

LMC Board of Directors Monthly Meeting
Tuesday, November 19, 2024
Next meeting Tuesday, December 17, 2024 5:45 pm

Attendees:

Liz Davenport
Nina Rosenberg
Maggie Seeley
Brian Naughton

John Kwait
Nini Sulamoyo
Ching Lu
Peter Chestnut
James Esqueda

Randy Evans
Rob Dixon
Member: Nathan Baker
Absent:
Pete Clark

- Unanimously approved agenda
- Unanimously approved October 2024 minutes

Member Comments

- None

GM Update November '24

- **Annual Meeting** – Management’s notes from the Annual Meeting will be sent to the Membership Engagement meeting for discussion.
- **Membership** = 15,234
- **Sales** - October sales experienced a 1.65% increase, with transactions rising over 4% for the month. This marks the second consecutive year that we have surpassed sales compared to the previous volume discount program. Our shoppers are benefiting from having the entire quarter to complete their volume shopping, rather than feeling pressured to finish within the two months that the old program allowed. Additionally, our membership continues to grow monthly as we attract new customers and welcome back returning members who may have previously lapsed or come back to New Mexico and are excited to rejoin La Montañita Food Coop.
- **Round Up For Change** - The recipient of the October Round Up For Change initiative was the New Mexico Immigrant Law Center (NMILC). NMILC is committed to advancing racial justice, equity, and human rights. The organization’s mission is to promote justice and equity by providing collaborative legal services, advocacy, and education. In the previous month, our efforts resulted in the successful raising of over \$8,500 for NMILC at our registers.
- **Avanyu Store Development** - We are in the final stages of securing equipment financing for the remaining improvements planned for our next store build. We continue to receive updates on equipment with long lead times and are coordinating our plans with our manufacturers and contractors. In October, the GM had the pleasure of giving the Board of Directors a tour of the site, showcasing all the improvements we have accomplished

this year. We are excited to continue construction throughout the winter, leading up to a highly anticipated grand opening in the spring of 2025.

GM Monitoring Reports

- **Ends report**

- The Board unanimously voted to accept the GM’s updated Ends report.

- **Financial Conditions Q4 (L3)**

- The Board unanimously voted to accept the GM’s L3 report with the condition that the GM will submit steps to improve performance at a special meeting in the next couple of months on Avanyu Plaza.

Review of BOD Governance Process

- The Board reviewed the Board Deliberation Processes (B2) from the Board’s Policy Manual. Maggie suggested that we update B2 to remove reference to the principles of Sociocracy. The Board made a note of this suggestion for the next time this document is updated.

Report from Finance Committee

- The GM reported financials for September, 2024, Period 1 for the new fiscal year

Public Indicators

| Indicator | FY '23 | FY '24 | FY '25 | Target |
|----------------------|--------|--------|--------|--------|
| Comp Sales | 7.25 | 4.30 | 5.73 | 3% |
| Net Income | (.14) | (.40) | (2.61) | 1% |
| Days of Cash on hand | 37.37 | 41.20 | 26.01 | 12 |
| Current ratio | 3.68 | 3.50 | 5.95 | >1 |
| Debt to equity | 0.31 | 0.32 | 0.86 | <2 |

- Sales were very good, but overall performance was impacted by unplanned one-time equipment and labor costs along with lower interest income as more cash has been invested in the new store
- The multi-year perpetual inventory system implementation is largely complete on the systems side and more effort is how shifting to training staff on using the new capabilities.
- Avanyu Plaza construction has continued despite delays in the financing package finalization. Partners have been continuously informed of the status and mitigation strategies have been deployed to minimize impacts to the opening date.
- Management is still working with the lenders to finalize the terms of the loan package which will be used to update the business plan for review by the committee at the next meeting.
- We did not review the Patronage Dividend as planned due to delays in completion of the CPA annual review.

Report from Membership Engagement (ME) Committee

- The Committee has been focused on supporting the Annual Meeting which took place Nov 14 at the IPCC, and will review feedback at its next meeting. Likely the next co-op connection activity will likely happen in summer 2025.

Report from Board Elections, Nominations and Development (BEND) Committee

- Voting for the new Board of Directors ended at midnight on Nov 14th. We reviewed the process for vote counting and communication to all candidates for the board and to co-op membership, as well as plans to seat the new board members at the Dec 2024 meeting. We also discussed planning a Board retreat in Jan or Feb.

Look ahead

- Membership Engagement Committee mtg – Nov 26
- BEND Committee mtg – Dec 3
- Finance Committee mtg – Dec 10