

Minutes for Board July 15 2020 Community Zoom Meeting 7-8:30 pm

Note: More than 20 people attended for most of the meeting, in addition to 8 members of the Board (Jeff Lacy and Jean Bergstrom were absent). In the interests of time, we skipped approval of the previous week's Board Minutes.

Martin gave participants info about how to use the Zoom functions, including to find names of participants and to use the Chat function to raise questions. Martin was the time monitor and screen shared the meeting Agenda.

President's Report: Sam Black pointed out that this Board was elected in January and took on as a mandate the task to keep from dissolving the Coop. A community member supported us by giving us an immediate loan of \$25K. In addition through February to April we received donations of \$35K toward paying down vendor debt and equipment purchases. We received federal and state aid through a PPP loan of 45K, and an IED Loan of 135K. Having these monies is allowing us to use revenue to pay down our vendor debt, hire back staff and pay other bills. We won a 2nd place award for \$10K in free radio advertising. The key things that have helped our turnaround effort this spring have been:

1. Owner-member support which has kept the business alive,
2. That we are essential for our local hill town food security and that people have wanted to shop at a small local store with safety protocols in this period of the Covid19 pandemic,
3. That we are working as a team with many people, including from the Board and our interim GM Paul Rosenberg, volunteering to do store tasks, and the
4. Present Board is self-motivated, independently creative and fabulous!

Report of Paul Rosenberg as interim GM: He said that he was feeling focused and centered on the task at hand. He wants to extend thanks and great appreciation for friends, staff, Board and volunteers. He mentioned in particular the loyal staff Rue and Ralph who have been cashiers for every day for five months, as well the kitchen staff Liam, Micah and Leela, and the kitchen and cashier volunteers Bobby, Maureen, and Board members. He gave a special thanks to Susan Walker who as bookkeeper has been trying to trouble shoot our past and present store accounts.

He gives thanks to Board for reliability and creativity. Thanks to all the volunteers at the register. Volunteers are at the core of being successful over the next year and a half. We all have worked so hard over the last 5 months particularly rebuild trust with community customers and vendors. We have paid off between 80-90 vendors!! This is an amazing feat in 5-6 months. Our ability to do this has been greatly enhanced by member donations and loans as well as the PPP and IED loan money Sam mentioned. We are now able to purchase new equipment in operations. We are welcoming new vendors, and are paid up with all beer and wine vendors. We are now able to carry Deans Beans coffee both at register and in bulk! We are now current in our financial accounting through May 2020. Our revenue was almost 70K in May, so impressive!! We exceeded last years total revenue by 7 ½% for month. Kudos to all shoppers and member owners.

Going forward we are looking into many options which we will approach in a prudent and methodical manner. We need to be prepared for coming seasonal changes, e.g. fall and winter when our revenues are usually lower. But our possibilities are endless if you, our community, continue to support us!

A member-owner just returning to the Valley named Adam said, Many thanks for coming back Paul. He was amazed and appalled to hear of the store's plight, and so grateful for your help.

Treasurer Financial Report: Jono Neiger outlined key points of the LVC current financial situation:

- From Feb when our vendor debt (accounts payable) was \$155K we have reduced the owed balance to 60K, paying off more than 60% of that debt
- 73+ Vendors paid back completely
- Finance committee (Jono Neiger, Sam Black, Ann Ferguson with consultant Cory Greenberg and sometimes Paul Rosenberg) has been meeting every week and has been working on understanding the financial situation and developing a Turnaround Plan
- We have succeed in negotiating a pay off of our major vendor debt with UNFI (in two payments totally \$25K) and we paid off the Amex card balance of about \$13K with help of donations
- We have also paid the Town taxes that were owed.
- We still have 21 Other vendors owed money from 2019 and will be paying them off gradually.

Other Debt includes:

- Greenfield Savings Bank (GSB) \$50K in credit line
- GSB Mortgage paid down to \$39K
- Community Loans 37K (owed to 4 community members)
- PPP federal loan 45K (forgivable)
- EIDL state loan 135K Will be able to consolidate. One challenge is getting caught up with financial statements just through May 2020. Get caught up on last year.

