

LVC Board Minutes 9/9/2020

Meeting opened at 7 pm

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

Minutes approved

A. Short reports:

1. Fundraising Committee (Telethon etc) (15 min)

Karen mentioned that areas of most concern in the Telethon program are the membership drive, technology, and the auction. Karen is working with Ann and Mary Jo on membership and auction. Karen is getting tech help from Sarah Robertson and others. The event will be Facebook live-streamed from a Zoom meeting on Friday September 25 from 12 noon to 8 pm. Karen did a practice yesterday at Coop. There is a GutterFest Schedule excel sheet in a Board shared google docs link. Groups and people to be included are the Wendell Warriors (drummers), interview with Steve Alves and clips from his documentary Food for Change. Local LVC Coop hero Suzi Polucci will be featured in those clips. We will have Dean Cycon from Deans Beans host for several hours, then Steve Adams will run the live auction, the Wildcat O'Halloran Blues and Boyz From the Landfill bands will play and there will be a Yoga session at the end of the day. Those in charge of each section should give an update next time.

Needs include several Pop Up Tents, and we need everyone to promote the event with friends. Lori Lynn has done the poster, and there are going to be Rattlesnake Gutter festival bag giveaways. We would like to have a Zoom link for people to participate and ask them to contact us. People could participate from home on the Zoom, and Board members can give permission for other people to join the Zoom link. Karen and others will practice the Zoom meeting again next Friday on Face Book.

Discussion: Jono asked whether it is all online. Karen said there will be the event from the Coop in front in a tent, and also a roving camera inside store. So some things will be on site, including some musicians. Some people will hang around on site. Jono recommends roping off part of parking lot. Karen also suggests contacting police to keep eye on traffic. Danielle will contact police.

Jean and Auction: Jean feels doing an online auction has been a steep learning curve and a lot of work!! She is grateful for help from Mary Jo, Karen and others. She sent a form letter out to everyone who has volunteered to donate, and from this she will do the input into the auction website. Hopefully Mary Jo can help figure it out. Jean has to leave at 7:30 for Planning Board meeting tonight.

Karen asks about donations of vacation homes as big draws, hoping someone will donate this. Jean notes that most of the items will be bid on as a silent auction online, and only the fancy items will be auctioned from 4-6 pm by Steve Adams. Participants can text and do mobile biddings. Re Mail Chimp message tomorrow, Jean asks Karen to send some press info and any good photos.

Ann raised the idea of having people donate Solidarity Memberships. This is an idea that has been developed by the NFCA and Suzette sent a template for how such memberships would work. There would be a fund set up into which people can donate money and/or the Board can deposit money. The Board works out an application process, and those who are accepted for a Solidarity membership grant have their memberships funded from the fund. These memberships are not transferable or saleable, and if the member dies or leaves the area, the shares that he/she had revert to the fund to be assigned to others as the Board decides. Ann suggested also that there be individual Board member statements as part of the Membership Drive section of the Telethon.

2. President's Report (5 min)

Sam is working on grant applications. The MA Food Security grant we received cannot be revised, so we are locked into the freezer and cooler equipment we originally requested. The next grant application for an MA Food Security grant involves asking for other kitchen equipment and Sam is working on it now with input from the Board and others. Jono points out that all grant narratives need to be passed through Paul for his advice, for example, which pizza oven to ask for, etc. In theory this grant can go in on Sept 15 but Sam has to get it in in next few days, and it is under review (by people from the NFCA) e.g. Zoe's colleagues. Ann says thank you to Sam for all of his hard work on these great grant applications.

3. Finance Committee (10 min)

Jono reports that the FC has a lot of balls in the air. The main issue at present is hiring a new bookkeeper. We had a lot of applicants. Cory Greenberg called each person and brought the short list down to two people, one of whom is over qualified and higher rate. Jono and Cory have had follow up interviews, and the most qualified woman at the right level and fee rate is now having her references checked by Cory. Paul knows her and there will be a face to face interview, then the FC will make a recommendation to the interim GM (Paul). Our past hiring practice was not stellar: when we hired Susan Walker in early March this year, the recommendation to hire her came from Jono and Ann on the Board (based on her work with previous management) without input from Paul as interim GM, so it was always unclear who her boss was. The plan at this point is to hire the new bookkeeper not as a wage worker (staff) but as a contract worker professional.

To date the Board's budgeting and planning has stalled with the lack of financial clarity due to our bookkeeping situation. Hopefully with the help of a new bookkeeper we can clear that up and move to the transition to Quick Books. We can also call on the other highly qualified (and high fee) applicant to help with special projects for limited periods of time.

