

Co-op Board Minutes 8-12-20

Meeting opened at 7:03 pm

Present: Danielle Barshak, Jean Bergstrom, Sam Black, Ann Ferguson, Jeff Lacey, Jono Neiger, Martin Pittman, Karen Traub. Guest Mary Jo Johnson. Absent: Lise Coppinger, Lori Lynn Hoffer.

Minutes Approved unanimously.

Old Business:

1. Personnel Committee GM Search Ad (15 min)

Martin reported that the GM ad went out, sent it out to 6 people. We haven't yet set up our Coop Grocer account, sent to contact, once we have that account we can post it on their website. Application is open until Sept 12, will try to consolidate and move forward with candidates we have.

Re time lines: (Martin shared his time line for the search) We need to have an overall Board effort to publicize our GM search. Between now and the time of hiring the GM it would be helpful to determine Board roles and responsibility with more clarity. We should consult the RACI proposal for business management: that there be clear lines of authority linking those who are Responsible, Accountable Consulted, and Informed of major policies, issues and decisions.

Using the RACI approach viz a viz this GM search and hire, the Personnel Committee is responsible; the Board is accountable, we have consulted the interim GM Paul and experts such as Erbin Crowell, and our member owners need to be informed since they are stakeholders. We need to share with them that the job posting has gone out, and put the ad on the website. It is worth considering whether to have a public zoom meeting with final candidate or not and invite members to participate in that meeting.

Sam wanted to thank Martin and Danielle for great job. He likes the idea of Search committee narrowing the field. Martin suggests a public meeting with two of the finalists, but the first part of the process would not need to be public. We need to have same set of questions for all applications. Jono mentions that we need to consider a role for the current staff in the search, to some extent consulted and certainly informed. Ann suggested that the staff be able to meet with the final candidates.

Karen wants to know where the job ad should be posted. Where exactly? Martin suggests altering the website to divide banner Help Your Coop Thrive and put in something there about the search.

Karen suggests hard copies of GM ad in store to hang up. Martin will take a copy to post it.

Timeline: Jono says we should be prepared to extend job opening time.

Idea of an Applicant Review Committee: we should form a smaller subcommittee, e.g. 2 or 3 Board members, and maybe an outside adviser, and a member or two. Presently the

Applicant Review committee consists of Lori Lynn, Karen, Jono, Martin and Danielle. Sam thinks it useful to have a member volunteer with some knowledge of small store management. Suggestions included Howard Wein, Suzette Snow Cobb, and Nick Seaman.

Martin thinks the Applicant Review committee need to take the criteria advertised in the GM job ad and develop interview questions from those.

2. Solidarity Economy application (10 min)

Ann Moved that we accept the application she drafted to join the MA Solidarity Economy map, which is an online set work of cooperatives and other organizations committed to solidarity (people and planet over profit), equity, democracy, sustainability and pluralism (The application is attached). Karen seconded the motion. Ann discussed the idea of labelling ourselves an economic justice organization because of our economic democracy with member owners and our commitment to low income members. Martin suggested adding Local Arts and Crafts to the other categories of products sold. The vote on the motion was unanimous. Ann will submit the application.

3. Fundraising (Telethon) (20 min) (Karen)

Karen and Sam have plans to meet with a student team of interns from the UMass Isenberg School of Management. We were connected to them by the Amherst Chamber of Commerce. They have created a team to help us with the Telethon. At present we need help with the Auction. We need at least one other person besides Jean to help with tracking items. We can do a live auction with callers on the phone, or an online business that will help in return for 5% of the highest bid. We need more volunteers who are organized, creative. People who were suggested to approach include Linda Hoer, Jill Palmer, Ellen Edge, Kari Ridge, and Sarah Robertson (Jean says she is getting interviews with local farmers). Mary Jo has been helping create spread sheets to keep track of donations and connect them to member lists.

Karen continues to line up Entertainment, e.g. musicians and others, for the event. She will work with Mary Jo and Ann on the Membership drive. She has looked into PayPal, and GoFundMe as ways to donate for the event online, and consulted with SW re \$\$ and how to handle.

Auction items can include Experiences, e.g. Danielle is auctioning a goat experience event, in which the winner(s), get an experience plus goat products. Another idea would be to solicit a donation from a local restaurant to donate the possibility that 10 people to pick up ingredients and then cook their dinner with restaurant chefs (Hope and Olive offered such an event for another fundraiser).

The Logo that Lori made for the Telethon is great, and is getting a positive response. Martin wanted to know where on the google drive is the Telethon? Jono will put in Fundraising committee folder.

President's Report (10 min)

Sam is happy to be back from vacation. Havent heard from the MA Food Security grant so still have a change. Big issue is to get a generator estimate. Google says he can do that from monthly use from Eversource. Sam will do research on this.

With respect to the grant application Sam put in already for the MA grant, he talked to Paul as to what is needed and Paul said we need one more 3 door cooler and a produce display cooler. We may have \$8K already available. Sam is happy to get prices, sources.

Sam mentioned some customers' concern about using credit card rather than cash, and Karen has already mentioned she had heard this complaint as well. The typical credit card charge to the LVC is 1.5% with \$.40 minimum so we wouldn't make a profit on one coffee. Usually GM makes this decision about the credit card minimum. Sam suggests tabling a discussion of this issue until the Board meets to have a Board training with Mary Jo Johnson about Board and GM relations and policies.

