

Alberta Cooperative Grocery Board of Directors Meeting

January 6, 2026 6:30-9:30pm

Meeting Held via Zoom

January 2025 Board of Directors Meeting Summary

- The Board discussed the following ARFs: General Store Update, Kitchen Project Update, and Review and Approval of the 2026 Grocery Store Budget.
- The Board Monitored the following policies: L3 - 2025 Q3.

Directors present: Rochelle Mollen (she/her), Lesley Farmer (she/her), Christopher A.D. (he/him), Kristen McKee (she/her),

Owner Members & Guests:

Collective Management/Staff: Ruth (They/Them/She), Rachel Heichen (SFPC PP), Joy (They/Them)

Board Support Staff:

- **Board Link:** Shane Lei (they/he), **Board Administrator:** Frankie Martinez (he/him), & **Board Facilitator:** Charlotte (she/her)

Directors not present: Eugene Rosolie (he/him)

The Board began its agenda at 6:33PM

1. Opening and check-ins.

- Participants shared how they're arriving at the meeting, and shared their name and pronouns.

2 & 3. Owner Comment and Board Response

- N/A

4 & 5. Decision: Review and approve agenda, approve draft minutes, and meeting agreements

- The Board unanimously approved the agenda and consent agenda. Consent Agenda items included the December 2025 Meeting Minutes.
- The Board agreed to move the Vital Records Response, Officer Roles and Committees, Board Improvement Initiative, and Review/Monitor Language Definition ARFs to the February Meeting.

6. Commitment Review

Commitment Review

Number	Date Begun	Person/Group Responsible	Commitment	Deadline	Notes
1	04/01/25	Lesley	Propose edits to the Recording Meetings ARF	Jan 2026	Move to Feb 2026
2	06/03/25	Lesley	Work on talking to the CM about M4 and getting more involved with providing information to the Board Link.	Jan 2026	Move to Feb 2026
3	09/02/25	Rochelle + Lesley	Begin search for <i>backup</i> Board Facilitator	Jan 2026	Move to Feb 2026
4	10/7/25	BMAD	Request data from the Kitchen team regarding rental utilization.	Jan 2026	Completed
5	11/4/25	Eugene	Explore training and consultation group	Jan 2026	In progress - Feb Check In
6	11/4/25	Kristen + CEC	Kristen + CEC to discuss how to better onboard new	Jan 2026	On the Jan CEC agenda

			board members.		
7	11/4/25	BMAD	Reflect on if L6.6 needs updating based on feedback from the lawyer.	Dec 2025 to Jan 2026	Discussing tonight
8	11/4/25	Board Link	Board Link to review the language provided in the "Review/Monitor Language Definition" ARF and provide written feedback.	Jan 2026	On tonight's agenda.
9	11/4/25	SFPC PP	Report/Monitor - L3 - Financial Condition Q3	Jan 2026	Completed - on Agenda
10	11/4/25	SFPC PP	Report - Presentation of Approved Budget and Annual Plan	Jan 2026	Discussing this evening
11	12/2/25	Board Link	Forward the completed budget to the Board once approved at the CM meeting.	Dec 2026	Completed
12	12/2/25	Board Link	Request and provide data about current Kitchen Labor hours.	Jan 2026	Completed.
13	11/4/25	BMAD	Officer Roles and Committees - Moved To Jan Agenda	Jan 2026	On Agenda
14	12/2/25	Facilitator	Create new board meeting calendar	Jan 2026	Discussing tonight, moved to Feb 2026
15	12/2/25	Board/CM/Link	Monitor - Board/CM/Link joint audit due by April 15.	April 2026	Will add to BMAD Agenda for Jan.
16	12/2/25	Link + BFC	Monitor/Report - L4 - Budget/Planning	Feb 2026	In progress
17	12/2/25	BFC/SFPC PP	Report - G14 - Annual Audit Recommendation	Jan 2026	
18	12/2/25	Link	Confirm scheduling of annual or full audit with SFPC PP	Jan 2026	N/A

7. Committee Reports

- Board Maintenance and Development (BMAD):
 - i. Discussed L policies, budget, and noted additional information was needed.
 - ii. Also discussed Vital Records response.
- Community Engagement Committee (CEC):
 - i. Hygiene kit project on hold for now.
- Board Finance Meeting (BFC):
 - i. Discussed August/September KPI's that were provided.
 - ii. Reviewed available working CM Budget, and noted access was needed for the correct version.
 - iii. Concerns were noted about increase in discount line items and some conflicting information throughout the tabs. Most likely due to access to the draft version only.

