

First Alternative Natural Foods Co-op Board of Directors Meeting
Tuesday, May 28, 2024
South Store Meeting Room

Common Acronyms

<i>BREC: Board Recruitment & Elections Committee</i>	<i>EC: Executive Committee</i>
<i>ORC: Owner Relations Committee</i>	<i>NCG: National Coop Grocers</i>
<i>PG: Policy Governance Working Group</i>	<i>FA: First Alternative Co-op</i>

Present: Wynston Estis, Patrick Monroe, Rob May, Kestrel Bailey, Jasmin Woodside, Jeremy Northway, Dana Monroe, Kate Woods, Frank Hall, Mark Tarasawa

Absent: Jeff Contreras, Emily Stimac

Facilitator: Jasmin Woodside

Scribe: Kate Coenen

Staff: Donna Tarasawa

Owners:

Guests:

1. Justice, Equity, Diversity, and Inclusion (JEDI) Discussion

Jasmin has received the proposal from LaDonna Sanders Redmond for the Board training sessions. Because the Board plans to commit extra time for diversity training, Jasmin proposed moving the fall retreat for the policy revamp to the spring.

The Policy Governance Work Group agreed to move the retreat to the spring, as that will give the Board additional time to work on the policy revamp and allow the incoming General Manager to give feedback on the updated policies.

2. General Manager's Reports

Year-to-date, the Co-op is only under budgeted gross sales by \$7,868.11. In March, gross sales were about \$60k under budget, so strong sales throughout April have made progress on closing that gap.

Some challenges this past month were the skimmer device alert at the South Store, the walnut recall, and the vehicle crash at the North Store.

The HR Manager and Generalist have returned from their leave, and a major focus for them will be completing the transition from Paycom to UKG.

First Brew Coffee Kiosk

The espresso machine is old and in need of replacement, as it sat unused for years. Purchasing a refurbished machine will cost about \$6k - \$8k. The Co-op has invested about \$21k into the coffee kiosk so far, in building and electrical upgrades, point-of-sale equipment, supplies, labor, and marketing.

Wynston presented to the board a basic feasibility study of the coffee kiosk, with scenarios at various margins and either 12 hours or 16 hours of staff daily.

The purpose of the feasibility study is to gain clarity on the goals and expectations of the coffee kiosk, and illustrate under what conditions the kiosk can expect to operate at a profit or a loss.

The coffee kiosk is expected to open towards the end of June. Once the kiosk opens, the Co-op can measure its performance against expectations and determine what sales metrics need to be met to keep the coffee kiosk sustainable.

North Store Repairs

Wynston praised the Co-op team for their hard work in managing the situation after the crash.

The magazine company neighboring the North Store had a construction crew on site the day of the crash, and they sent a few of their people over to the North Store to board up the front of the store after the crash. Dana will send a thank-you card to them on behalf of the Board.

The Deli Register will be moved to the front of the store to replace Register 1. Moving that register will also increase available space for merchandise at the deli.

The Co-op's insurer needs to negotiate with the driver's insurance to cover repairs to the facade and replacement freezers. For this, the Co-op needs to provide bids to the insurance adjuster.

The insurance money won't cover replacement freezer cases until about October. Wynston has asked the Board to approve spending \$20,445 for three freezers, so the North Store has adequate freezer capacity for the summer months.

Once the insurance money covers the replacement freezer cases, these three freezers can be repurposed as end cap freezers at North and South (such as the pet food freezer at the North Store's pet section). The freezers can arrive at the store within two to three weeks.

Motion from Rob, seconded by Kate W, to approve spending \$20,445 for three freezers for North Store.

Motion passed: 8-0-0.

South Store Plumbing Repairs

The staff bathroom at the South Store, in the upstairs office area, is in need of repair. It is estimated to cost about \$39,000 to run new plumbing lines.

Mark will reach out to see whether insurance can cover any of the repairs.