Revenue is up, and careful buying plus volunteers have helped us with profits, along with somewhat reduced hours of operation.

Comment from Erbin Crowell (Neighboring Food Cooperative Association consultant): The LVC needs to track use of PPP. Also some of our co-ops are now seeing dips because people are going back to work and buying at big box stores rather than at the smaller co-ops. Jono mentioned that we spent nearly all of the PPP money on wages and we are pretty sure that our payments to staff count as forgivable since Sam and Cory have been tracking that. Sam noted we cant yet see the GSB portal so not sure.

Fundraising Report: Karen Traub the chair of the committee noted the following:

1. Our free 10K worth of radio advertising, noted by Sam earlier and played a little clip of the ad: The LVC has the Queen of Scones: In Leverett everybody must get scored!
2. The LVC joined the Amherst Chamber of Commerce joined, and they boosted our media reach by sharing FB page.

3. People have been so generous with their donations to the Co-op! We have raised \$35K so far this year! Some people have just given their recent government stimulus check or extra money out of pocket when shopping. There have also been donations in kind: e.g. people who offered to buy extra bottle of wine for friend, or extra groceries. When she first started as volunteer cashier there was little on the shelves and great to see them fully stocked. We have had offers to mow lawn, Jeff Lacy helping with trash pickup, people donating crafts, and goods donated by small business like Maple Mamas, Real Pickles, greeting cards, etc.
4. We still have a long way to go given our debt. Have received an anonymous donation matching grant of \$7500 and are going to have a festival and telethon to celebrate the Coop (to take place of the old spring fling this year).
5. The Telethon Festival will be Friday September 25 from 12-8 pm. There will be entertainers and others featured on a live event from FB. The event will feature a curated showcase on the theme: What does the Coop mean to Us? Please spread the word and ask people to start sharing their creative art and responses with us in many forms, such as a poem, picture, song, video, etc.
6. Fundraising committee meets every Friday at 11 am as a Zoom meeting and the committee would welcome donations of auction items and volunteers willing to help with the auction.

Communications and Member Outreach Committee: Lori Lynn (LL) as the co-chair (along with Jean Bergstrom who was absent) reported on their work to communicate to members and customers. Jean is putting out a Mail Chimp notice to members every Thursday as well as notices on Leverett connects and Next Door and other social media. LL has been working on website and FB (along with Karen Traub) and has created several new road signs for the Co-op. She and Jean are working on a new member brochure.

Ann Ferguson gave a report on the two sub-committees, the Member Outreach and Newsletter subcommittees. She said that the purpose of these committees is to help with communicating and getting feedback from our 793 member-owners, as a way to keep alive the participatory part of the Co-op's vision alive. This spring we have had three main projects.

1. The first was to find a way to make the Member Data process work better. We updated a Protocol description of that process. We have developed Board member lists and a system of volunteers to do this updating. We would like to thank Suzette Snow-Cobb, a former LVC staff member, now on the NFCA staff, who is regularly helping with this process.
2. Our second project this spring has been the Co-op newsletter. Three of us (Ellen Edge, Kari Ridge and myself) have been working on this project as a way to regularly communicate news and features about the Co-op to our members, customers and our communities. Just this Monday we published the latest issue online, the 6th issue since we started the newsletter this February. Hard copies available in the store by the end of the week. Thanks so much to Ellen and Kari for all their skilled, creative volunteer work to make this possible!!
3. Finally, some of us on our committee as well as other members of the Board are involved in a Member Phone Campaign. Karen, Jean, Lise and I from the Board and Peggy Wolff as a volunteer have started calling all 122 Active Members, most of whom have accounts whose benefits have

expired, to inform them of this fact and see if they are able to buy more shares to update their memberships. We are updating contact information on our very old member lists, as well as giving updates on Co-op news as well as asking for feedback and answering questions. One of our committee members, Kari Ridge, helped develop a phone script for us to use and talking to people on the phone is an easy way to get to know some other member-owners. If you know of anyone who has a little time and would like to help us do some phoning, email me at ferguson3638@gmail.com!!!