We still need to develop further our Budget plan for the next 6 months and year, at least enough to understand what is a reasonable wage level to negotiate with the new GM that we will be hiring. Jono will try to have an updated budget proposal for our next Board meeting September 23.

4. Personnel Committee (5 min)

Danielle is knighting Martin as chief of GM search. Martin says there was a good meeting with Suzette Snow Cobb and others on the hiring committee. The hiring committee reviewed suggested application criteria, picked nine of them and will review. The formal deadline for applications for the GM position is Oct 16. The job ad is posted on National Food Grocer network and some other venues. We will need to figure out an interview time schedule for candidates. Jono mentioned the remuneration question and said that Paul has ideas about the GM wages, but in the Finance Committee discussion, Cory Greenberg maintained that we should have flexibility on the wage scale when we interview particular candidates. So far we have applications from two local candidates.

5. Communications/Outreach (5 min)

Lori Lynn mentioned that there is no big Communications committee news, beside the weekly LVC notices through social media and to members via Mail Chimp. Ann mentioned that the recent member outreach has been focused on the upcoming Telethon, so work on phoning member contacts is on hold.

6. Infrastructure (5 min)

Lise reports that to do a HVAC update according to Eversource we would have to contribute an additional 12K , so she was wrong to think that the 25K loan offer from Eversource re lighting and electric work would carry over to HVAC renovations . Another option may be to apply for a Pace grant for a solar panel in the field. Ann mentioned that we may not be able to run solar panels because Eversource does not currently run 3 Phase power to our store (we only get 1 Phase power), which solar energy for our equipment would require. Lise will check further on this issue.

Jono mentioned we should put something in the Telethon about the improvement to infrastructure. Lise mentioned that Neal Bannon, owner of Apollo construction, donated \$2K for floor improvement.

Jono mentioned we should have a space in the Telethon to honor the partner businesses and other businesses who have donated as part of the Telethon, perhaps in a Roll of Honor. Danielle mentions that we should put it in our newsletter!! Lori says we can do that tomorrow in the Mail Chimp with photos of new floor and mention Neal Bannon's contribution.

B. Board Training on Board Manual and GM/Board Relations and Policies (Mary Jo facilitating) (45 min)

Initially Mary Jo wants to know about initial policies as drafted in our bylaws or elsewhere in contracts with past GMs etc.

1. We discussed the Results(or Ends) In Policies (as part of an overall discussion of the question: What do we want to create, For Whom, and at What Cost).

Mary Jo says policies are supposed to sum up what the Board has agreed on as means for what to do to try to achieve the Results or Ends stated in the Coop mission and values statement, and also to formulate details about how success in achieving these goals will be measured. For each one of the policy goals or norms formulated, the Board will need to ask how often should it be reviewed, e.g.

finances 3 times a year, how often the GM is expected to report to the Board, etc. Usually the Annual review of all Results will happen 1x a year. In policy governance, the Board is teaming with the GM, and so tends to have policies that expect evaluation discussions on a monthly schedule, e.g. how are things going in each area?

Ann suggested that in reviewing and framing policies in addition to the ones currently outlined in the LVC bylaws, existing Board committees could be asked to discuss and propose to the Board those policies relevant to their areas of work, e.g. finances, communication and member outreach, personnel, etc.

Mary Jo wondered whether Coop vendors should be included in those allowed to suggest policies to the Board for review. Martin likes our Board process and discussion so far on policy governance, and likes Ann's suggestion about committee suggestions. He notes however that we might want to leave open the possibility of changing our current structure of committees and other Board processes as a result of our Board review of our goals and policies.

Martin likes the idea of using some results of our policy deliberations to assess the work of the GM in the future, but doesn't see what is written so far as specific enough to evaluate the GM. He likes the aspirational inclusive aspect of Mary Jo's suggestion about consulting vendors on policy changes, but cautions that we need to think this through more carefully before any such general requests to vendors: our relation to UNFI, for example, is quite different than to our smaller local vendors. Martin suggests in terms of our aspirations we might want to include consultation with local craftsmen etc.

Sam points out that regarding finances issues, we need to have policies that allow us to ascertain that the GM is so focused that will be successful in making coop solvent and profitable.

