

Board of Directors' Meeting

April 16, 2020

**Approved Minutes- Approved on 5/16/2020 by all board members.
The Board met via Zoom conference due to the Coronavirus outbreak**

Present at the meeting: Kathy Baylis-Monteith, Laura Cavender, Holly Jo Sparks, Jim Dagwell, Rebecca Teahen, Chuck Mueller, Kaitlyn Burns, Chris Miller, Colleen Valko

Oryana: Steve Nance, General Manager; Stephanie Mathewson, Marketing and Communications Manager; Siena Campo, Demo and Events Assistant

Guests: Brittany Wildfong, Cy Agle, Annelie Kasper, Alyssa Blaker, Pepper Bromelmeier, Kelly Lively, Barb Poland, Gus Mathewson, Rose Marie Klee

Welcome

Jim Dagwell convened the meeting at 5:07 pm.

Additions or Changes to Agenda

Executive Limitation 2.2 will be presented at a future meeting.

Minutes from the March meeting were approved by email.

Board Calendar

The Board reviewed the upcoming Board calendar and noted that events may change due to the Coronavirus Pandemic.

Public Input

Kelly Lively offered her gratitude and support for all Oryana workers during this time.

GM Report:

Steve Nance

Big Picture

- There was increase of 25% in sales YOY for the month of March, due to panic buying during the initial outbreak. This dropped our labor percentage dramatically.
- Currently we are 10% over YTD in sales. Prior to Covid, we were up 4%.
- In the beginning of April growth has flattened out dramatically after the initial rush. Shoppers are shopping less frequently, national supply chains are affected, store hours are shortened.
- Through all of these waves, the co-op remains resilient and stable.

Oryana West Acquisition

- On April 10th, Oryana took possession of the former Lucky's Market Traverse City and opened Oryana West.
- Steve gave an accounting of the process that led the co-op to make this purchase in Bankruptcy Court, with the Board's support.
- Oryana West is staying fully operational through the transition to maintain essential services. This includes onboarding of their nearly 65 staff members which have all been offered positions at Oryana.
- The addition of Oryana West will alleviate some of the pressure from Oryana 10th Street, which was still growing even through competition.
- Victor Fontaine has moved to Oryana West as store manager. Eldon Horner returned from semi-retirement to be the operations manager at 10th Street.
- Shopper count and sales were and continue to both be down at West. We expect them to rebound especially as we work to institute the Amazing Oryana Experience there.
- Steve is working with NCG and our CPA to create new set of books for West.

Covid-19

- Oryana continues to closely monitor the spread of Covid-19 and has been implementing recommendations from the CDC and WHO since the beginning.
- All staff are required to wear masks.
- Staff are keeping count of those in the store and are limiting entry if our maximum is reached. Maximum of persons is below the state recommended level to be extra cautious.
- Plexiglass guards have been installed on all register lanes.
- Staff are allowed to stay home if they do not feel comfortable working.
- Prepared Foods staff are now re-deployed completing curbside orders. On average we are completing 90 curbside orders daily. Currently we are not able to deploy curbside at West due to staffing levels.
- All safety protocols were deployed at Oryana West immediately.
- West has seen a drop in Prepared Foods as well as they had to close some services (hot bar, olive bar, etc.).
- We may soon need to require masks of all shoppers.

Economic Outlook

- We continue to closely monitor the economy as these circumstances are unprecedented. Our strategy is to stay focused on our Mission and Ends.
- We know that 10th Street is resilient and carries little debt. West is leased and that demographic is very price-sensitive, so we will need to be flexible and responsive.
- Oryana did submit for a Payroll Protection Program loan due to the retention of 62 jobs and continuing to operate an essential business during this time.

- We know that if there is a downturn, there will be a recovery, and we will be operating two strong stores.

Communications – With the GM and Board Executives

Jim Dagwell, Board President & Rose Marie Klee, Board Columinate Consultant

Rose Marie presented on recommended proper communication of Board Members with the General Manager. She is exploring how Board questions or concerns are funneled appropriately and effectively through the Board President to the GM to make the best use of the GM's time and resources.

The Board discussed at length.

Kaitlyn will be creating a draft guide for Board Members to review. If any members have ideas they would like to share, please reach out to Rose Marie, Kaitlyn, or Jim. Further discussion will follow at a future Board Meeting.

Committee Report Out: GOM

Stephanie Mathewson

The 2020 GOM and Board Election have been postponed by the Board until it is deemed safe to hold both. Stephanie thanked the Board for their decision. She and Steve, with the Board's input, will continue to re-evaluate the situation.

Meeting Review: next meeting date, time and agenda

Thursday, May 14, 2020. Time TBD. Assuming no changes in the current Pandemic, the meeting will again be held via Zoom conference.

Public Input and Announcements

There was no public input.

Meeting Closed

Jim adjourned the meeting at 7:12 PM.