

BisMan Food Co-op Board Meeting
Special Meeting
October 13th, 2016
7:00 PM
Meeting Minutes

Attendees: Jon, Dave, Rebekah, Tyler, Brenda, Glen, Nick, Angie (Call-in), Randy
Guests: Troy Ricciardi, Desiree Uttke

1. GM Search Timeline & Budget
 - a. Angie can get job listings out on Monday if approved tonight.
 - b. Will need a credit card to sign up.
 - c. Randy has not been officially removed from the account because the debit card is tied to some auto payments.
 - d. Will have a new credit card in 7-10 days.
 - e. No longer NCGA members, will cost \$50 to advertise with them.
 - f. Didn't list in Bismarck Tribune last time due to cost. Can't use regular ad for job posting.
 - g. Total cost for job listings estimated at \$460.
 - h. Will do a press release, post on Facebook and send member email.
 - i. Will have board email set up by tomorrow.
 - j. Glen will have job postings documents done by tomorrow. Application deadline will be November 30th. Start date: Open Until Filled.
 - k. Hiring committee will need two co-op members in addition to Angie & Glen. Dave Pierce was recommended. Hiring committee will narrow down to 3-5 candidates.

Glen moved to approve a \$460 budget for GM job posting costs. Dave seconded. Vote called: all present voted aye: motion carried.

2. Updated Finance Report:
 - a. Report is still evolving: have several costs that were not accounted for until this month. Still trying to get a clear picture.
 - b. Have about 35k cash on hand. Typical monthly burn rate is about 25k. One issue is that labor costs are double or more than budgeted.
 - c. 4 main needs right now:
 - i. Cash Infusion
 - ii. Sales Increase
 - iii. Reduce Expenses
 - iv. Obtain Favorable Lending Terms
 - d. Doans still owe for their portion of the parking lot. Also may still owe for building structural issues discovered during renovations (cut trusses and cracked floor slab). Need to determine whether they have previously paid for any of the structural issues: could ask Randy or Paul.
 - e. Tyler talked to Jerry Doan today: told him we have had a change in finances and may need to discuss flexible terms.
 - f. Still owe PCI 17k, Tyler received a call from them. Should be reflected in current numbers.

3. Cash Infusion: Need about 60k, would like to have above 100k.
 - a. Member Loans:
 - i. Tyler talked to Joe Hauer, member who had currently expressed interested in potentially providing a 20k member loan. Joe said he is comfortable with his current investment level. Tyler asked him to contact us if his situation changes.
 - ii. Beth may have someone in mind.
 - iii. Randy had a 25k commitment that was not collected. Board could contact Randy to discuss.
 - iv. Could do a membership drive with incentive, such as \$10 gift card. Would be something for the membership committee to explore. Dave volunteered to help Brenda on Marketing Committee.

Dave moved to appoint Brent and Rebekah to lead a Marketing Committee. Glen Seconded. Vote called: All present voted “aye”. Motion carries.

- b. Corporate Memberships
 - i. Troy suggested approaching downtown restaurants about corporate memberships/deals. Troy volunteered to talk to business owners. Would be a promotional opportunity for the businesses. Fireflour already comes in once a week, a lot of the others come in frequently as well.
 - ii. Would have to make sure we weren't competing with their other suppliers.
 - iii. We were previously advised not to have separate levels of membership. Would have to make sure the volume of sales would work with the discounts. Could implement a minimum purchasing volume.
 - iv. Can contact other co-ops to see what they do.
 - v. Could propose membership program similar to Basin Electric.
 - vi. Troy's goal is to double membership this year.
 - vii. Membership Committee will explore.
- c. Sales Increase
 - i. Need to first determine why sales have been so low.
 - ii. Managers are working on strategies to improve.
 - iii. Promotions: other co-ops do wellness Wednesdays, senior Tuesdays, etc. Can look into similar promotions. Troy suggested discounts/having a day for athletic memberships: discounts on protein shakes, etc.
 - iv. Foundation Plan (Troy): need to get store running right. Identified several areas for improvement:
 1. Meat case, salad bar and bread can be improved.
 2. Best areas are produce (Casey) and grocery (Desiree).
 3. Need to get OSHA compliance inspector for safety training. Workplace Safety may be able to provide for free.
 4. Baker: Troy knows a baker with 15 years of experience.
 5. Can contact Stuart Reid, co-op GM in Fargo: could provide assistance/advice.
- d. Expense Cutting:
 - i. Troy: there is a disparity in pay rates among staff. Troy and Desiree are reviewed work performance and benefits against performance.
 - ii. Health insurance: paid over 13k last month. Need to determine why. Appears to be a random assignment of plans: some have full family paid, some just

employee. Needs to be standard: previously determined that employee would be full paid by co-op, family would be extra paid by employee. Also have an HAS option.

- iii. Hiring ordering manager to oversee waste. Need to minimize and/or account for waste.
 - iv. Troy: doing live inventory now. Working on training someone specifically for this. Need to be doing constant inventory, no more need to do specific inventories.
 - v. Discussed posting position for meat manager: Troy thinks the right person may not be in the salaried position. Would like to rearrange without losing anybody. Thinks Larry would be a good manager. Has experience and good vision for meat case presentation.
 - vi. Have a lot of excess meat: could do a sale.
 - vii. Aging cooler: currently ordered, not yet installed. Could call Bill Rye with Dakota Refrigeration to see if order could be cancelled. Desiree thinks aging cooler would be worth it: would save a lot of money in processing from Bowden.
 - viii. Bowden Issue: We're paying \$1 per pound for quartering and wrapping. Bowden sent \$4,600 worth of meat in saran wrap instead of cryowrapped, but still charged for processing. Co-op asked Bowden to waive fee. Currently owe them \$1,500. Bowden offered to waive. Randy sent them a bill for \$4,500, which they don't want to pay. Jordan proposed they drop the \$1,500 and waive processing fee for several pigs and lambs. Will propose to them. Nourished By Nature are members of Bowden Locker: they have an interest in relationship working. Could talk to them.
 - ix. Desiree: may have credit coming from Dakota Refrigeration for extra shelving they sent.
- e. Favorable Lending Terms:
- i. Tyler talking with Lenders. Currently making interest only with some, can't reduce.
 - ii. NDFC – have 50k lump sum payment due end of November. Can ask them for interest only, would reduce to about 3k.
 - iii. Will call Lewis & Clark and discuss if any options are available.
4. Additional Discussion:
- a. Parking Issue:
 - i. Jerry has attorney. In contact with Barth's attorney (Tschider).
 - ii. Troy & Nick talked to Dave Barth. Dave agreed to stop blocking access if deliveries will be moved to outside of their peak hours. Told Dave that deliveries are schedule for 6 a.m. as of November 3rd. Will work with KEHE.
5. Finance Committee:
Brenda moved to appoint Tyler & Dave to Finance Committee. Glen seconded. All present vote aye: motion carried.
6. Adjourn:
Brenda moved to adjourn. Glen seconded. All present vote aye: motion carried.