



Board of Directors Meeting

Wednesday, May 17, 2023 at 6:30pm, Virtual

<https://us06web.zoom.us/j/92456010887?pwd=UERaWG9VR25lb0ZncFVXaC9KQTlvQT09>

a very small change from Rosie: instead of doing e.g. E1a-c, it's just gonna be E1, E1, E3. There was an instruction long ago to do it the old way, but I don't think the reasoning holds up anymore. Let me know if you disagree

Start	End	Item	Time	Item Title	POLICY	WHO ?	ACTION	MAT'LS
6:30	6:32	A	2	Agenda Review	G.4.1d/G.7.4	Board	Alignment	Agenda
6:32	6:42	B	10	Member Comments	G.9	Attendees	Listen	None
6:42	6:45	C	3	Consent Agenda: March Minutes, Absences, Annual Meeting Minutes with Election Results, Finance Committee Minutes	G.7.7	Board	Approve	Minutes, Attendance (tab below), C1, C2
6:42	6:44	D	2	Appointment of Pat Zabawa to Board	Bylaw 5.9	All	Appoint	Election Cycles Tab
6:45	7:00	E	15	Board Position Appointments	Bylaw 8.1	All	Appoint	E1
7:00	7:06	F	6	Announcements/Future Scanning/President's Report	Board	All	Info share	None
7:06	7:16	G	10	Questions and Comments on GM's Finance Report	G.2.2, M.4	Angie, Board	Q/A	G1, G2, G3, G4
7:16	7:21	H	5	L.1 Monitoring	L.1	Angie, Board	Accept	H1
7:21	7:36	I	15	L.4.10 Monitoring	L.4.10	Angie, Board	Accept	I1, I2, I3, I4
7:36	7:41	K	5	Forwarded from Finance Committee: Unclaimed Rebate Checks	Board	Susan	Motion	C2, K1
7:41	7:46	L	5	Approval of Mission Statement	Board	Board	Approve	L1
7:46	7:51	M	5	Task List Review/Future Meeting Date	Board	Admin Asst	Set	Task List (tab below)
7:51	7:56	N	5	Meeting Evaluation	Board	All	Discuss	None
7:56	7:57	O	1	Executive Session	Board	Board	Review	None

**People's Food Co-op
Board of Directors Meeting Minutes - May 17, 2023**

Location: Virtual Meeting, Zoom

Attendance

Board Directors Present:

- Pat Zabawa (President)
- Susan Randall (Treasurer)
- Amanda McCreless (Secretary)
- Conner Levy
- Colleen Crawley
- Laurin Wolf (approved as elected during Consent Agenda)
- Eva Giatas (approved as elected during Consent Agenda)
- Dan Gannon (approved as elected during Consent Agenda)

Not in Attendance

Also attending:

- Angie Voiles, General Manager
- Jeff Tenza, Member

Call to order – Pat called the meeting to order at 6:33pm.

Agenda Review – **Conner moved, Amanda seconded to accept the agenda. All in favor (5/5), motion carried.**

Member Comments –

Jeff Tenza - Jeff was on the Board around 2010. He is wanting to get back involved in the community and is interested in supporting the Board somehow.

Consent Agenda – Susan moved, Colleen seconded, to accept the consent agenda. All in favor (5/5), motion carried. With the acceptance of the Consent Agenda, Dan, Laurin, and Eva are now on the Board and Pat Zabawa’s term has ended.

Appointment of Pat Zabawa to Board - There is still an opening on the Board with term ending May 2024. **Conner moved, Dan seconded, to appoint Pat to the Board. All in favor (7/7), motion carried.**

Board Position Appointments -

Conner moved, Colleen seconded to appoint Susan as President. All in favor (8/8), motion carried.

Susan moved, Amanda seconded to appoint Conner as Vice-President. 7 years, 1 abstention. Motion carried.

Colleen moved, Laurin seconded to appoint Amanda as Secretary. All in favor (8/8), motion carried. Susan moved, Conner seconded, to appoint Pat as Treasurer. 7 years, 1 abstention. Motion carried.

President - Susan Randall

Vice-President - Conner Levy

Treasurer - Pat Zabawa

Secretary - Amanda McCreless

Announcements, Info-Sharing, Future Scanning, President’s Remarks –

- Finish your conflict of interest forms
- The Committees as formed are currently all continuing
- The Board had requested of the GM a cash flow projection for the next 3 years. Angie has produced a draft for this month, but there hasn’t been a discussion of it yet.
- The Community Engagement Committee successfully planted the park in front of PFC.

