoring report was unanimously accepted by the board.

## IV. Board Report

#### A. Election Results - Welcome New Board Members

We welcomed our elected board members Sage Rios, Liz Soloman, Amelia Herb, and Annaka Woodruff. There is a run off between Caroline Singletary and Jenny Gallucci.

#### B. Retreat Discussion

This year's retreat will feature some new board member orientation. Normally lunch is provided, but this year everyone attending will have a tab available at the Co-op the week preceding.

#### C. THANK YOU TOM! Cheers!

Tom wasn't on the call, but thanks for six years of service to the board!

#### D. Board Policy Monitoring Discussion (If needed)

[Review Policy](#) D2 GM Accountability

We have reported compliance to the GM accountability report.

#### E. Open Discussion

Landon Bubb wanted to discuss board education to get everyone on the same page in terms of history of co-ops, and other useful tools for board members to increase their understanding of the principles of a co-op. He asks that they be read before each board meeting.

Kara shared the board Google Drive folder with Sage and Annaka.

#### V. Member Forum

No comments from the members

#### VI. Misc

Board Retreat (Virtual) Sunday November 15 Time TBD

Next board meeting December 14th

#### VII. Executive Session (If needed)

Meeting was adjourned at 6:11 P.M. by Will Hodges.

Minutes submitted by: Patrick Wermert