Kate W suggested reaching out to Evenflo for the plumbing repairs.

Motion from Rob, seconded by Frank, to approve spending \$39,000 for the South Store plumbing repairs.

Motion passed: 8-0-0.

3. E1 Report: Ends Statement

For the E1 report, Wynston kept the format and metrics that Cindee had used to produce the report, but also added information about the Co-op's recalls protocol as part of the Co-op's commitment to being a reliable source of healthy food.

Other metrics for the Co-op as a reliable source of healthy food include the Co-op's participation in SNAP's Double Up Food Bucks program and the vegan, vegetarian, and gluten free foods available through the commissary.

As part of the Co-op's commitment to a stronger local economy, the Co-op works with local vendors and suppliers, including local construction companies and suppliers of equipment such as freezers.

Jasmin asked Wynston whether she had any feedback about the Ends Statement, as it was rewritten within the last five years. Wynston said that the Ends Statement is good, and if she had had the time, she would have honed it down to only report on the most meaningful data.

Motion from Dana, seconded by Jeremy, to accept the E1 report as in compliance.

Motion passed: 8-0-0.

4. Recommendation to Retain Auditor

The Finance committee has recommended that the Co-op retain its existing auditor.

5. Finalize Survey Questions

The survey questions will be the same as the questions from the previous year, with some adjustments made to the question formatting. These questions have been added to the ballot.

6. Review Criteria for Board Evaluation

Board self-evaluation is called for in the Board's policies under G8 - Ensuring Excellent Governance: "The Board will sustain itself through recruitment, training, and ongoing professional development, including monitoring, education and self-evaluation."

Jasmin raised the question of whether the Board self-evaluation needed to be conducted on an annual basis, and whether the Board should go through an evaluation process this year, given all the work Board members are doing on the policy revamp, JEDI discussions, and the GM hiring search.

Last year's Board evaluation consisted of 26 scaled questions and four open-ended questions.

Based on the feedback from last year's evaluation, Board members wanted:

- Better orientation for Board members.
- Debates that are open, effective, honest, and constructive.
- An environment of mutual trust, cooperation, and collaboration.
- Participation from all Board members.
- Time for new Board members and established Board members to introduce themselves and get to know each other.

The Board noted improvement since last year's evaluation, as Board members have stepped up into leadership roles and as the PG Work Group has steered the Board through the policy revamp. Rob, who has been a Board member since 2018, said that the Board is dramatically different in style, drive, and culture than it was a few years ago, and the Board is more of a "working Board."

The Board decided to continue to use the evaluation survey used last year, and Jasmin will send the Board members the link to the evaluation survey.

7. Consent Agenda

Patrick requested that Board meeting minutes be made available to Co-op staff. Once the Board approves the minutes in the consent agenda, the GM can add the minutes to the staff log book.

Motion by Jeremy, seconded by Kestrel, to approve the consent agenda.

Motion passed: 8-0-0.

8. Committee Updates

BREC: Because the Board election will be using ranked-choice voting this year, the paper ballots will need to be manually entered individually into the Simply Voting website. (In other years, the votes from paper ballots were counted and then added to the votes from electronic ballots, but ranked-choice voting uses a more complicated method.) When the elector ID (the Owner number) is typed into Simply Voting, the elector's name will appear on the screen, so the person entering the data will be able to see who the person is voting for. BREC committee members have concerns about the ballot not being totally secret. It may be possible to cover part of the screen to obscure the voters' information from the person entering the votes into Simply Voting. Patrick will continue to look into a fix.

9. Announcements

Patrick expressed concern that the new hire training no longer included information about the Board. Prior to the pandemic, Board members would come to the new hire training sessions to talk about the Board, and the Board created a video to use for the training during the pandemic. The Board has been trying to get back in the habit of attending the new hire training in person.

At the next ALT meeting, the new hire training sessions will be scheduled for the rest of the year. Once these are scheduled, Wynston can send calendar invites to the Board members.