

**LMC Board of Directors Monthly Meeting**  
**Tuesday, January 16, 2024**  
**Next meeting Tuesday, February 20, 2024 5:45 pm**

**Attendees:**

Nina Rosenberg  
Liz Davenport  
Nini Sulamoyo  
John Kwait  
Kari Sutton  
Ching Lu

Brian Naughton  
Maggie Seeley  
Peter Chestnut  
James Esqueda  
Rob Dixon  
Randy Evans  
Meerah Baum, member

Steve Warshawer, staff  
Chanatall Gimbel, member  
Johathan Loth, staff  
Barara Cowles, member  
Carla Baron, member

**Open Meeting:**

- Unanimously approved minutes Dec. BOD min with one abstention
  
- Reviewed B5 Board Meetings (2.6 in Bylaws)

**Member comments**

- The Board noted that it had received an email on Jan 2nd from member asking, now that it is legal to sell raw milk in Albuquerque, about plans for the LMC stores in Albuquerque to carry raw milk. The Board noted that the Jan 16<sup>th</sup> “The Scoop” included an update on this topic, saying that the Co-op is actively working to make this happen.

**GM Update**

- In December, the Coop’s total sales increased by 5.17% compared to the previous year. The retail stores combined showed growth of 5.46% and the DC was up by 3.52% compared to last year. Transactions increased by 2.49% and the average basket size also increased by 2.9% for the month. December marks the start of the second fiscal quarter for our Coop and is historically a strong month for sales as our customers host for the holidays.
- Round up for change – We selected the Greater Albuquerque Habitat for Humanity as our December recipient for the Round Up for Change program. Our donations directly support families who are in need of a decent place to live, which helps them build long-term financial security. By providing affordable and stable homes, families can allocate more resources towards essential needs such as food, medicine, childcare and education. I am delighted to report that we raised \$7,976 for the non-profit organization. A big thank you to all who chose to donate at our registers this year. Our coop raised over \$96,000 last calendar year for our non-profit partners.
- Other News
  - Consumer Price Index – The food at home index rose 1.3% over the last 12 months. With the center-store departments experiencing the largest increase over the twelve month period at 2.6%. As food, inflation settles down, the average basket size in our stores is also settling.

- Membership Seasonal Discount Update – As reported last month, our Coop rolled out a newly updated seasonal discount strategy for our members this fiscal year. I am glad to report that the results from our first quarter were positive for the Coop. Our sales grew, the basket size was flat compared to the same period last year and we saved a total of .49% on the budgeted discounts line for the quarter. As we start another quarter, our team will continue to review the information and work to drive new memberships at the Coop!
- Earth Day 2024 – Our Membership & Marketing team has started the planning process for the annual Spring Earth Day festival. After a few years of not having the event, we resumed the in-person celebration last year and it was a success. We are looking forward to engaging our community and vendors to make Earth Day 2024 even better. We will keep you updated with more details as the planning progresses

Brian noted that the schedule of other Earth Day events in could be found a this website:  
<https://earthdayfestivalnm.com/>

### **GM Monitoring: Financial Conditions (L3, Q1)**

(The report has been updated as a result of the Board's study session. Said changes are summarized)

- The main reason for changing the interpretation to the root policy was my attempt to simplify the information delivered to the Board about each fiscal quarter. Given that this information is produced and discussed with the Finance Committee, I wanted to approach this new interpretation from the Coop's liquidity ratios. Our banking institution will consider this part of the loan package as it will use the following ratios to gauge our ability to meet its liabilities (short & long-term). I can see how this seems incomplete without the other key indicators being included in this report; I have added those key indicators and language used in the original interpretation and left the ratios as new additions.
- Updated to include the YTD.
- EBITDA is calculated on the Finance Committee Key Indicators worksheet. For Q1, the calculation uses the following data: Net income plus depreciation equals EBITDA dollars of for the quarter.
- There are a total of five steps in the Perpetual Inventory objective for our Coop.
- Updated to include necessary data plus additional data on how debt is processed in the accounting department.
- Unanimous acceptance of GM L3 Report

**Finance Committee - Peter**

La Montañita Food Coop Monthly Financial Grid FY '24				
Period ending:	11/30/2023			
Indicator	FY '22	FY '23	FY '24	Target
Comparative Sales	2.39%	6.38%	4.91%	3%
Net Income	0	-6.36%	-1.45%	1%
Days Cash on Hand	43	33	41	12
Current Ratio	3.62	3.43	3.23	>1
Debt to Equity	0.28	0.33	0.35	<2
Legend		At target		
		Below target		

- Avanyu Update
  - Equipment orders on schedule
  - Will have bank numbers in February
  - Special Finance meeting Jan 30 with the CPA to cover final annual numbers for fiscal year '22-'23 and to discuss the changes due to the new IRS rules re: leases
- Revised Charter approved unanimously

### Board Development and Nominations & Elections

- New member Nini Sulamoyo introduced herself with her background and interests.
- Board IT Day will be Sat, Jan 27<sup>th</sup> from 10-12. All can attend with the exception of Maggie and Brian who will make other arrangements with IT
- Merging of Board Development and Nominations and Elections (BEND) passed with 7 yeas, 1 no and 1 abstention
- Liz tendered her resignation as Nominations and Elections chair
- First BEND meeting Tue. Feb 6
- Nina unanimously elected interim Committee Chair

### Member Engagement Committee - Ching

- Book Clubs
  - Clubs being formed in Abq, SF & Gallup
  - First book will be “Grocery Story”
  - 1-2 hr events, dates and times TBD
  - Discussions facilitated by board/staff
  - Free admission open to members and non-members
  - Venues (serving food dependent on venues):
    - Abq – Bookworks
    - SF – Collected Works (not yet finalized)
    - Gallup – Octavia Fellin Public Library
  - First event in Abq late March-early April
  - Will ask for RSVPs with reminders a few days before and the day of



- Advertising and promotion with links to where people can purchase the book in various formats (e.g. paperback, ebooks, Audible)
- Board voted unanimously to endorse the ME Book Clubs program

### **Policy and Bylaws Committee**

- The Board discussed the Charter for this committee, made minor edits and voted unanimously to accept the charter.