

CNFC Board Meeting November 13, 2013

At the meeting: De, Theresa Madhurima, Jenn, Josee, Ray, Russ, Diana (by phone), and Eric

Guests: Kelly Wand, Mario de Rose and Doug Butt

Action Items highlighted in yellow.

Mario presented his Musical Notes Firewood proposal. See separate appendix.

Mario's Fundraising Proposal:

a) Cabaret Dinner Idea:

To hold five of them.

Cost: \$75/plate (60 – 80 people)

Hope to profit \$3,000-5,000.

b) A loan or a hundred prepay accounts at \$250/month.

Mario also proposed that we instate an Active Member Status and have membership voting based on this new type of membership status. We need to identify who is still here.

He also suggested refinement of our Mission Statement

“ From Grocery Store to Community Innovation”

Cabaret Committee: Mario would work getting a committee meeting.

TONIGHT'S AGENDA:

Approval of minutes from October's board meeting:

One change: to add Theresa to Land Committee

Josee motioned to approve minutes and Madhurima seconded. All approved.

Tonight's agenda:

Russ wants to add something on Member Relations
(Russ is the new member liaison.)

De moved for approval. Ray seconded. All in favour.

General Manager's Report

Highlights:

October Sales continued the trend.

Store was up 12%

Customer Count still up 9% over last year.

Wage percent was exceeding where it was last year. Because last year we cut our hours. To 10-7 from 9-7. This year we are staying open at 9 and don't see need to change it.

We are getting caught up in paying overtime and holiday pay properly. Also Josee and Meg are doing more ordering as compared to Eric doing it last year. So the wage percentage will probably remain high through this winter.

Café Financials (March 1- September)
Gross Margin 68% (last year 36%)
32% is spent on product ingredient cost.
Labor costs are 48% (last year it was 44%)

Operating Margin at 8%.
We had a profit from the café for 10,000.

Need to make \$1000/day.
3 days a week now:
We needed to avg. \$725 for October and only got \$650.

Side discussion about volunteer shifts at café to be able to keep café space open on days the counter is closed.

Russ and Madhurima will work on list of volunteers for having volunteer shifts to open café to other days.

Tourism Meeting Report :

Eric went to meeting put on by Tourism Vancouver Island.
He learned that the boat traffic came back for the Gorge. Tourism scene from Victoria on up was stronger.

They identified top 3 opportunities for Cortes as a whole:

1. Brand
2. Identify target market for tourists
3. Food establishment open all the time

Cortes businesses voiced that they want the café to be a restaurant and open more than it is.

De and Eric will go on diplomatic mission to this business group to see if they can get them involved with us – willing to make donations. One idea was that we could offer to display supporters' business information in a "our friends" board or display.

Eric's proposal to purchase computer and software licensing for café. Cost \$2400
Ray makes motion we approve proposal and De seconds. All in favour.

De and Eric will fill out the paperwork for insurance and will have it submitted before our meeting next month.

Jenn will send out meeting minutes –and give deadline for changes and then we will approve online. Jenn will then print them and add them to the new binder. She will also send them to Coreen to add them to website.

Theresa will look up coop stipulations about posting agenda.

Committee Reports:

Minimalist Café and Fundraising reports

Member:

Russ reported on his informal survey of members; he asked members what they wanted and liked.

People want:

Good customer service

Quality of food

Accessible food (price)

Good employee relations

Heard a yes, to solar aquatics

Didn't like:

Exclusivity vibe, territorial-ness

Wanted to know:

Is there going to be an open tender on steps for building it.

Confused about:

- the purchase of coop land; wondered why the delay, understanding was that we had already received Van City approval.

Discussion over customer concern for labeling foods that contain or at risk for containing GMO. We will have red, yellow green labeling system and need help

Jenn will send Coreen request for GMO committee to form.

Draft Personnel Manual

Grievance procedure – suggestion to go to a three-board member committee for review. Say president will form a committee to deal with it.

Eric will review document with staff and next meeting and put track changes on it.

Need to add phrase about if employee takes leave or absences or stops working for X amount of time how do they re-enter payscale chart.

Eric was asked to send out comparison about the wage scale. He will take a recent payroll and use the updated wages (proposed in the new scale) instead of the current wages; so that we can compare the two and see how much of an impact the new scale would have in a financial sense.

Exceptions to proposed payscale:
General Manager

Kitchen Manager
Accountant (needs to account for this in the document)

Document is coming together, vacation pay, grievance process, pay scale.
Binder to include job descriptions

Suggestion was to add a section on expectations for employees (that goes beyond individual job descriptions).

Action for Eric to run it by the staff with draft copy of revisions so that we can comments.

Land Purchase Issue:

The Vancity requirement is a "debt service ratio" of 1.3. That means our profit must exceed 1.3 times the potential payment (taxes and insurance included). They want to see this ratio satisfied for two fiscal years before we become eligible for a mortgage. Now we are assuming a mortgage payment of \$1,600 instead of \$1,200 per month because of the increased interest rate. So, if the total payment is \$2,400 per month, the annual payment is \$28,800 and the annual profit must be at least \$37,440.

Discussion of reinstating prepay accounts.

Eric will come up with formula for how prepays could work.

Discussion of Derek Mack-Mumford's "Letter of Concern." cautioning the Co-op against taking on a large mortgage to buy the land.

De proposes to empower the manager to deposit some of store profits into Land Purchase Account, drawing on whatever sources the store has at his discretion. Madhurima motion Russ seconded. All in favour.

Board Training with Meagan Cursons:

Tentatively scheduled for January.

Eric will try to move up the date to see if we can move it to Dec.

Solar Aquatic System.

-De wanted feedback on the SAS system.

-Discussion about various alternatives to SAS for our septic system, Russ talks about getting quotes.

Conventional System – quotes for three different sizes. Eric will send out.

Russ will send link about other systems.

Next Meeting: Wednesday, December 11, 2013

For next meeting's agenda:

Customer Service
Septic System