

LMC Board of Directors Monthly Meeting
Tuesday, August 20, 2024
Next meeting Tuesday, September 17, 2024 5:45 pm

Attendees:

Nina Rosenberg
Brian Naughton
Liz Davenport

John Kwait
Pete Clark
Peter Chestnut
Ching Lu

Nini Sulamoyo
James Esqueda
Randy Davis
Absent: Maggie Seeley

Open Meeting

- Check in
- Approved agenda
- Minutes for July incomplete – will vote on next BOD meeting

General Manager Update August 2024

Sales

The sales at the end of July indicated a 2.24% increase in total sales compared to last year. The retail stores experienced a 3% growth while the Distribution Center's sales fell short by 8% compared to the same period last year. The Distribution Center is continuing discussions with local institutions that have allocated funds from the USDA to spend on local goods and attract new customers. Despite the challenges in sales growth, the Distribution Center managed to increase their average delivery size by 18% for the month of July.

July 2024 Sales

	GP	NH	SF	RG	DC Trans	DC Sales	DC Total Movement	Total Coop Sales
This Yr	\$99,376	\$607,710	\$2,075,579	\$778,123	\$184,607	\$497,342	\$681,949	\$4,058,384
Last Yr	\$130,910	\$612,251	\$1,931,459	\$779,540	\$218,483	\$542,222	\$760,706	\$3,969,384

Round Up for Change

The National Indian Council on Aging is a New Mexico non-profit founded in 1976 focusing on the needs of aging American Indians and Alaska Native elders. Their mission is to advocate for improved health, social services, and economic well-being for these elders. Last month, we raised over \$7,000 through our Round Up for Change program at the registers.

Avanyu Store Update

Our team is currently in the process of bringing our branding and signage vision to life inside the new store location, working alongside interior design consultants. We are aligning with the Marketing team's branding standards while introducing new and innovative ways of advertising throughout the store. The construction of the building is nearing completion, with final work being done on the patio area located to the west of the building. Long-lead time equipment is scheduled to start arriving next month through October, marking the beginning of the installation phase and inspections by officials to obtain the necessary licensing for the new business location.

There was discussion about the Round Up for Change program. One question asked was whether other food co-ops have similar programs. James responded that this type of program is fairly new to food co-ops and that it is a bookkeeping challenge for some. Another question was asked about how the benefiting organizations are chosen. James answered that Lea’s Marketing & Membership Engagement makes these decisions based on applicants, making sure there is alignment with goals and using a “first come, first serve” approach.

The Board inquired about the status of the Co-op’s website. James responded that there have been delays in getting the photo shoots at the stores and that he expected the website to be live in September.

GM Monitoring Reports – L4 Budgeting and Financial Planning

The board requested changes to the L4 Report, specifically separating out the Avanyu Plaza loan from the rest of the budget.

The BOD unanimously approved using the ’23-’24 Period 1 (Sept 2023) budget for the ’24-’25 Period 1 budget (Sept 2024) and will revisit the rest of the budget at the next BOD meeting.

Other Finance business

- On August 6 the BOD authorized GM via an email vote to “act on behalf of LMC in any agreement or agreements with Shared Capital Cooperative” via email. Shared Capital Cooperative is one of the institutions involved with the Avanyu Plaza loan.
- We will need to complete similar authorizations for Leaf and Momentus, two other institutions involved with the Avanyu Plaza loan package.

Finance Committee – Peter Chestnut

LMFC Monthly Financial Grid: Period 10, June 2024

Indicator	FY '22	FY '23	FY '24	Target
Comp sales	1.95%	12.07%	3.23	3%
Net income	(2.54)	(.22)	(.92)	1%
Days of Cash on hand	37.82	44.62	33.91	12
Current ratio	4.00	3.57	5.75	>1
Debt to equity	.28	.31	.89	<2

- There will be a special Finance Committee/BOD meeting August 27 to review and make a recommendation to the full Board on:
 - FY’25 budget
 - Avanyu Proforma
 - Budget assumptions

- The Board also requested any suggestions from James for updated finance metrics at the September Finance Committee meeting. Some changes may require changes to the Board Policy.
- A Board member asked about the profitability of the Nob Hill store. (JOHN K: If you recall the question & answer, pls add it here.)

Membership Engagement (ME) Committee – Ching

- Reviewed results of the Book Club first events. Overall, the feedback was good and folks enjoyed the discussions
- Next, we are considering doing a film or a podcast for larger participation
- Several members have expressed concern about the use of plastics at LMC. Pete volunteered to look into this further and propose ideas on how the LMC might respond.

Board Elections, Nominations & Development (BEND) Committee - Brian

- Brian and John reported that they have been contacting potential candidates
- We have received 1 application as of today
- Brian has organized tabling opportunities for a few Board members at both the Rio Grande and Santa Fe stores.
- Lea still seeking quotes from board members for recruitment articles in “The Scoop”.

Upcoming calendar – Nina

- BEND Committee on Sept 3
- Finance Committee Sept 10
- BOD meeting Sept 17
- Membership Engagement Committee – Sept 24
- Planning in progress to have a face-to-face BOD meeting on Oct 15 in Abq. Possibly at IPCC with a tour of the new store for board members (wear close toed shoes)