8. ARF #1: Report/Monitor L3 - Financial Condition Q3

- Reviewed the Report provided by the SFPC PP which notes that policy is out of compliance.
- It was noted that there was a low negative net profit for the quarter and that operational costs were attributed to the loss of profit.
- Highlights
 - i. Negative net profit.

- ii. Personnel costs were also higher than budgeted.
 - 1. These can be partially attributed to the additional labor hours for the Kitchen Project and General Store.
 - iii. Inventory was also noted as being higher for the quarter, although it would balance out over the year. Partially attributed to the power outage and loss of product.
 - 1. Wellness/Supplements margins are also below goals.
 - iv. Margins were also lower for the quarter.
 - v. It's noted that there will be a hearing on 1/7/26 regarding hiring a Financial Coordinator.
- Questions
 - i. There are mercantile items being sold in the General Store which are being accounted for separately. Could this be attributed to the margin concern?
 - 1. The General Store opened after Q3.
 - ii. Could L6 be out of compliance given the issues with the outgoing Bookkeeper?
 - 1. An annual review may be needed.
 - iii. Are the challenges around inventory counts with supplements also occurring with other departments?
 - 1. There is an access issue to the Basement in order to do the counts.
 - 2. SFPC PP also notes that some margin goals may be too high/out of alignment.
 - 3. There are companies that can help with the inventory count (via Apex for example) if needed. A consultant may be needed to help correct inventory discrepancies.
 - iv. Could monthly inventory counts be needed?
 - v. Financial Coordinator (in the past) has helped provide more information around margins to Buyers Team and educate on what factors are influencing margins.
 - 1. It was noted that currently Buyers do have access to tools to build skills around analyzing margins, etc.
- It is noted that there is a Plan for Compliance without a defined timeline. Due to the unique set of circumstances, the Board agrees this is acceptable with the understanding that there will be updates on each part of the compliance plan (Financial Coordinator Position, Margins, and Personnel Costs) as they are addressed, as well as weekly check-ins from the SFPC PP, Board Link, and Ben.
- The Board Monitored L3
 - i. Did individual directors receive and read the written report in advance of the meeting and come to the meeting prepared to act?
 - 1. Yes
 - ii. Is the Operational Definition/Interpretation Reasonable?
 - 1. Yes
 - iii. Is there adequate data to determine compliance/accomplishment?
 - 1. Yes
 - iv. Does data demonstrate compliance/accomplishment?
 - 1. No
 - v. Was there an acceptable plan, including a timeline for compliance/accomplishment?
 - 1. Working Plan In Place - Yes
 - vi. Is the Board prepared to proceed without any additional information?
 - 1. Yes - Accepted with acknowledgement of non-compliance.
 - vii. The Board accepted the L3 - Q3 report as out of compliance, with an approved plan for compliance.
- **Commitment: SFPC PP will report back with updates on each point of compliance as they are addressed, with an understanding that there will be weekly updates between Board Meetings.**
- **Commitment: SFPC PP will reach out to NCG to ask about consulting resources.**
- Additional Questions: Is a full L3 report needed, as opposed to just L3.1, due to L3.6 and 3.8 being out of compliance?

- i. It is noted that a full report is not manageable at this time, although this is usually the standard expected by the Board.

9. ARF #2: General Store Update

- Reviewed provided information
 - i. Rachel's Budget Copy
 - ii. Original Budget Copy
 - iii. General Store Data
- "General Store Budget" Presentation
 - i. Breakeven Analysis (Monthly) was identified.
 - ii. Quarterly Operational Breakdown
 1. This sheet does not include the PTO and Insurance Cost
 2. Negative Operating Result for the year, with Q4 of 2026 projected to have a profit.
- "General Store Budget Working Copy"
 - i. This version includes additional labor expenses (PTO and Employer Taxes)
 - ii. Net profit on this copy is noted as being higher than above.
 - iii. Both of these budgets will be combined for the final version.
- "General Store Data Tracking"
 - i. Reviewed gross sales, monthly margins, and weekend customer data.
- Final Budget for the General Store will be presented to the CM and then will be brought back to the Board at the next meeting.
- Questions:
 - i. Any additional insight on upcoming inventory?
 1. Current Buyers inherited the initial Buyer's stock purchase.
 2. Reviewed sub-departments and some of the items within those.
 3. It was noted that the items within the outdoor category can be difficult to align with current buying principles.

