

In Athens there will be a thriving, local, cooperative economy; a fun, inspiring place to shop and learn; a hub for community and civic engagement; and a source of excellent food.

Daily Groceries Co-op - Board Meeting
Tuesday, August 8, 7:00-8:00PM
Athens Clarke Heritage Foundation

Present: Alex Rilko, Lisa Merva, Matthew Epperson, Diona Fredo, Rashaun Ellis, Tom Reynolds, Abbey Vogt
(owner-member), Delene Porter, Will Hodges

- I. Welcome
 - A. Approve Minutes- July
 - a. Tom moves, Rashaun seconds, motion passes unanimously
- II. AORTA Training (Anti-Oppression Resource and Training Alliance) Reflections
 - A. AORTA reflections:
 - i. It was nice to see staff on the same page regarding addressing oppression at Daily Groceries Co-op
 - ii. Staff ideas were helpful,
 - iii. We will roll this workshop into long term planning for board regarding Ends statement,
 - iv. Manju used a helpful metaphor (iceberg of oppression and Titanic, us)
- III. Big Apple Update
 - A. Daily Groceries Holdings, LLC
 - i. The LLC has been established,
 - ii. The plan is to make use of the Invest Georgia Act,
 - iii. We're now awaiting raising money,
 - iv. LLC could buy property for example on behalf of the co-op, though Daily is still the main entity and it controls the LLC,
 1. LLC is fully owned by the cooperative corporation,
 2. The executive members of the LLC are the board and GM
 - B. Capital Campaign- Early Commitments
 - i. Members will state what sort of investment they may be able to make in the future
- IV. Member Forum
 - A. Appreciation for the prepared foods (deli), hope for more fresh fish
 - B. Matthew is working hard on the Georgia Co-op Development Center! We will find a time to have a presentation about it for the board in the near future
- V. General Manager Updates
 - A. Policy Reports- B1: Financial Condition
 - i. Regarding the 2nd quarter ending June 30th, the GM will not allow for fiscal jeopardy:
 1. The GM will not allow:
 - a. Sales to be stagnant or in decline
 - i. In compliance
 - ii. 15.6% sales growth
 - b. Operations to generate a negative income
 - i. In compliance

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- ii. Smaller than used to but still .67% of sales, after all of project expenses, 1.57% profitability from operations, 6% 1st quarter, down from there but it makes sense
 - iii. Put money toward some raises, higher labor,
 - iv. more marketing and outreach hours paying off,
 - v. labor % still healthy at 17.6%, top quartile for store of our size,
 - vi. significant margin drop,
 - vii. closing delayed by power outage reporting,
 - viii. aiming for 36% margin, low meat margin due to experimentation, considerable loss on trial items,
 - ix. Easter hams did not sell at all, major margin sink
 - x. Some departments, e.g. HABA, supplements, nonfood, beer-wine, higher margin; for us we pay a lot for those and 40-50% margin makes it uncompetitive, we use lean margins to be price competitive,
 - xi. bulk sales declining, can be cheaper with packaging, taking down those bulk prices,
 - xii. We plan for a big marketing push with bulk!,
 - xiii. haven't implemented that marketing yet, will continue to update the board as it progresses
 - c. Liquidity to be insufficient,
 - i. In compliance
 - ii. Above 1.25% required, steadily, 1.91% last quarter
 - iii. Member loans without a maturity date from a few years ago, we would like a maturity date on those but awaiting the capital campaign as a reason to reach back out to those close supporters,
 - iv. those are not considered current liabilities but should technically be declared as such without a maturity date exceeding a year,
 - v. this will *not* affect us continuing to leave those as long term
 - d. Debt to equity to be insufficient,
 - i. In compliance
 - ii. 1.41, below 3 as required,
 - iii. helped by positive net income and more equity invested
 - e. Incur debt other than trade payables,
 - i. In compliance
 - ii. Nothing to report
 - f. Acquire, encumber, or dispose of real estate
 - i. in compliance
 - ii. Nothing to report
 - g. Tax payments or filings late,
 - i. In compliance
 - ii. Nothing to report
 - h. Late payments on contracts, payroll or other obligations
 - i. In compliance
 - ii. Nothing to report
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- i. Restricted funds used for any purpose beside that required by the restriction,
 - i. In compliance
 - ii. Nothing to report
 - j. Financial record keeping in GAAP
 - i. In compliance
 - ii. Our financial records are to be reviewed by a 3rd party every 3 years,
 - iii. This was due in 2017 and reviewed for 2016,
 - iv. Lisa will be getting in touch with Delene to schedule the conference call presentation with our CPA Audrey,
 - v. Next step to set up a call in number and do the accounting report outside a normal board meeting
- ii. GM Update
1. Training coming up, NCG's GM-Board Relationship at end of the month (August), after much recommendation, it will improve reporting,
 - a. NCG is offering a grant to go, it's in California in Carlsbad,
 - b. Jeanie who does internal readiness for expansions will be leading the session, traveling through Atlanta, flying with Lisa -- free Jeanie time!
- B. Will moves to accept both GM reports, Diona seconds, all in favor, motion passes unanimously

VI. Board Policy & Governance Updates

A. Policy Reports- C7: Committee Principles

- a. Annual meeting committee needs to get back together soon!
- b. We have kept to the letter with our committees, using them as necessary

VII. Future meetings

A. Board Meetings- week of Sept 18, 10/10, 11/14, 12/12

- i. Sept., Oct. we need another location beside Firehall due to ACHF needs for those Tuesday evenings,
 1. Oct 9th? September 20th Wednesday is our next meeting date.
- ii. Annual meeting
 1. Thursday again?
 2. 26th of October? Or 24th? Tuesday or Thursday.
 3. Diona will call Lyndon House to find out if either date works.
 4. Lisa will look into the expense from 2016,
 - a. There had been an alcohol serving policy change
 5. Home.made has invited us to use their space,
 - a. RSVP-only though,
 - b. would probably have to be a Monday when they are closed
 - c. Lisa will check with home.made,
 6. Lisa will also check with Normal Bar,
 - a. maybe \$50/hour there a year ago,
 - b. Tom will call Bain Mattox
 7. [Unsure of this location] There had been a wedding at the Baxter Liberty event space

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8. Lee Epting might let us use CottonPress
9. Lisa will check with Pixel & Ink
- iii. Diona, Alex and Willow will have their seats voted upon
 1. Will requests names for recruitment
- B. Board Retreat: November 11!!!!
 - i. Maybe Earthsong? Delene will ask Tina Tinsley if we can use the space for that, including dinner the night before

VIII. Executive Session
