

Minutes for Co-op Board Meeting 5-20-20

Minutes for 5-13-20 Approved

Attendance: Sam Black, Jono Neiger, Ann Ferguson, Karen Traub, Lori Lynn Hoffer, Danielle Barshak, Lise Coppinger

Absent: Martin Pittman, Jeff Lacey

President's Report (Sam) (10 min.)

We have to have an ongoing general debate over debt vs. solvency. May take 10 years to pay down debt at 10%. Fundraising will be key. Question is whether to pay down debt through fundraising or to increase revenue and pay off debt through profits. Sam prefers mostly doing the latter and targeting fundraising for increasing store capacity, improvements etc. However, fundraising per se can target debt, e.g. for the Amex card we have received about \$3500 to pay down capital, waiting to hear from others. Specific vendor debt: it is worthwhile to leave that as option for donors to pay off small vendors. So we need to know more about traffic on our websites, since in a new Pay Off Our Vendors campaign the mention of small vendors, e.g. Grass Roots might get specific donors to contribute.

Yesterday Sam heard that the LVC would get 10K free advertising from the River (WRSI). Brings certain responsibilities, e.g. must have plan to deal with new business. Will be in contact with Karen about new marketing campaign. Will need to consult with Board re marketing strategy. Request for talking points. Meeting with Joe who is going to write the ad. Input goes to Sam re suggestions for the marketing campaign and will pass it back to everyone, will engage with Jean, Lori, Karen.

Fundraising (10 min)

Previous donor matching grant for \$4K if we reached an additional \$10K in our campaign for \$20K toward new equipment. There has been a change in the matching grant since not all of those donors can give money to new campaign at this time. We are closing that campaign since we have now raised the \$15K toward the freezers and dairy case, so we will accept the \$2050 amount that is available in that matching grant (from Ann Ferguson \$1300, Carol Shea \$500, and Danielle Barshak \$250).

Karen reports that the Trial Zoom meeting (toward a public Board Zoom meeting in June) that she did with Sam on Sunday was great.

Now we need to think about the new anonymous \$7500 matching grant that we have received for a new campaign! Campaign would be defined as **reinvigorating our connection to pay off local vendors**. Karen thinks we could quadruple the initial grant to get \$30K.

Idea of a telethon for paying back small donors, have some of them talk at the event. We have the technology. We would need to get sponsors. With FB events, can have \$\$ rolling in. Her favorite FB event in the past was the tug of war at the Spring Fling. Sam remembers Steve doing fundraiser auction for LES. Jono question: This is different from Board meeting with public. Karen says it could be a part of it. Telethon goes 24 hours. Live streaming is most exciting. Need a committee to brainstorm. Has to have a contest. Could merge with the idea

Ann raised about creating a video highlighting a new song about the Coop. People can make video and enter into a contest. If we are doing WRSI we can build excitement.

If every Board member can raise \$10K would be huge. Karen can commit to raise \$7500. I am willing to ask 4 friends etc. Need to have a good chunk already raised. Jean got an anonymous donation for \$1K made out to her. The donor was thinking of the \$580.

Lori mentioned that in the future we need more clarity to community as to our fundraising campaigns. Ann mentioned that she is not willing to commit to raising another \$10K as a Board member since she has been fundraising for quite a while including with the previous Board. There was agreement that some of us need a break and that we don't want to burn out the Board or community, and that we don't need to require each individual Board member to raise \$10K; the fundraising committee and whoever wants can work on that.

Danielle pointed out that it is really important to let the community know what has been done and what is to be done.. We need to have some visuals of what has been gained, e.g. the freezer. Lori suggested that the Fundraising committee and Communications should sometimes meet together as sub-committee to do this. There will be a joint meeting on Friday 5-22 and Lori will stand in for that.

Finance Committee Report (10 min.)

Jono: Accounts payable chart to look at vendors that we are paying off. Amex down to 11K. Local vendors like Diemand's eggs, Grass Roots. Total Accounts payable is now 99K. UNFI is now at \$31K. Side Hill Farms still owed \$1200, are making payments to most. But some have been de-prioritized. Sysco is one of them, is a food distributor for restaurant food supplies.

Lise had difficulty getting into the meeting and just was admitted. Lori suggests a column to be added to the Accounts Payable spreadsheet so we could know what we have actually paid them back over last 3 months. Jono agrees but doing so it is a problem for the bookkeeper's time as she is trying to get up to speed on comparative financials (e.g. history compared to present).