10. ARF #3: Kitchen Project Update

- A brief update was provided on the budget and the historical context surrounding its creation, which originally planned for these projects to break even.
 - i. What would the break even point be for the Kitchen?
 - ii. Labor hours are the main factor contributing to loss.
- It's noted that the project plan is not being fully followed as originally outlined.
- A concern was noted that the labor hours in the kitchen present a significant financial risk to the Co-Op, and a question stated of whether the current plan is the best course of action at this time.
- How can expectations be communicated to the Kitchen Team around limitations on how labor hours are being used, particularly around creating new recipes vs creating grab and go items.
 - i. A potential recourse is not approving the requested hours and having a hearing and requesting a written plan in place to prioritize income generating activities.
- It's noted that there is a broad range of understanding within the CM on where and when flexibilities can be taken vs not, for example as it relates to following project plans.
- Insight was provided that there is an organizational opportunity to better hold people accountable in a more timely manner.
- Current Plan:
 - i. CM will be voting on the Kitchen Budget at the January meeting. Additional narrative was requested to better breakdown labor hours and how they are being utilized.
 - ii. Once the CM votes, and if it's approved, then it will come to the Board.
- Would it be beneficial for the CM to know that the Board may not approve the budget as it is currently presented?
 - i. It's noted that the Store Budget gets approved by a two-thirds vote, but that is not

current procedure for the Kitchen and General Store budgets.

1. Insight was provided that there are some discussions on updating the CMA to change this so the General Store and Kitchen budgets also get approved by a two-thirds vote.
- ii. Insight was also provided that there are discussions around a desire to support the Kitchen staff as much as possible, but there isn't agreement on how to best provide that currently. A hearing may be requested.
- iii. Insight was provided that continued, consistent, and clear communication between the Board and CM will (hopefully) lead to better working relationships. So it may be appropriate to note some of these concerns to the CM prior to or at the next meeting.
- iv. **Commitment: Lesley + Rachel + Shane to raise the Board's concerns about the Kitchen at the CM Meeting.**
- v. **Commitment: BMAD to discuss if any written communication is needed to be provided to the CM about the Board's concerns being brought to the CM meeting.**
- vi. Additional insight was provided that there are some concerns with the Kitchen staff not being provided with enough financial training/support.

11. Break from 8:44PM to 8:55

12. ARF #4: Current CM Budget and Annual Plan

- Context and background was provided around the Board's involvement in the Budget process.
- Questions:
 - i. Does the non-wage personnel costs include hours for the General Store or Kitchen?
 1. Yes, they do. Non-wage personnel costs included in the Grocery Store budget like Health Insurance. Items like Staff Discount and Worker's Compensation will increase as labor hours increase.
 - ii. Would it make sense to approve the Grocery Store budget, without the General Store and Kitchen budget?
 1. Historical context was provided why the General Store and Kitchen budget are tracked separately.
 2. Insight was provided that this budget should be approved given the time constraints surrounding wage increases.
 3. Both the General Store and Kitchen are providing projections of loss on a quarterly basis so performance and losses can be assessed and monitored.
 - iii. It is clarified that only the Grocery Store budget is being requested for approval.
- The Board voted unanimously to approve the 2026 Grocery Store Budget

13. Review: New Commitments, Upcoming Monitoring, Long Term Projects

Number	Date Begun	Person/Group Responsible	Commitment	Deadline	Notes
1	1/6/26	SFPC PP	SFPC PP will report back with updates on each point of compliance as they are addressed, with an understanding that there will be weekly updates between Board Meetings.		
2	1/6/26	SFPC PP	SFPC PP will reach out to NCG to ask about consulting resources.		
3	1/6/26	Lesley, Rachel, & Shane	Lesley + Rachel + Shane to raise the Board's concerns about the Kitchen at the CM Meeting.		
4	1/6/26	BMAD	BMAD to discuss if any written communication is needed to be provided to the CM about the Board's concerns being brought to the CM meeting.		

5	1/6/26	MODO/Board Link	Earliest month to receive annual meeting date from CM (G12.1). New commitment at meeting.		
6	1/6/26	Board Link	Notice SFPC PP - L3 Q4 due in March		
7	1/6/26	BMAD/Board Link	Monitor L7 - Collective Management Link Replacement/Sub; Link Replacement/Substitute		

14. Check Outs + Looking Forward

- The Board agreed to meet in person for the February and March, and then will meet virtually in April.
- The Board adjourned its meeting at 9:32PM and moved to closed session.