

Silver City Food Co-op — Board Meeting Minutes
Wednesday, October 27, 2021 — 5:30 P.M. to 7:30 P.M.
Meeting via in Zoom*

In Attendance: Shanti Ceane, Paul Slattery, Leo Andrade, Sandy Lang, Deborah Dakota, David Burr, Evan Humphrey, Tuan Tran, Kevin Waters, Chas, Kristin Lundgrin, Melissa Yarbrough, Julianna, Lloyd Parker, Gwendolyn Lacy, Hugh Epping, Nicholas Prince, Ann, Susan Golightly, Hugh Epping, Elizabeth Gonzales, Leo Andrade

In Attendance: Shanti Ceane, Scott Zager, Paul Slattery, Leo Andrade, Laurie Anderson, Sandy Lang, Rick, Georgeann, Deborah Dakota, David Burr, Evan Humphrey, Tuan Tran, Kevin Waters, Chas, Kristin Lundgrin, Melissa Yarbrough, Julianna, Lloyd Parker, Gwendolyn Lacy, Hugh Epping, Nicholas Prince, Ann, Susan Golightly, Hugh Epping, Elizabeth Gonzales, Leo Andrade

I. Welcome and Membership/Board Discussion (5:30-5:45, 15 minutes)

A. Approve Agenda approved by consensus 5:38pm

B. Director Announcements

Candidates from the board introduce themselves:

David Burr- Used volunteer at the Food Co-op for a year and is running because partly he wants to oversee the transition to the new place.

Evan Humphrey- Worked at the Food Co-op for over six years and thinks it is a really important time to be involved with the Co-op. Wants to bring his experience and expertise. Is willing to listen and help when he can.

Leo Andrade- Partner and he live on a property in Silver City beginning in 2015. They really like the Co-op and have been shopping there since they moved into town. Interested in helping with getting the new store open and thinks he has good background to help get it started.

Sandy Lang- New to the area but a long-time consumer of organic and healthy food. She was a grower herself when she lived in Texas and thinks this is a great way to get involved in the community.

Paul Slattery- Worked at the Co-op for five years. Interested in serving and helping in anything that he could do.

Chas- New to the area, been in Silver for just over a year. First thing he did when he got into town, he took a walk downtown and joined the Co-op. Really wants to see what he can do to help the Co-op and the community.

Shanti Ceane- Been on the board since 2018 and is re-running this fall for another term. Been an awarding challenge the past three and a half years and it is a worthy job. Feels good to work with the people in the community.

C. Member Comments

Nicholas Prince, Deborah Dakota, and Laurie Anderson want to make a comment.

Nicholas Prince- Tenure, ten-year member at the Food Co-op. Hopes everyone is keeping safe during the covid spike in our area, and thanks you for your time

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and service. Despite the information he talked about last month, he understands the decision to proceed in the processes towards renovations. There is promise still after the coming months design phase to reconsider the contractor and urges all the tenants to be in touch regarding the coalition building required for us to help our community. Was reached out by several staff, former employees, and members regarding the mass reservations over the past year and a half. Sometimes the concerns of the workers are overlooked by the top and echoing my own concerns for communication, decision making, in the new building process. Understands how bad it must have gotten for our neighbors to have to demonstrate as vocally as they have. Presently the communication from the board and its members have failed to understand the grievances. Nor have they successfully integrated them into a process of remediation. The letters send last week did nothing but aggravate further. The statements I have been collecting in the reports upcoming, a lot has been swept under the rug. Sees the patterns of a hostile work environment. No meaningful changes have been made and nor does it feel like we are being taken seriously. The trust again is nonexistent, and the decisions made by the board and management, despite suggestions and is broken. Wants a clear communication to be established to prevent long resentments. Today I urge the board to form an independent commission headed by community leaders trusted on both sides to review and report on the changes made over the last two years that brought us to this point. This will be beneficial in the long run. Integration and growth is still possible. We still need to find a way to live peacefully together and not be taken advantage of. Thank you all for your time.