Questions and Comments on GM’s Finance Report –

- PFC has seen incremental sales growth this quarter over last year’s 1st quarter
- Staff are consistently evaluating the stock and meeting customer needs
- Sales growth through increase in customer count is the main opportunity for financial gains
- PFC hired a Cafe Team Lead since this report was produced. Still need to hire another cafe staff to open the cafe and staff it appropriately.

L.1 Monitoring -

- Dan asked about how a “welcoming” environment is measured and strategized for. Angie responded that most data and statements are derived from customer surveys that are administered at all times of day across a long period of time. PFC has a strong customer service orientation for its staff that works toward that welcoming environment.

- Susan asked about L.1.2b: are members being informed of the risk of their membership dues, i.e. the scenarios under which members may not be reimbursed should they wish to end their membership? Angie responded that this would be work to do in conjunction with the Board, since it's so tied to membership policy.
- Dan asked about the avenues through which members are engaging. Angie hasn't gone into that measurement too much.

Dan moved, Amanda seconded to accept the L.1 Monitoring Report. All in favor (8/8), motion carried.

L.4.10 Monitoring - Angie elaborated on the \$100k loss this quarter: there were over \$30k in unexpected costs of compressors, computers, and other aging equipment. With hiring of new staff recently, there were also increases in salaries without an increase of sales. Margins were weakened due to a volatile pricing market and some updates to costs were missed. There may also have been a miscount/misallocation in inventory in the grocery department. Angie is expecting a margin rebound in Q2. Angie does not believe that costs can be cut any more, and sales growth needs to happen—looking outward, not inward—plus opening the Cafe.

Conner moved, Susan seconded to request a revised rest-of-2023 business plan with modified projection of sales as is, targeted actions to increase sales, and projection of sales with those actions, by the July meeting, from Angie. Discussion ensued. Angie had previously indicated in the 2023 Business Plan that it would be revised after the 1st quarter if objectives were not being met, so this isn't an unreasonable request. **7 yeas, 1 nay. Motion carried.**

Because the plan to return to compliance is to refer to the 2023 Business Plan, which has been proposed to be revised, the Board tabled acceptance of the L.4.10 until July, when the updated business plan will be submitted.

Forwarded from Finance Committee: Unclaimed Rebate Checks - There is an old history (over 10 years) of PFC ending the year with a positive profit and the Board voting to deliver rebates to members from those profits.,

Angie reports that Wegner Accounting indicated that moving unclaimed rebates to income is an acceptable accounting procedure but recommended asking PFC's attorney for legal opinion. After a search of PFC's online records, Angie reports not finding any communications from the fiscal year 2012 period regarding what would happen to unclaimed rebates. Angie consulted PFC's attorney Fran, who stated the law is somewhat confusing in defining the category to which these rebate checks would apply, but decided that it is acceptable to move all unclaimed rebate checks, no matter the value, from liability to income. This was also done many years ago, as confirmed by a former PFC general manager.

Susan moved, Conner seconded to move the \$39,446 in unclaimed rebate checks from liability to income per guidance from Wegner Accounting. All in favor (8/8), motion carried.

Approval of Mission Statement - **Colleen moved, Amanda seconded, to approve the proposed mission statement, as follows:** *"The People's Food Co-op of Ann Arbor provides our community with accessible, sustainable, local food and household products as an economically just, member-owned business."* Discussion ensued. Dan asked for a story behind the development of the mission statement, since multiple Board members weren't part of the process. Susan described the working sessions conducted and review by Jade (NCG Consultant). **All in favor (8/8), motion carried.**

Task List –

Due Date	Lead	Task
5/19/23	All	Submit your conflict of interest form to Pat
5/19/23	Susan	Send info about Finance Committee meeting
October	Susan	Determine how to better communicate financial risks to members
07/14/23	Angie	Revise 2023 business plan with modified projection of sales as is, targeted actions to increase sales, and projection of sales with those actions
	Angie	Follow up with appropriate parties for moving the unclaimed rebate check monies
5/19/23	Susan	Schedule a working session

Future Meetings— The Board will be scheduling a working session in the next month. The next regular meeting is scheduled for June 21.

Meeting Evaluation –

- Welcome new board members! Most we've had in a while
- Good participation
- Thank you Angie for hanging in there and being gracious and collaborative
- Open dialogue, trusting even if awkward
- Doing hard work

Executive Session - None

Adjournment – **Conner moved, Dan seconded to adjourn the general meeting. Meeting adjourned at 8:28pm. All in favor (8/8) motion carried.**

Respectfully submitted,

Rosie Pahl Donaldson, Board Administrative Assistant acting as Board Secretary