

Item 2.1 | Unapproved February 8th Minutes



Board of Directors Meeting Unapproved Minutes

Date: February 8th

Item 1.0 Call to order:

The regular meeting was called to order at 6:00 PM via webinar at <https://us02web.zoom.us/j/84565673138> by Sharon Tobar

Directors Present: Patrick Beckett, Kim Coontz, Theresa Robinson, Faye Dixon, Treva Valentine, Samantha Conselman, Sharon Tobar, Madison Suoja, Lorin Kaliski, Samantha Conselman

Director(s) Absent: None

Staff Present: Laura Sanchez, Rachel Warner, Michele Henley, Andrew Steward, Briza Ramirez, Brad Salmon, Ralph

Guests Present: None

Facilitator: Sharon Tobar
Time Keeper: Samantha Conselman
Notetaker: Rachel Warner

The President determined that notice of the meeting was duly provided as required by Article V of the Bylaws and that a quorum of Directors was present.

Preliminaries:

Welcome and Introductions took place.

Owner Comments:

There were no owner comments.

Board Announcements:

There were no board announcements.

Item 2.1 | Unapproved February 8th Minutes

Agenda Review:

Treva moved to approve the consent calendar, Patrick seconded the motion. All were in favor, and the motion passed unanimously.

Item 2.0 - Consent Calendar

Treva made a motion to approve the Consent Calendar with the addition. Faye seconded the motion. All were in favor, and the motion passed unanimously.

Item 3.0 - President's Update

Item 3.2 - GM Operations Update and Report

Biggest win is that we started the Escheatment process on 2/03

We hired a new Prepared Foods manager - Daniel Peterson, who is experienced as a Kitchen Manager and is local to Davis. He will be starting next week.

The Reserve study is beginning on-site on February 12th.

We joined the Healthy Davis Together business partner program and will have signage delivered next week to promote community testing. Staff has also been allowed to get tested in the last hour of their shift to encourage asymptomatic screening. Patrick asked if we were encouraging staff to get vaccinated, Laura mentioned we are encouraging testing and have signed up to be notified when it is our tier.

Biggest worries: We have had to update some policies in the handbook due to changing laws, Michele will notify staff when it is completed.

With new laws surrounding COVID19 pay we may see unanticipated effects to our wages. Once a staff member's 80 hours of COVID pay has

Item 2.1 | Unapproved February 8th Minutes

run out staff will still be paid for isolation periods if isolation is mandated. This is not something we could have anticipated back when the budget was drafted in August. We have not seen this have a major impact as of yet but future cases can be cause for concern.

Biggest Focus - On boarding and training the prepared foods manager. We will be onboarding him a little differently so that he gets all the information he needs for success. We will be training them on what a Co-Op is (Vince) and discuss financials and margins (Brad).

We will be preparing to do our Q2 inventory next month in March.

Staff turnover was significantly lower in January than previous months. We had one individual voluntarily leave, and we hired a part-time person for the Deli.

Web cart has done well and is showing that it may be sustainable in the future. We will put more resources into building this program up now that we will be keeping it long term.

Marketing:

Marketing did a Wellness Fair that went well and has given them ideas on how to do marketing events in the future.

We will be doing a "Citrus Fair" that will be following COVID protocols and may include pre-packaged samples.

We will also be doing a "Love Fest" that will have vendors and artists selling their products (Feb 28)

Cashier training went well and gave us some ideas on how to train other departments, especially on what a co-op is.

We were looking into branding opportunities, but will likely be holding off

Item 2.1 | Unapproved February 8th Minutes

until next year due to the marketing budget.

Lorin asked for clarification about the concern over COVID transparency. Laura talked about some of the phone calls/feedback from customers, mostly about if it was safe or where the COVID positive individual worked. We are following all the guidelines to make it as safe as possible. We still get concerns about the issue but not usually about transparency.

Financials:

Laura pointed out that the update to the Financial Summary Report has an error. Sales increase for Q1 compared to last year was 4.01% not the written -0.69%.

We are \$34,000 under the targeted budget and our total gross margin is .94% higher than anticipated. Operating expenses came out under budget. Our biggest expense was for personnel, but was lower than forecasted.

Our ending cash was \$2,878,989 with net income of \$264,927. Sales increased from -.69% to currently at 5.4%. Working capital increased to \$2,878,989.

Sharon asked to confirm that the PPE loan is a part of "long-term liability", Brad confirmed.

Treva asked for an update about Bulk regarding if we would be able to open it up soon, Laura said we were waiting to hear from Samantha as she was following up about it.

Patrick asked if Deli sales includes the Sushi, Laura and Sharon confirmed it does.

Item 3.3 - Presentation - Store Support

Item 2.1 | Unapproved February 8th Minutes

Briza discussed the 3 departments she runs.

