

Oryana Board of Director's Meeting Minutes
Thursday, March 16, 2023, 5:15pm

Attendees: Marty Heller, Chuck Mueller, Holly Jo Sparks, Chris Miller, Cy Agle, Kaitlyn Burns, Kathy Baylis Monteith, Colleen Valko, Steve Nance (General Manager), Wendy Walter (Human Development Manager), Victor Fontaine (Store Operations Manager - West)

Absent: Tricia Phelps

Guests: Jules Shelby, Robert Sainz, Emily and Luna Arbut

Welcome and Introductions: Colleen Valko, Board President, called the meeting to order at 5:15pm.

A review of the Consent Agenda which included:

- Review Board Perpetual Calendar for the next three months.
- Approval of February 16, 2023 Board of Directors Meeting Minutes
- Approval of December 16, 2022 Board of Directors Meeting Minutes
- Approval of March 16, 2023 Board of Directors Meeting Agenda

MOTION:

Holly Jo motioned to approve the Consent Agenda; Kaitlyn supported; the Board approved the Consent Agenda. The Consent Agenda included the perpetual calendar, acceptance of this meeting's agenda, February 16, 2023 and December 16, 2022 Board Meeting Minutes.
--

Public Input

n/a

Committee Reports

Recruitment & Nominations Committee

Chuck provided an update in the Board packet. We have seven candidates with two incumbents, video and written statements are available online and online voting will be available March 21.

GOM Committee

Steve reported that GOM is proceeding as planned. Culinary Managers have met and are planning the menu. The GOM is taking place at Traverse City Central High School's cafeteria. By the next committee meeting Board volunteers will have been contacted for support.

Board Development Committee

Kathy brought the proposed update to Policy 4.2 Board Responsibilities. The committee is continuing to work on the other policies already monitored. Board orientation is scheduled for May 11 at 5:15pm.

MOTION:

Kaitlyn motioned to approve the updates to 4.2 Board Responsibilities; Cy supported; the Board approved the updates to 4.2 Board Responsibilities.
--

Bylaws Committee

Marty shared that the committee has been reviewing the feedback from the retreat. Further discussion was held on how to proceed with special topics – non-voting advisory seats on the Board and the ability to appoint voting members to the Board. It was determined that non-voting advisory seats on the Board do not require a change of the Bylaws/is not a Bylaws topic. It was determined that the conversation about the ability to appoint voting members to the Board would be moved to the parking lot.

GM Search Committee

Colleen brought forward a proposal to work with the Carlisle Group as a search firm. This would be in addition to consultant work with Carolee Colter.

MOTION:

Holly Jo motioned to authorize Colleen to negotiate and execute an agreement with the Carlisle Group as the search firm; Kaitlyn supported; the Board approved the authorization of Colleen to negotiate and execute an agreement with the Carlisle Group.

Executive Committee

Colleen reported that CCMA is scheduled to take place in Sacramento June 8 – 10 and the Board is looking to send 4 – 5 people. Keep the dates in mind and look at your calendars!

Colleen will share the process for Executive Committee Elections in May. Directly following the General Ownership Meeting there will be a survey asking which seats Board Members are willing to be nominated for and/or if Board Members are not willing to be nominated. A second survey will be a call for nominations, during which a Board Member could nominate themselves or another Board Member. Then at the May meeting there will be a vote. Following that meeting the elected EC will convene.

Colleen took the time to recognize the three Board Members who have reached the end of their term and the almost 24 years of service between them. Thank you to Chris Miller for 10 years of service and good luck to Kaitlyn Burns and Cy Agle who are candidates for the Board in the April election.

GM Big Picture Report

Steve reported that sales are doing really well, especially compared to last year. Both stores are ahead of last year with a sales increase of 10% at West and 2% at 10th Street, which result in increased sales of 5.25% for the co-op. Oryana was recently named one of the top 25 independents by Progressive Grocery. Planning for the GOM is in full swing and will have the theme of the 50th Anniversary. Today the Leadership Team had a full day business planning retreat and we have some great plans as we look 2 – 4 years out.

Trends

Sprouts is moving to a smaller format and towards the center of the country from the coasts. Amazon is adjusting some of their retail options. Inflation has seen some slight easing; food costs are still increasing, but not as fast as they were previously. Locally the Boardman River project (with an estimated cost of approximately \$63 million) is moving ahead as is an affordable housing project or two.

Marketing & ORYANA FOR GOOD – Good in the community!

Title Track was the recipient of a February round-up at the registers and a 2% day, resulting in a contribution of approximately \$2,700 to Title Track. Oryana has been celebrating women's history month, promos for St. Patty's day, Cheese Madness (instead of March Madness), and Spring Break essentials. The 50th Anniversary Fresh Press will be out soon. Upcoming Anniversary events are the Trivia Night on March 21 at Right Brain and the Around the Table Storytelling Event on May 4 at the

Opera House. There was a recent collaboration with Groundworks on Shared Abundance, a book by Diane Connors, which will also be available to purchase in the co-op when available.

Monitoring Report: 2.4 Financial Activities Q4 2022

Steve gave a brief overview of the monitoring report that was included in the board packet. Sales in 2022 Q4 were up 5% but the target was 10%, so we didn't make our forecast. The sales goal for the year was 8% and we came in at 4%, which is about \$1.5 million less in sales than budgeted. 2022 was the first time since 2006 that the co-op had negative net profit. NCG co-ops were also down, on average, about 2%. March had a direct impact on sales and we spent the rest of the year recovering. Margin was lower than targeted and the change in how the lease was accounted for also impacted financials. Labor was a bright spot in that we gained efficiency and came in right at goal at year end. We ended the year with 10,632 owners. Looking forward, the forecast is for sales growth of 5% per year until 2026, which would result in \$40 million in sales in 2026.

MOTION:

Miller motioned to approve the Monitoring Report for 2.4 Financial Activities Q4 2022; Marty supported; the Board approved the Monitoring Report for 2.4 Financial Activities Q4 2022.

Public Input and Announcements:

Jules Shelby – looking forward to the GOM! Jules also provided feedback on the lack of need for music amplification in the café.

Adjourn:

The meeting was adjourned at 6:38pm.

Next Meeting:

The Board next meets on Thursday, April 20, 2023 at 5:30pm, at Traverse City Central High School for the General Ownership Meeting. The following Board Meeting is scheduled for Thursday, May 18, 2023 at 5:15pm in a hybrid format.



Holly Jo Sparks, Secretary

May 30, 2023

Date