

June, July, & August 2020 Board Report

As COVID-19 has pushed each of us into new routines and patterns – so has the Co-op Board. Over the past three months we've seen sales trends change, long awaited infrastructure projects completed, and are finalizing how this year's Board of Directors Election will be held.

When the Board of Directors met on June 4, it had only been 10 days since the killing of George Floyd. Our communities were in pain, and the Board shared the following:

“The North Coast Co-op Board of Directors and staff would like to express our support for people across the country as well as in our community who are exercising their right to protest the violence and institutional racism directed at black people, both current and historic. As members of an institutionally racist society we are often unwitting participants in those structures and we condemn in the strongest terms possible the agents of authority, including police officers and elected officials, who have caused death and harm, either through their direct actions, inaction, or inflammatory speech. We acknowledge that these acts perpetuate racism and fan the flames of the false notion of white supremacy, and that witnessing such violence—in person or through the media—is a collective trauma that wounds us all, but is especially harmful to black members of our community.

We also recognize that words without action hold little meaning. This week the Co-op donated \$1,000 to Black Humboldt to help them meet their fundraising goals for 2020 operations and resources. Black Humboldt is a local grassroots organization with the mission of creating safe spaces for people of color within our predominantly white community, and supporting local businesses owned and operated by people of color. Black Humboldt's website contains an extensive directory of POC owned businesses and we encourage our membership to support these businesses to the best of your abilities, particularly as so many small businesses are currently struggling to survive through COVID-19.

The Co-op is committed to supporting equity within our own organization as well. In the past, we have attempted to work with third party equity consultants, though the action plans born out of this were never fully realized. We intend to revisit this work in full force and will be reaching out to consulting groups, with the specific intention of working with POC-led organizations, to determine the best path for the Co-op to address equity going forward. It is the intention of the Co-op that this statement is more than a mere expression of support and solidarity, but a catalyst by which we hope to effect real change.”

My heart still hurts for the families of those killed due to police violence. As time has separated many of us from these events, let us not forget.

In July we saw the completion of a long-term project – the refrigeration update at the Arcata Store. For years, the system has leaked refrigerant, and with the ban on production of R134a (the refrigerant used in Arcata's system), we had a countdown clock running on when we

could fix the system. Given our strong sales, we were in a healthy financial position to afford the retrofit, and thankfully the retrofit went smoothly.

Speaking of healthy financial position, in July we saw cash on hand grow to over 20 days. As some of you may remember, starting in November 2018 the North Coast Co-op was floating around 3 days of cash on hand. Our financial benchmarks call for 10 – 20 days of cash on hand, and it's astounding to see how far we've come in a year and a half. Our department by department trends are different than years prior, as COVID-19 has changed the shopping habits and patterns of our members, but we remain financially healthy.

Our August meeting was full to the brim. In thinking about COVID-19 and our policies for counting ballots we began to realize a few months ago that it wouldn't all line up. Collecting over a dozen people in a small room, confirming member eligibility, hand counting ballots, and touching the same surfaces over and over again is fundamentally at odds with how we should be interacting with one another while a global pandemic is spreading in our community. This led the Board to adopt a set of procedural changes for the employee election ballot count – reducing the number of necessary people present, while still maintaining a system of checks and balances. This works – as there are less than 200 ballots to count. But these temporary procedural changes won't work for the general election – with potentially thousands of ballots to count. To tackle this, the Board is considering an online voting option, in addition to paper ballots. The Board of Directors, acknowledging that the decision needs to be made in as timely a fashion as possible, empowered the Nominating Committee to work with staff to figure out an online voting system that is secure and as transparent as possible for the 2020 election. Nominating Committee is meeting on August 20th to count Employee Ballots and to discuss the online voting options. Our hope is that members will be able to vote online, reducing the number of paper ballots to be counted, and streamlining the entire process such that we can limit exposure of vote counters and membership validators.

Speaking of Voting – be sure to vote in this year's election. We have three seats open – one Employee Director seat, and two General Director Seats. The application period has closed, and while the Nominating Committee has not reviewed all the applicants, it looks to be a robust and well qualified pool of candidates running this year. Keep your eyes and ears out for details regarding this year's election.

At the August Board meeting the Board was also presented with an update to the Purchasing Policy. One critique from staff was that the purchasing policy was difficult to implement. While the rationale behind it was great, the operationalization of it was a bear. Staff's proposal was to keep the policy, and to add to it a list of unacceptable ingredients, as well as a "Product Standards" section. Example product standards include "we do not carry eggs from chickens with routine use of antibiotics" or "we do not carry meat of poultry raised in inhumane conditions including cages or crates". Those two examples can be inferred from the original purchasing policy – but were not explicitly called out. This is a big change for the way we've used the Purchasing Policy, and the Board plans to discuss the changes again at the next Board meeting. Please join us if you have thoughts as well. I personally love the inclusion of

specific unacceptable ingredients, and how now we can really put the purchasing policy to work.

The final tidbit from the August meeting that I will share is that Kirsten Lindquist, one of our Employee Board members, has graciously taken on the role of Treasurer. For the past year or so I've pulled double duty as President and Treasurer. In November I will be terming off the Board – so having 3 months of overlap with Kirsten will be invaluable. I know Kirsten will do a fantastic job. Finance Committee will be meeting on August 26th via Zoom. Be sure to look to the Co-op calendar for meeting information and agendas. I know we'll be discussing Q1 financials and should be receiving a presentation from our Auditors on the FY20 Audit. I look forward to seeing you there.

I hope all of our members are finding ways to stay healthy and optimistic in these uncertain times. I am continuously impressed with how great staff are. These folks show up, day in and day out, dealing with all the oddities and uncertainties that are constantly changing and getting thrown at them, and they do it with aplomb and steadfastness. I don't know how I'd feel without the Co-op right now. I know with the Co-op I feel well fed, taken care of, more educated about my meal options, a member of a community, and a very small piece of an organization that's working towards a different tomorrow.