Deborah J Dakota- Want to talk about the focus of what we are doing here. Setting up fiscal controls to guard against theft and fraud has nothing to do with whether you trust the people in charge of the money. Setting these controls to that even the person in charge of the money is never tempted to steal because they know they would be caught. Similar with personal management what we are asking for from the board of directors has nothing to do with Kevin. What we are asking for are procedure to back up policies and that it be dealt with efficiently. No one is calling to fire Kevin, this is not personal. Pretty much everyone is happy that Kevin is good with finances. He is an asset to the relocation to the new expansion. Contrary the newspapers and letters imply are not the focus of the demonstrations. These demonstrations are not about the relocation and move, they are about the refusal of the board to gather facts about Kevin's failures in personal management. A lot of people are concluding

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that the board is all about the money and doesn't care about the people. It's the boards failure to prioritize the staffs' issues. If management was good at catching these things, the Co-op wouldn't have lost so many good people. If you have any issues or questions, please email.

Shanti- Some of these statements are inaccurate and are taken that way. You have come to meetings before and that we require more participation and observations of how we handle our policies. We do follow our policies and I am disappointed that you weren't able to come back when we did talk about the B6 policy. Appreciate that you have concerns, and we will review them later as a board and discuss them. In the defense of Kevin and the board we do have policies and they are followed, and the board does the oversight.

Laurie Anderson- former board member and helped with the development of the current policies that are in place. Rewrote them so the manager would be more accountable, not less. I don't think people appreciate the legal nature of personal matters. I worked a very short time with Kevin, but he is the man that is good at finance, but he is also very pro employ. The fact that they don't share everything they do, there is a legal reason for that. They can't share with you. The board has a responsibility to protect the coop for legal matters, not just financial. No one is going to hear about personal matters, Kevin is not going to share their side, and the board isn't. And I am glad, so they don't get in a legal issue. Cooperative values including self-responsibility. I saw signs that said put the Co-operation back in the Co-op and I agree. Working for a common good is what this means. This is what the board does, the good of 2000 people in membership. Not a handful. Please have a better understanding of how well our board works. Thank you

Shanti- Thank you all and please stay for the remainder of the meeting, if you are able

II. Old Business (5:45-6:00, 15 minutes)

A. Approve September Board Meeting Minutes Approve by consensus 5:58pm

B. Concern Coordinator Update

Shanti- Send an email out because we felt we needed to provide some information on what the board has been doing, what Kevin is doing, and what's been going on with the project. Sent out a week ago. Met with mostly positive response, and there are a few concerns that I need to work on responding to.

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Had 135 responses and four or five that had concerns falling in the line with what Nick and Deborah were talking about. Then there were a few with general concerns that will be responded to.

Gwen- there is on-going log of concerns for the month up until the board meeting and have received a lot of supportive emails at the Board email address

Shanti- we received an interesting email from a Chef that is interested in a possible expanded deli/grab and go with the expansion

CBLD Contract for 2022 – Approved by the Board via email to meet early bird deadline

-Saved 500\$ with earlybird

III. **New Business (6:00-6:10, 10 minutes)**

A. Officer change – Secretary

Julianna- (current secretary)- Tuan Tran to be the new secretary

Julianna gives position of Secretary to Tuan Tran- Approved by consensus- 6:03pm

B. Fourth Wednesday in November is the Wednesday of Thanksgiving week – propose third Wednesday in November (November 17) Board Meeting

Propose the November 17th as a new meeting date. Approved by consensus 6:04pm

C. Fourth Wednesday in December is the Wednesday of Christmas week – propose third Wednesday in December (December 15) Board Meeting

Approved by consensus 6:05pm

IV. **Committee Discussion and Announcement (6:10-6:30, 20 minutes)**

A. Member Connect (MC) Update

1. **Committee Update**

Round up Applications

15 so far and are choosing 12 of the applications. Still accepting

2. **December GG Article**

Announcement of round up recipients. Middle section will be the candidate statements.

Check with Carol how many words are necessary.

Shanti- Scott in need of the budget for MC for 2022

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Scott- We are scheduled to talk next week Kirsten and we will go over it then.