Sam proposes to write a second MA FISA grant application to fund a store generator and will gathering the data from Eversource. Martin suggests to be sure to include the cost of installing and its shed. Lise has three local people who are willing to give quote as soon as we have the estimate of electricity needed. Will only be a guesstimate. Jono was just looking at our energy use: this May it was \$1230, which is only 60% of what the past usual use was.

Financial Committee Report (15 min) (Jono)

The FC is only meeting every other week. We have been still waiting for the financials, are feeling a lot of frustration, neither Paul nor the Board has the info. We had some meetings with Cory Greenberg. He has expertise and experience helping co-ops with business turnarounds, and a background in accounting. Cory had a meeting with Susan Walker our bookkeeper. Cory is doing a 2 week period of working with SW to see why the accounting catch up is taking so long. At present he is the main coordinator of SW's work, along with Paul. Hopefully there will be updates by end of this week. It is still possible that we will need to do some staffing change.

We are coming to end of the store's fiscal year on Aug 31. We plan to transition directly to Quick Books after that, and then fill in the old data into the system from Sage thereafter.

Jono has a draft of the proposed budget for the next 6 months. Part of frustration in trying to hire a GM is that we still don't know how much we can afford. We will need to set the pay scale for other staff as well. We are exploring questions about the Liquor Liability, also the Pouring License and insurance. We need to do research on whether we can let it lapse, and consulting the insurance company for quotes and the Town for the deadline to renew this license.

Vendor Guarantor question: Several of them, including UNFI, are demanding guarantors. How can we do this as a Coop? Cant make the GM the guarantor.

Jeff asked why is UNFI is already paid off, so why not delivering? Jono mentioned that there is still a hold on our account, perhaps because the payment department hasn't contacted management that our bill has been paid. Paul still not willing to order from them until the past guarantors' issue is clear. For new vendors, what do we do about guarantors? Mary Jo will give them a call and see how her old food coop handled it. Jeff pointed out that we can't have the new GM out buying things, and we need to get off this system before we hire the new one.

Jono points out that we are having more and more vendors each week. Paul is willing to put together an Operations Road Map for new GM. His opinion is that new GM will still need to be doing some purchasing because the food prices have gone up considerably. Sam reiterates that we do not have good data: we need comparative data from sources other than Paul as to how other co-op GMs have handled it. We need to have a subcommittee to investigate this. Mary Jo says the way her food coop got their financial data together was a good POS system, which needs to be mostly automated. She said it would help if the person we hire as GM has strong opinions on how to get out of debt, to get grants, to mobilize volunteers. Mary Jo says Board volunteers in store is a conflict of interest because we are supposed to manage the GM and not be staff. Jean is upset that prices are going up, and yet we want our products to be affordable for lower income members. Previously there were ideas of sharing purchases with RVM. We can ask a potential candidate if they would be willing to do this.

Jono says we will have to address the budget question of how to hire to support hiring a good GM at a reasonable salary. We may have to lean on the EIDL loan for the first 6 months. We have always been a marginal business. It is a really tricky balance.

Mary Jo says we can consider working members discounts if they are willing to volunteer in store.

Communications/Member Outreach (5 min)

Jean and Lori have a first draft of a brochure. Lori has done the Telethon announcement and will make a flyer soliciting donations. Jean wants a photo of new freezer with Ice Cream in it for the Mail Chimp post. In the Mail Chimp this week we will send out a link to the GM ad, and the link in your email will be to the store website. Other announcements will be about pizza, the new freezer, and tidbits from Karen about volunteering and donations, and examples of Experiences that can be donated. Jean wants to know where she should post. Karen and Jean need a little press release on the GM ad such as what Martin sent out.

Infrastructure (10 min) (Martin)

Paul wants a 3 door fridge or 2 2 door fridges. Martin is happy to give Sam the job to explore with various purchasing places. Our new freezer has loads of ice cream in it!! Paul says suddenly he was called by two old Ice Cream dealers, probably because of FB and Gazette article. Coca Cola distributor came in and complained that their coolers were being used for other perishables and Paul smoothed it over.

New Business:

1. Board Training Proposal (Jono and Ann) (10 mins)

Jono and Ann noted that we need Board training on our various roles and responsibilities but we have neither the time nor money to hire someone to do a day long retreat with us to discuss all aspects of our draft Board manual, which in any case remains incomplete. To do proper policy governance, we need to spell out our reporting and evaluating arrangements with the GM and business finances in more detail. The suggested solution is for the Board to do Board training sequentially, reserving one half hour for

discussion of various aspects in subsequent Board meetings. We have invited Mary Jo Johnson, former President of the Board of the NY High Falls food co-op to come to next week's Board meeting to discuss specifically the question of Board responsibilities and policies in re to the GM.

Sam mentions that we should also contact other co-op GMs and Jono says we could reach out to other Coop Boards around the region. Martin asked whether the Board could have some provocative questions ahead of time to think about before our next meeting. Mary Jo agreed to put an email together with some questions. We need to flesh out our vision and then we can fill in our policies re the GM and Board relations.

Ann mentioned that there is an NFCA webinar about membership on Sept. 11 that she has committed to go to to represent our Board. Erbin has pointed out in discussions with Jono that LVC was a formative part of creating the NFCA.

Meeting ended at 8:36 pm.

Respectfully submitted

Ann Ferguson, Clerk