

Wild Oats Cooperative Inc.
Board of Directors Meeting Minutes -- Zoom video-conference
Thursday, May 18, 2023: 7:00- 8:00 PM

Board Members Present: Bob Allard, Marc Freedman, Tom Cragg, Sarah Jacobson, Michelle Juneau, Jeff Strait, and Lee Venolia. Jose Constantine and Peter Siegenthaler were absent

Managers: Netse Lytle

Meeting convened at 7:00 PM

Member-Owner Comments

- No member-owners attended the meeting

Board and Meeting Logistics

- The Meeting Agenda and Board calendar were reviewed. With regard to the calendar, the store has confirmed that financial information will be available for an October Annual Meeting. Netse proposed Tuesday, October 24.
- Bob Allard moved and Sarah Jacobson seconded a motion to accept the March and April 2023 Board minutes, with some minor changes requested in the meeting. Motion passed unanimously

Management Report -- L3 Financial Condition & Activities

- Netse Lytle answered questions with regard to his report on the store's financial performance during the third quarter of fiscal year 2023. In the third quarter, the store saw sales of \$1.4 million, a drop from last year of 3% and a net loss (before special federal taxes) of \$12,132.
- Sarah Jacobson asked about the third quarter loss and if this was expected based on historical results for the third quarter. Netse mentioned that the fiscal year budget projected profits for the third quarter, but these profits were based on unrealistic sales growth expectations. Nevertheless, Netse indicated that he wants all quarters to be profitable and even though the weather reduces sales in the third quarter, the store needs to scale back its costs to reflect the lower sales levels.
- Jeff Strait asked Netse to include the bar graphs previously included in the L3. Jeff also suggested that the liquidity (days cash) figures include the funds invested in government bonds
- Netse explained the cost for consulting work performed by Columinate consultant Mark Mulcahy. Mark is coaching the store's managers to take on more responsibilities in order to reduce the workload on the General Manager. Mark is also assisting the managers to improve sales and margins. The Board urged Netse to move forward with his plan to hire an assistant.
- Netse will send out the financial statements for Q3 to the Board and place them in the Board Google folder.
- Sarah moved and Bob seconded a motion to accept the L3 as presented. Motion passed unanimously. Netse indicated that even though the Board accepted the L3 as presents, he is not satisfied with the results presented, in particular the net loss shown.

Fiscal Year 2024 Board Budget Presentation

- Jeff Strait presented a financial schedule showing projected costs associated with the Board. These figures will be incorporated into the store's fiscal year 2024 budget. Of note, Jeff pointed out a reduced cost for an accounting "review" versus the "audit" performed in fiscal year 2023 (Jeff suggested that the store consider having an "audit" performed less frequently – perhaps every three to five years or whenever needed for special purposes). Michelle Juneau moved and Lee Venolia seconded a motion to accept the fiscal year 2023 Board budget as presented. Motion passed unanimously.

Discussion of Preliminary Fiscal Year 2024 Budget

- Netse Lytle summarized some preliminary fiscal year 2024 budget figures for the entire store. The purpose for the presentation is to give the Board a quick preview of the final fiscal year 2024 budget figures that will be presented at the June 2023 meeting
- Netse and the Board discussed several budget projection issues such as: incorporating inflation into the projections, the impact of efforts to lower product costs, personnel costs, store overhead expenses, building renovation planning costs, and the effect of the unusual federal taxes paid in fiscal year 2023.

Committee Reports

- Marc Freedman reported on discussions held by the Board's "Working Group" with regard to the store's mission and identity. Marc identified some issues that the Group would like the Board to discuss at a future meeting
- Sarah Jacobson mentioned the ARDEI Committee's interest in holding a learning session on accessibility for individuals with disabilities.
- Michelle Juneau brought up, and the Board discussed, the issue of providing member-owners with information on Board activities through the Member Linkage Committee

Discussion Concerning Follow-up From the Board Retreat

- The Board discussed its reaction to the Retreat held in April and what stuck out for people from the discussion. Issues discussed included:
 - Happiness with the meeting being held in-person versus by Zoom
 - The three priorities for the Board over the next year identified at the Retreat were: 1) make a decision with regard to building improvements and/or expansion, 2) increase community engagement, and 3) focusing on the co-op's mission and identity
 - Jeff Strait made some observations about store renovation plans based on his visit to the new Berkshire Food Co-op in Great Barrington.
 - The need to discuss the Board goals further at future meetings. In addition, Tom Cragg pointed out the need to complete the work started at the Retreat on the store's purpose

General Manager Comments

- Netse Lytle updated the Board on some repairs ongoing at the store
- Netse also reported progress in obtaining fresh fish permits
- The notorious parking lot hole was discussed

The Board moved into Executive Session at approximately 8:40 pm to discuss General Manager compensation. The Executive Session ended at approximately 8:50 p.m.

MEETING CLOSING

- The next regular Board meeting is scheduled for June 22, 2023
- The meeting ended at approximately 8:50 pm

Minutes Prepared by: Tom Cragg