Infrastructure Committee: Lise Coppinger, the chair of the committee, reported that we received a 19K Mass Save audit worth 19K for free, as well as a 25K loan from Eversource if we need it to do more infrastructure energy-saving repairs and renovations.

Martin Pittman, a member of the committee, shared a screen photo of the present empty space in the Coop store where all old fridges and freezers were which were recently removed by the committee and other volunteers. Now we can do floor repairs so that we can bring in the Atkins 3 door freezer that we are purchasing with donations from members and hope to have in the store by the end of July! We are saving \$500 a month due to the renovations made to refrigeration and lighting systems.

Sustainability Committee: Danielle Barshak, the chair of the committee, said that the purpose of the group is to find ways to increase the greening of the Coop. We have talked about a better system of dividing kitchen trash from compost that we can give to those who want it and a trash and compost system for the café and for outdoor dining. Yesterday Baker rescinded order that shoppers can't bring shopping bags which means that we can move ahead on other ideas for how to bag bulk orders etc. We spoke about compostable utensils for future dining.

Turnaround Planning: Jono Neiger discussed the work the Finance committee has done trying to budget and plan for present and future phases of the Co-op recovery. Our process was chaotic at first because of the changeover from old to new management and Board, but in phase 2 and 3 we have developed a more stable operation as we have set our store and Board teams to work. Paul has been wonderful as interim GM in volunteering his time to build up the inventory and deal with vendors. Now our next task is to look ahead. We face the fall-winter issue and the problem of many of our customers changing their shopping back to big box stores. We now have Paul out of retirement and he has been invaluable but he is only here as an interim GM. We need to begin process of finding new GM.

Sam thinks the Coop will continue to be a good food resource as students come back and continue to position ourselves as food provider. Various people spoke of how important involving and getting the support of our members is in this process and planning

Suzette Snow Cobb said the NFCA has a sharing Coop campaign about bulk ordering, There are bulk ordering workshops tomorrow at 2pm and Prepared foods next Thursday at 2 pm. Board members who want to attend can get in touch with Jono or Martin.

There was a short discussion where participants gave suggestions. Carol Heim suggested that it would be helpful to give members specific goals for supporting the Co-op, eg that they spend \$25 a week at

the store or buy food for at least one meal a week. We could put this idea in the newsletter. Sarah, a former student at UMass suggested getting in touch with students in the area who had worked with student co-ops while at UMass, since as the Greenough Coop, to see if they would be interested to work or volunteer with us. Melinda Le Lacheur from UMass thought that maybe the Coop would be eligible to receive work-study students through the UMass program which would pay a large percentage of their wages.

Proposal for the LVC to join the MA Solidarity Economy Network Map: Hendrix Berry gave a short report on her work with the Solidarity Economy network in Mass. This is a collection of enterprises, mostly co-operatives, but including community development and investment funds, credit unions and other groups, who are committed to a post-capitalist vision that puts people and planet before profit even if working in the market economy. By post-capitalist she explained that people are not rejecting the positive achievements of capitalism but looking to promote specific solidarity economy values. She asked the LVC to consider whether we share the values of the solidarity economy, which include people over profit, participatory democracy, equity in race, gender and class, sustainability, and pluralism. If we do, we are asked to sign on as a member of the MA SEN Solidarity Economy, which allows us to be listed in the online map on their website. This map lists the locations and descriptions of those organizations who have met the conditions to be defined as members of the network. Members include River Valley Market, Real Pickles, the Five College Credit Union and other local cooperatives, as well as Wellspring Cooperative Corp in Springfield that gives start up money and training to local workers' cooperative.

A brief discussion followed in which it was noted that being listed is a marketing advantage to the LVC since we are on the map with other progressive enterprises, and that there was no further specific work required of us. There was one caveat noted in the Chat by a participant concerned that Wellspring is listed but is not really a cooperative. Ann Ferguson moved and Karen Traub seconded a motion that the LVC Board fill in the application forms to join the MA SEN map and work with Hendrix in this process. Board voted unanimously to pass the motion. Ann Ferguson as clerk will follow up on this.

Meeting ended around 8:40 with Thanks to all participants for attending . Several participants thanked the Board for the meeting.

Respectfully submitted

Ann Ferguson, Clerk