IT:

Maintaining all the electronics in the store (computers, registers, card machines, etc). This includes cyber security, ordering equipment, maintaining and installing apps, training people to use the equipment and follow protocol, etc.. We also get some help from a third party company if we need equipment or when Briza is unavailable. Faye asked about cyber security and why smaller companies are targeted. Briza said that it is common for people to target a small group because they believe they won't have proper cyber security to block it. Currently Briza and Vincent are the only ones who do IT, and we are considering hiring another person to help with IT.

We are in the process of getting new equipment to replace older models, we try to invest in equipment that will last us 3-5 years.

Patrick asked if Briza was taking care of WebCart. Briza does manage it, including pictures, adding descriptions, adding inventory, etc. It took a lot of Briza's time to get it up and running, and it does take time to update it and patch the software as needed.

Patrick also asked about the phishing scams, and if other office employees receive those kinds of messages and if they are trained. Briza said they are trained, but will be doing another training this year.

Membership:

Membership is mostly run by Andrew Steward, who works on member information, escheatment, patronage refunds, board elections, annual meetings, withdrawals, helps with training managers, works on inventory and database, data management, etc.

Retail Support:

Item 2.1 | Unapproved February 8th Minutes

Retail support is overseen by Vince Ortiz, who is in charge of sale signage (Co-op deals, Owner specials, etc), price changes, and provides data and information to the managers for ordering. He maintains the system for price auditing to ensure prices are consistent. He also has a system for sales by section ("heatmap") and has all products listed by location (row, aisles, 4 ft section) to help with Webcart. He also makes sure we meet all requirements for WIC, EBT, and CA Sales Tax.

Patrick asked if there were any resources that the department may need. Briza said they may benefit from having more people to help the department so they can achieve more of their goals.

BREAK: The directors adjourned for break from 7:08 - 7:18 PM

4.0 - Decisions - New Business

4.1 - DEI Task Force

Madison presented the DEI task force charter to the board. Theresa motioned to approve the charter. Kim seconded the motion. All were in favor and the motion passed.

Madison discussed the plans for Diversity, Equity, and Inclusion training at the Co-op. We are starting with in-person training for the Administrative staff and Department Managers so they can ask any questions and be able to talk to their own staff about these concepts. We will then move on to providing training for all current staff and updating the onboarding process to include DEI training for new staff.

4.2 - Facilities Task Force

Sharon presented the Facilities Task Force charter to the board for approval. Kim asked that a line be added to the charter, "evaluate and prioritize facility improvements ***taking into consideration Strategic Plan objectives***". Theresa asked if our facilities staff will be involved in this task force. Laura and Sharon explained the task force will be looking at larger

Item 2.1 | Unapproved February 8th Minutes

scale projects (roof, microgrid, etc.) and will make recommendations. The *facilities* staff will be kept involved, especially when implementing the changes.

Treva made a motion to approve the charter. Kim seconded the motion. All were in favor and the motion passed.

4.3 - Board Development

Theresa presented the Board Development Committee plan for director recruitment and the Run for the Board campaign.

A correction was made to the "Goals" section of the plan. The one-year term position is actually elected by the Board and will not be a part of the Run for the Board campaign.

It was suggested that we reach out to other community and cultural organizations in Davis, not just at the University, in an effort to attract a diverse group of candidates.

Advertising in The Enterprise was discussed, but it was decided that doing a press release would be better than paying for advertising space.

The Board discussed adding something to the Run for the Board campaign materials to encourage individuals from minority groups to run. Samantha made a motion to approve the plan with the following DEI considerations: We will add a line to the effect of, "We welcome candidates from diverse and underrepresented minority groups to run for the Board". Lorin seconded the motion. All were in favor and the motion passed. The Board approved any necessary changes that needed to be made to the plan by the Board Development Committee after the Board discussion ended.

4.4 - Survey Review

The Board reviewed the surveys for policies D4 and C7. C7 had a generally

Item 2.1 | Unapproved February 8th Minutes

good response and everyone said this is the policy we want to keep. D4 was divided, and many felt that the policies no longer made sense due to the revised GM reporting process. Sam made a motion that the Board is surveyed for D4 again in 6 months (August). Kim seconded the motion. All were in favor and the motion passed.

4.5 - March 8th Meeting

The Executive Committee proposed a meeting on March 8th to replace the postponed Board retreat. Treva made a motion to add the meeting to the Green Calendar. Patrick seconded the motion. All were in favor and the motion passed.

5.0 - Wrap up

Faye checked-in with everyone to see if anyone had questions or comments, none were raised. Sam moved to adjourn the meeting at 8:33 PM. Kim seconded the motion. All were in favor, and the motion passed unanimously.

/s/ Samantha Conselman, Secretary

Secretary, Davis Food Cooperative, Inc.

Date Approved