

## **Draft Minutes for Co-op Board Meeting 6-24-20**

Minutes for 6-17-20 Approved

Present: Jono Neiger, Ann Ferguson, Martin Pittman, Lori Lynn Hoffer, Jeff Lacy, Danielle Barshak, Lise Coppinger

Absent: Sam Black, Karen Traub, Jean Bergstrom

### **Vice President's Summary Report (Jono)**

Jono reported on discussions with Sam that the PPP loan forgiveness application is coming together, completed soon. EIDL loan money is in the bank under the working capital account. As recommended by Cory Greenberg, we are not going to spend of the latter any until we have a good budget. Committees that want to spend money should give us their estimates of what money is needed to achieve their goals. E.g. for Infrastructure, Lise should interview Paul to see what we need to have now as well as what would be nice to have in the next 6 months and in the next few years.

The Finance committee plans to work on a spending plan that would consolidate some of our loans and pay off high interest debts, e.g. anything with interest over 3.75%.

Martin questioned whether it is important to earmark some money to pay for the new GM from the EIDL account and wondered what Paul's plans are for the future. Jono replied that Paul plans to stay as the interim GM until we feel that the store is in a functional turnaround mode, perhaps through the fall and for training purposes overlapping the hire of a new GM. From Nov-March historically the store has lost \$3-5K a month and this was with no volunteer staff and paying a low GM salary that in the future will have to be raised quite a bit. On the up side Paul is feeling excited since we are now ramping up vendor deliveries, which is giving Paul more breathing room (he does not have to do all the shopping!). It may be a long process to find a new GM but at least the EIDL money allows us a buffer in finding the new GM and dealing with the coming winter months.

Jono stressed that our personnel committee needs to start developing options for a future GM or co-manager with job description, possible salary etc. Danielle and Martin are on the committee and a Search committee could be constituted with them and several other Board members and outside consultants. Ann pointed out that historically there was confusion and a shifting job description for the Assistant GM and it is presently uncomfortable for the present bookkeeper to be operating with no clear job description nor permanent GM. Jono pointed out that the crux is the wages we can afford: the better we can remunerate a GM or co-managers, the better people we could get. This is job for Finance committee. Jono was meeting with Paul and he was throwing numbers around. We are talking. Ann suggests that Personnel Committee needs to do research, will take at least 3 months to find suitable candidates through a Search Committee.

### **Finance Committee Report (Jono)**

- Budgeting and a future spending plan for the next six months is key, so he will be coming to committee chairs for numbers for budget to include in the Turnaround plan.

- We paid another 12 vendors down to zero, so 70 vendors since Feb have been paid off. 23 that we still owe money. UNFI will be paid off in 5 weeks. This means they will start to deliver. This is a sea change for store and for Paul and Patty and they can spend more time in the store. Lori pointed out that more than half who have been paid off are local vendors!!
- The Accounts Payable on Feb. 5 when this Board came on was 154K and now is 65K (plus 50K credit line plus the \$37K mortgage plus \$37K in Community Loans so we have been really successful in reducing the Accounts payable!

## **Fundraising**

Karen had nothing much new to add. She is still working on the GoFundMe page issues, as well as her social media advertising of the Coop on FB and other places, including the advertising on radio stations. She is also thinking about a telethon fundraiser in September.

## **Communications and Member Outreach**

- Member Phone Campaign (Ann): The phone script is now available for those who want to use it to call people. We have re-defined our Lifetime members as Full Share members, in contrast to our Active members (who have not yet purchased all of the 17 shares necessary to become Full Share status). We also have a list of Inactive Members, those who purchased some shares in the past but whose membership expired since they did not keep purchasing them in a timely fashion. Any such member could become an Active member by purchasing some shares so perhaps we could in the future expand our phone campaign to include calls to that list.
- Ann said that she would create a Cashier Script explaining the Active vs. Full Share Members and selling the idea to customers of the benefits of becoming members. Lise pointed out that in the cashier script, it is less confrontational to ask "Do you have a member number?" and Danielle agrees that it is more friendly to ask "Would you like to become a member?"
- Lori said that she is using FB and social media and she and Jean are doing the Mail Chimp every Thursday and still working on creating a new Membership brochure for customers.
- There was a discussion regarding ongoing communication regarding the Attack Ad that appeared in the Montague Reporter and some agreement that it would be better to have an article by the paper's own journalists on the Co-op rather than another letter, even if the ad does repeat. Ann agreed to contact the editor of the Recorder and see if they could do an article.
- Lise pointed out that the Town of Leverett is soliciting a survey of attitudes about commercial business in Leverett. Perhaps we should go online to get paper copies on survey and express support for more businesses in Leverett in order to reduce individual town taxes. It would be interesting to have in the survey a Coop perspective on what it is like to do business in Leverett.