- B. Elections Committee Update
 - 1. Committee Update
 - 2. Candidate members interview this weekend will be posted in the Garbanzo
 - 3. Voting begins December 1st and ends on December 14th
- C. Board and Management Evaluation
 - 1. No Update
- D. Finance Committee
 - 1. Next committee meeting @5:30 November 9th, 2021, review the third quarter financials. Candidates are welcome to come but must sign a confidentiality form.
 - 2. 2022 Governance Budget tabled until November Board Meeting

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- V. Monitoring Reports (6:30-7:00, 30 minutes)
 - A. Monitoring Policy B8 (Board Logistic Support)
 - 1. Tabled until November Meeting
 - B. Monitoring Policy B7 (Communication to the Board)
 - 1. **Acknowledge B7 Acknowledged by consensus**
 - Sales for September 304,124
 - Budget for September 338,690
 - Budget 3,300,426
 - 67,366 over budget
 - Covid last year sales went through the roof and customers count through the floor. Unpredictable
 - Up 10% than sales last year. Over budget
 - Gross margin beat the target by 442\$
 - 3 quarters 19,430\$ ahead budget for the year
 - Payroll \$76,169
 - \$2,322 underbudget
 - Operating expenses YTD \$999,703
 - Budget \$1,003,091
 - September budget \$5,326
 - \$9,637 profit
 - \$77,609 Over budget
 - Highest sales Increase Departments:
 - Deli 39.6% Refrigerated 9.5% Supplements 13.4% GM
 - All harassment Training 100% Completed
 - Kein Attended NCG “Member Advisory Committee”
 - NCG looking to create economies of scale with unified back-office software/technology among Co-ops.
 - Cost savings in the long run for Co-ops
 - Streamline Communication, Cooperation among Co-ops for information
 - Reduced Learning curves, additional assistance in cases of GM, and /or Finance Manager departures (Very common in Co-op world right now, Highest GM turnover ever)
 - Out of stock. Supply chain challenges
 - All kinds of things going on in the supply chain. Shortages of raw materials, workers
 - Expansion

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- 4 Progress meetings with NMFA (New Mexico Finance Authority) on loan closing
- All appropriate documents submitted
- Loan documents being reviewed by Moses/Dunn
- Bank Account for NMFA funds distribution opened with Bank of Albuquerque
 - Account managed by NMFA
- Titles of Bullard and E. Sixth Street buildings still in name of prior Co-op non-profit corporation that was dissolved with new entity re-started back 2012
- Solution for this snag being crafted by Moses/Dunn
- Environmental Reviews
- Phase II determined to be mandatory by NMFA and their partner (U.S Bank)
- Secured services of Envirotech for ½ the cost, and ½ the time of Telesto
- NMFA recommended Phase II results return prior to initiating demolition.

- VI. Preparing for November Board Meeting (7:00-7:15, 15 minutes) 6:41pm
- A. Member's Connect Committee
 - 1. With management, determine date of 2021 GMM-Picnic
 - 2. Determine Recipients of Round Up
 - B. Elections Committee
 - 1. Complete Board Candidate Interviews
 - 2. Submit Candidate Statement and Photos for December GG
 - 3. Determine schedule for elections table at the store and election outreach
 - C. Board and Management Evaluation Committee
 - 1. Develop GM Evaluation Tools and Timeline
 - 2. Review Board Evaluation Plan and Tools for 2021 Self-evaluation
 - D. Finance Committee
 - 1. Review Policy 1 Monitoring Report
 - 2. Review Elections, MC, and training budgets to be incorporated in Board Governance Budget
 - 3. Review Board Governance Budget for 2022, to be approved by the Board at the November Board Meeting
 - 4. Review 2021 and 2022 Budget
 - E. B Policy Reports
 - 1. Monitor policy B8 (Board Logistic Support)
 - 2. Monitor policy B1 (Financial Condition and Activities)
 - 3. Monitor policy B7 (Communication to the Board)
- VII. Board Meeting Closure (7:15-7:30, 30 minutes)
- 1. Task List

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2. Table Items

3. Board Member Away Dates (October 28 through November 24)

End time 6:48pm