

Coastal Organics Cooperative, Inc. dba Arena Market and Café
Board Meeting Minutes, May 19, 2021

The meeting was called to order at 5:02 pm. Present: Molly Morgan, president; Rick Beach, treasurer; Rhonda Rumrey, secretary; Dan Lewis; Lee Farmer, GM; James Gallagher joined at 5:45 pm. Guest: Natalie Meyer. The agenda was unanimously approved.

Approval of Previous Meeting Minutes (4/27/21): Rick moved to approve the minutes as distributed; Dan seconded; approved unanimously.

REPORTS

- General Manager: Lee

Personnel: Lee hired a produce manager and is moving Francisco to bulk supervisor. Jason will be going to full time for the summer. Ofelia is leaving (health issues). Natalie is taking a two-week vacation and is desiring more management time in the store.

PP&E: The oven has been down two weeks and a new part is coming; however, these repairs are almost as costly as the purchase and so Lee is looking at a new oven. The phone line is still down. Researching a workable PA system. The new freezers are still scheduled to arrive June 11; installation is just plugging in but it will require some electrical work to provide the higher voltage.

Operations: Started selling whole fish from Bill Arana with mixed results. The co-op conference was great and Lee acquired some cool new tools. There is no longer a limit to the number of in-store customers and it seems to be fine, but the mask rule is still required until June 15. Expecting to open the stage seating area of the café by June 1. Planning for farmers market with tokens (buy something at farmers market and get a discount in the store), food samples, music, and specialty drinks.

Finance: Kitchen and café costing is 95% complete. Gross margins were lower than expected for April; since the inventory was completed the numbers are now more correct so the margins are actually more accurate, not actually going down. Lee working on plan for raising prices to achieve margins that achieve financial sustainability.

- Treasurer: Rick presented the wiggly line chart showing continued strong growth over the prior year. Sales income is higher than any previous year going into the summer. Forecast to actual, January through April: lower electricity expenses; inventory asset value changed from \$55K to \$63K; gross margins below 40% so efforts underway to raise them; April payroll higher due to paid time off, but this is figured into the overall annual cost and will average out. Rick also provided a detailed update on the overall debt situation so the board will be prepared to make a decision

if the co-op is offered an additional \$50K to our EIDL loan.

OLD BUSINESS

- Newsletter (copy due May 30): The GM letter will include the farmers market, fish, and possibly café opening info.
- Standby generator: Dan reported no update pending Lee checking in with Paul Anderson. The generator needs some annual maintenance, like changing the oil.
- Café renovation and budget: Lee reported that the glass in the doors and in the north street-facing window needs to be replaced. Eric Wilder is excited about doing the mural, but the glass work has to happen first.
- Redesigning internal network: Rick reported that this work was completed last week, but the rewiring disrupted the phone line, so Rick is trying to get Tim to fix that asap.
- Membership cleanup: Rick reported no progress.
- Employee handbook: Molly reported no progress.
- Strategic planning update: Lee reviewed the revised document with the board. Molly noted that the strategic plan has never been formally approved by the board, so that needs to happen at the June meeting.
- Website makeover: Rick reported no progress.

NEW BUSINESS

- Webcart status: Rick reported that the prep work is proceeding.
- The board moved into closed session.

NEXT MEETING:

- June 23, 5-7 pm via Zoom

The meeting was adjourned at 6:40 pm.