- UNFI debt issue and decisions

Jono sent note to lawyer re UNFI. Haven't heard from them in 2 weeks, sent letter 6 weeks ago. UNFI has accepted our initial offer of \$2500 plus \$100 a month and said they would want to write up a promissory note with guarantors as Jono and Sam (plus Julie Shively and Dan Bennett). Jono wrote back and asked to send us a promissory note of exact amount (mentioned something about interest). Said Julie and Dan would not be guarantors.

Sam and Jono have discussed the urgent need to get deliveries from UNFI and issue of the past guarantors and to get Paul off as guarantor. Our plan would leave Sam and Jono as guarantors, which they have agreed to do as Board President and VP. We would push aggressively to pay the debt and then would have an agreement that the store agrees to an account on COD if we default on a two week payback schedule of new bills, but all under the condition that Paul and past guarantors are removed, and that Sam and Jono are only the guarantors as long as they are Board President and VP, with the new officers assuming guarantor status when a new Board is elected.

Ann reported on her conversation with Pat Deluhery, the Coop lawyer who has been doing pro bono recommendations for us. He strongly urged us to:

(1) Find out what the interest part of the debt is and try to resist paying interest if possible.

(2) Try to negotiate to pay more down in order not to have to sign a promissory note. He thought we should offer as much as \$15K up front if it could avoid the note.

(3) If need guarantors, try to have on account but not with promissory note

Danielle thinks it premature to make any Board motion.

- Turnaround Plan

Jono thinks we need to do budgeting projections for the next few months in the Turnaround plan, but we can't do this until SW the bookkeeper is caught up in the financials so as to have time to make comparisons between this two quarters of 2020 and last year. This will be done ASAP and discussed in the Finance committee and at future Board meetings.

Communications and Member Outreach (10 min) Jean and Ann

Lori Lynn is printing a bookmark, working on brochure, updated the website pages. Will be talking about these projects in future meetings

Karen and Jean found an accumulation of past member requests on website, sent out to Suzette. Glitch: If someone unsubscribed from Mail Chimp system it is hard to get them back on. Sam asked whether there is a way to run the analytics of visits to website. Lori says Yes we could check that. One question from website users has been why there are no menus on there. Karen agrees we should be doing more tracking of web visits for the advertising. Karen can say that since joined the Amherst Chamber of Commerce, they shared Karen's post from FB, got 1500 looks, got 5 requests in 3 days. Doing analytics would be good.

What about pizza nights? Weds. night is less, only 12 people for tonight, revenues are only 1/3 of Friday nights, since there have been up to 30 on Friday nights. Jono says Sales are good and between 1K and 2K a day.

- Membership process and data: Ann reported that process is ongoing with Suzette working on updates and also editing the Notes for using the L-Boss system and recording member data. Lise will co-edit the Notes. Suzette will work with two volunteers to record data and connect with members once the process is clarified and updated.
- Jean reminded everyone that Thursday nights are when she sends out Mail Chimp messages so please communicate with her privately if you have messages to send out to the members every week by that time.

Infrastructure (10 min) Lise

Yesterday lighting folks came and replaced lighting in ceiling, freezers and coolers, will be done tomorrow or next day. Jono and Sam says internet fine in back of store, may need a new booster to get to the front of the store. Nominates Martin to be in charge.

Personnel/Volunteers (5 min) Sam

We have recruited one more volunteer, Irene is cleaning store and helping with farm orders. Sam would like to put together a gardening team, put out request on Mail Chimp. Laureen could be asked to be the boss of garden volunteers. Jono says volunteers are key to helping bottom line.

Sustainability (5 min) Danielle

Danielle connected with Martin's farm in Greenfield, will accept our composting if we haul it, can be accepted any time, is free. We need volunteer with truck to get it there. Jeff has truck. Jono says that compost buckets need to be cleaned to send back into store. We should look for local people. Danielle thinks we need to separate out service ware from animal compost for food. We could have compostable bags so get thrown in with compost.

People should get feedback to Danielle. Danielle agreed to develop a Sustainability Protocol for the LVC in two weeks.

Old Business (15 min)

- Public Zoom Meeting for June: Tabled until next Board meeting or whenever get the financial info.

Meeting adjourned at 8:29 pm

Respectfully submitted

Ann Ferguson, Clerk