Mary Jo says policy documents can get really long and suggests Finance and Personnel committees need to develop more specific policies for oversight. She refers the Finance and Personnel committees to the specific policies of the River Valley Market (RVM) for comparative study. Danielle did look at these policies and asked why all wording regarding expectations for the GM is put in terms of what GM should not do, viz. limitations on GM's actions. For example, it requires that the GM not do anything unethical, or outside of normal business practice, or which violates the Board's strategic plans, but other than that the GM has responsibility to write all of the other policies. This suggests to the GM and Board that the GM is encouraged to use their creativity and that of their staff to achieve the needed Results. Another thing to notice is that RVM statements of ends for the GM is very brief so as to encourage the Board not to tell GM what to do.

Jono says when looking at RVM policies, these are called "executive limitations". Martin says we want to set some guardrails. Question is: how should we frame the job description of the GM? Is it framed in the policy governance way, in limitations, or can it be phrased in positive expectations? Mary Jo noted that it is not easy to manage a Co-op GM. Unlike other organizations, where the Board President and Board tend to micromanage manager(s) and staff, that is not our job as a Coop Board. It is awkward to manage a GM, especially when as for the LVC there are so many on the Board. So having a set of policies that are regular and set parameters is important.

Also the Board needs to write policies for the Board. Its self-management is really important, even though developing these policies take up a lot of time. Jono looked up the Finance Manager job ad of RVM and it is framed similarly to our GM job description. But our present Board exercise is more about creating a space in GM Board policies in which the GM can work. Mary Jo suggests assigning the proposal of such specific policies to the Board committees. Ann will send list of the existing committees to Mary Jo.

2. Discussion of the “ At What Cost” question

Mary Jo noted that the RVM answers this question saying that it should be “For costs that ensure the Coop thrives”. She gave examples of specific policies that need to be developed with this general cost goal in mind, e.g. What is the return on investment? Are members expecting a dividend check? If and when there is a profit, is there a policy to invest in business or return to members? How much saved? All of these specific policies need to be put in place ahead of the time actual decisions need to be made each year on these questions.

In regard to our practice during the last six months, Mary Jo noted that it is not common for Coops to do regular fundraisers. Instead they tend to do capital campaigns or borrow from members. If we plan to do regular fundraising, might we want to ally more with local town governments, other coops or nonprofits in presenting ourselves as performing a valuable service for our community (communities)?

Sam pointed out that since the LVC has been in an economic bind it is been hard to think of when the business might return dividends to members!! Mary Jo asked us to think about whether there are things we can do in the coming year to better make ends meet. One of which may be to try to expand our volunteers to do tasks that we now cannot afford to hire staff to do, and also to save our Board from burn out by too much volunteering.

Mary Jo went on to say that a lot of times small coops don't pay dividends, and just invest any profits back into the coop, for example, in her NY town, her High Falls coop was seen more as a nonprofit than a for profit business. So some of work of these policies is conveying a representation of ourselves. If the Rattlesnake Gutter Festival is going to be an ongoing yearly fundraiser we need to present ourselves somehow as a charitable organization (*Note: This is one reason for asking for gift Solidarity memberships for low income people in the current Membership Drive section of the Telethon). Jono says because we are calling the present period a Turn Around, we are thinking of ourselves as being in a phase, so maybe we need to assume that fundraising will be a part of the next 1-2 years. It is hard to think beyond this current phase. Sam says in the near future we will have to continue fundraising to deal with infrastructure needs: these include better drainage, wiring, and other infrastructure changes, all of which are substantial tickets. Jono mentions that in the past there was a capital campaign to redo the roof.

Mary Jo asked the question of whether we want the GM to be involved in fundraising? Paul thinks of this as primarily a Board function. Sam says the key issue for GM would be to raise revenue by 1 ½ times, and so fundraising could be a part of that. Mary Jo points that in applying for grants we need to ask why should people donate to the Coop? Sam says that people can do it to see themselves as a part

of a community team to insure the Coop thrives. Ann said it could be Both/And; that is, supporting the Coop not only serves the members' interests individually but also the whole community is more healthy. Lise will be happy to send a blurb out about how Coop keeps us all healthy. MJ suggests that she will take Ann's list of current Board committees and ask each committee for draft policy recommendations. She asks about whether to ask Suzette for recommendations. Jono says perhaps not, because Suzette is already on the GM hiring committee and this may be enough work for her to be doing on NFCA's behalf for the Leverett Coop.

Jono thanked Mary Jo for her excellent help in leading this Board discussion on policy governance.

Meeting ended at 8:34 pm.

Respectfully submitted,

Ann Ferguson, Clerk