

**Los Alamos Co-op Board Meeting**  
**Wednesday, 22 July 2020**  
**Via ZOOM**

**Agenda item 1. Welcome, Introductions, and Agenda Review** Call to order 6:08

Board members in attendance: Joshua Faulconer (president), Dave Hampton (vice-president), Steve Snapp (treasurer), Robi Mulford (Secretary), Holley Aiken, Laila Badran, Jesse Samdahl, Dominic, staff liaison

Also participating: Jim Fischer, General Manager, Jack Majure-Barklay, business manager, Kate Gallagher, Outreach Coordinator

**Agenda item 2. Agenda Review**

Agenda approved as amended 7:0

**Agenda item 3. Review of June 10 Weekly Check-in Meeting Minutes**

Weekly check-in meeting minutes for April 7 approved as submitted 7:0.

**Agenda item 4. Review of June Monthly Meeting Minutes**

June minutes approved as submitted 7:0.

**Agenda item 5. Open Member/Owner Time and Comments**

Hours-can we go back to the original store hours?

Coop is currently down to 30 employees

With no cafeteria service, it is not clear that the early customers' needs will be met.

The first hour can net \$300—should Coop open at 7AM?

Some discussion of a tea trolley to provide early coffee and pastry service. This would have to be self-service, since no employee can sit out there.

Revolt coffee might fill this niche.

Filip did a great job this week. In response to a phone inquiry, he made an effort not only to confirm that milk had been delivered, but to check the dates on the cartons.

**Agenda item 6. GM Reporting**

Four people went to “university training” to learn details for the Point-of-Sale (POS) system. Isaiah Madrid is the new front-end manager as Esteban leaves. Chris and Lis are taking care of Esteban's leaving party.

Two people have quit from Facilities, which is not good for the store.

There are staff losses from curbside and deli also as people leave for school.

Jim will obtain PPP money for the Coop, but to do this he needs a letter authorizing him to do business with the State of New Mexico. This letter is also needed to obtain the tax refund that is coming to the Coop. The current “authorized agent” is Steve Watts.

The PPP loan is an amount equal to 2.5 x one month's wages, and is repayable over three years.

**Agenda item 7. Business Manager Reporting**

Jack presents the P&L and Balance sheet.

**P&L.**

With inventory complete, Jack is finally able to add the inventory at cost, rather than estimating it. The bottom line seems too large. "Hero pay" is noted on page 3, and amounts to about 30K. (10K of this is covered by the forgivable loan that was obtained for the purpose.)

Jack is still reviewing bank reconciliations, and has completed those from March 2019 through the end of 2019.

On page 5, the net income appears to be 14% for the month of June, but this percentage is only for June, and is inflated by the termination of hero pay, by the adjustment of the inventory down to the correct value, which causes the cost of goods to appear to be very low.

The annual net income is estimated to be about 3%, which is very good in the grocery business, where 1-2% is normal.

**Balance sheet.**

The balance sheet shows 126K in the bank, when in fact the balance is approximately 300K. This discrepancy arises from the incomplete bank reconciliations. Repayment of member-lender loans is discussed elsewhere.

The new POS software Catapult can project ordering needs based on data for the given month in previous years. The software updates prices without requiring manual entry. An online catalog and online ordering will be possible soon. We should advertise the online ordering, which has been cited as a need several times so far in the customer survey data.

**Agenda item 8. Staff Auxiliary Board Reporting**

Dom reports that the tone in the store has been much more mellow in the past few weeks. Manager meetings ceased in March, and need to be reinstated and held monthly. Board members are reminded that they cannot enter the kitchen, cooler, or produce areas. This is a liability issue for the store. (Some board members apologize.). In general, ask someone on the floor and obtain permission before venturing into the back areas of the store.

Dom is settling into his role as Staff Auxiliary Board Member.

**Agenda item 9. X-1 Customer Survey**

Kate has reported preliminary results, although the customer survey is still proceeding. People are happy to be answering fewer questions and clearer questions. The discount page at the end of the survey can disappear, which is distressing and needs to be corrected. However, the store is honoring requests whether or not people still have the coupon.

Some comments are discussed.

The store needs to advertise that bulk items are now available again.

**Agenda item 10. Competitive Immunity and Community Outreach**

Natural Grocers is scheduled to open in September.

To be prepared for the competition, it is best to have our finances clearly under control, and our sales flat.

Kate reports new member count, now more easily accessible in IT Retail. There are 1645 active members, up 58 people from last month's count of 1587. There were 56 renewals and 22 new members. 20 memberships lapsed.

Facebook followers are up to 2390 from 2386 last month. .

Door-to-door outreach is discussed. People are disconnected and eager to have callers at the door to talk to, so now is the time if ever.

### **Agenda item 11. Member – Owner Loans**

Should the member-owner loans be paid back, now that the bank balance is 300K? Or should the money be saved against Natural Grocers opening up? Some of the 300K is not free and clear, but entails liabilities. 150K is borrowed money, coming from the Small Business Administration.

The monthly cost of repayment needs to be determined exactly before meaningful discussion of repayment can occur. Alternately, the store can determine the level at which repayment can be made, and begin actively repaying loans at that affordable level. With the new POS system, repayment can be made in store credit, which a number of Member-Lenders will be happy to accept.

A Member-Lender loan committee is established, led by Jim. Joshua, Steve, and Jesse are on the committee.

### **Agenda item 12. Annual Meeting**

We will hold the Annual Meeting online, by collecting questions from the floor in advance of the meeting. The Annual meeting will take the place of the August board meeting, on August 26. At the Annual Meeting, the loan payment policy can be presented to the membership. Voting for new board members will have to be done online. Jesse and Holley will need to be elected, and it is likely that Laila's term is coming to an end. Voting can be done by survey monkey.

### **Agenda item 13. Staff Survey Committee**

Jesse e-mailed Sarah Dahl but received no answer. Jim and Jesse will contact Sarah again.

### **Agenda item 14. Trail Maintenance Committee**

Jesse has put a waiver at the Front End for every board member to sign before participating in maintenance of the Canyon Rim Trail. Jesse has planned a number of maintenance activities.

In the near future the County will dig a tunnel under the highway, and the trail will pass behind the Coop (or possibly across the Coop property.) There are sprinklers there and landscaping could be done to complement the extension of the trail.

### **Agenda item 15. Employment Manual/Grievance Policy**

HR Concierge is still reviewing the new Employee Manual.

### **Agenda item 16. Coronavirus Concerns**

Jim is maintaining a dedicated sanitation staff.

### **Agenda item 17. Closing and General Comments**

Holly reminds us to return to the roots of the Coop, and the sense of a close-knit community. Let us remember the Coop attitude, and stop being just a grocery store, but rather a community. Community activities will revitalize the sense of community. The atmosphere and attitude in the store are important to this sense of community.

The outdoor bulletin board is not being maintained and should be removed, or else mended and maintained.

Local produce is not currently a focus, and this is a shame. We missed the Farm Conference, which set us back in developing relationships with local producers. Relationships are key if we are to expect top of the line produce, rather than second-run produce. Local produce is always difficult to handle, because continuity and predictability of supply are not on a par with big commercial suppliers. It is possible that the new POS will help with coordinating supply and demand, and with having product ready when customers are coming for it.

### **Closings**

The next Board Meeting is the Annual Meeting on August 26, online.

Monthly GM/Board meetings have been suspended  
and supplanted by the Wednesday biweekly check-in meeting.

Adjourn 8:35    Approved 7:0

### **Executive Session**