## **Infrastructure (Lise)**

- Last Wednesday, MJ Moran came and made sure no freon or gas was in the compressors for the 4 door freezer and open face cooler so that they could be removed. The next morning I got a call from Micah that the freezer had thawed. I spent 2 hours in the store moving food to ice cream cooler and walk in cooler, and trying to figure out what had gone wrong. Jono and Sam came to help. I could not contact Paul. Desperately tried to find a chest freezer for temporary freezer space. New ones are sold out nationally because of the Pandemic, not one in sight. I drove to Athol to follow up on a Craigslist post for one, that turned out to be a nightmare of a junk warehouse. Paul made contact with me and was calm and non-judgmental. The timing of freezer breaking was very strange and must be connected to the work done the day before, but Paul saw this as an opportunity to get rid of the 4 door freezer and fix the floor and move on to something better.
- Today, the 24th, I met with Ryan from Grace Electric. He has electrically disconnected all three appliances from electricity, including the compressors in the utility room. (we found a GFI outlet on the outside of the building that may have tripped and caused the freezer malfunction. But the wiring of the appliances is way complicated and it could have been something else.)
- We now wait for MJ Moran to come on Monday the 29th to remove gas from 4 door freezer. After that, all three appliances can be removed from the store!!! YIPPEE!
- After removal, the floor will be fixed The Atkins 3 door freezer will be available for pick up on July 15th.
- I am hoping Paul will dream up what would be ideal for refrigeration/freezers and that we can set the store up (finally) with the equipment it needs!
- In light of UMASS students coming back to town, people are really getting nervous about Covid infection rates. The Co-op could become a real asset to food shop in, and do really well. Knowing that freezers are in short supply, and that shopping habits in our area may change to add to Co-op sales, I'd like to suggest (along with Martin) that we consider purchasing the other 3 door freezer, if it has not sold yet. I will suggest this to Paul next time I see him.

Discussion: Jono mentioned that we have to think not just ramping up for immediate demand but upgrading and expanding capacity. We have some funds to increase fridge inventory and customers want that. Martin pointed out that we are ready to remove all three freezers and then deal with floor repair. Jeff was solicited to move the freezer from Atkins on or about July 12. Jeff said that he is always happy to lift, load, and move stuff. Jono noted that we should keep an eye out for volunteers to help.

**Sustainability** (Danielle) Nothing to add.

### **Old Business**

- **Public Zoom Meeting for July 15** Title: Co-op Ice Cream Social!

Lori, Jean and Ann were asked to pull together the communication description of the event. Key themes that emerged in the discussion of the agenda and description were: An update via the financial report as to what has been happening in last 4 months and what is our plan for the future. To celebrate what we have done and where we are going, including celebrating Paul and Patty and discussing plans to look for a new GM. Thanks to our funders and to the community for their support. We should include a short outline of the structure and role of the Board, our relation to the GM and our committees as well as some brief committee reports. Martin is happy to do the logistics for meeting.

Jono thought we should think about time and limit the meeting to an hour and then suggest a follow up meeting. We need to list all the ways that the community can give us and Paul feedback to emphasize that we are member-owned and democratic.

- **Hendrix Berry request to add the LVC to the MA Solidarity Economy Map** (an online project)

Ann read the description of the “solidarity economy” on the related website, and spoke about her view that this project was attuned to the values our LVC already has, is an international network mostly based in co-ops and would offer us publicity and a chance to network with other like-minded businesses and enterprises locally. Lise and Danielle agreed that it fits their values.

Martin wondered whether Hendrix was working with a certifying agency? The answer is no: it can be decided by those who join it whether they are eligible, so it is more like a network-building project. Examples include Valley co-ops, land trusts, community gardens and community investment funds. Jono discussed working with Wellspring Cooperative (a member of the MA solidarity economy) which gives start-up money to co-ops in the Springfield area, since his business is in process of becoming a worker owned co-op. The MA Solidarity Economy Map website basically is a place where people can look up co-ops and other organizations in order to patronize and network with them.

Although there was no stated opposition to the LVC joining the Solidarity Economy Map, we decided to defer the decision to give members who attend our July 15 meeting the chance to state their views on the question. It was decided that Ann should communicate with Hendrix that there is a lot of support for the idea on the Board but in order to communicate to our members we will reserve final decision until after July 15 Public Board Meeting and hope she can attend that meeting.

Meeting adjourned at 8:35 p.m.

Respectfully submitted

Ann Ferguson, Clerk