

Minutes for LVC Board Meeting 3/24/21 at 7 p.m.

Present: Sam Black, Danielle Barshak, Jean Bergstrom, Lise Coppinger, Lori Lynn Hoffer, MaryJo Johnson, Jono Neiger, Martin Pittman, Kari Ridge, GM John Calhoun

Guests: Ann Ferguson

Minutes of Board Meeting of Feb. 24, 2021 approved.

President's Report (Sam):

- The Board is asked to vote on the following resolutions.
- 1) The Board of Directors of the Village Cooperative Corporation authorizes that:
 - i) The ABCC license # 00002-PK-0610 (Package store, Wines and Malt) on which Paul Rosenberg is currently listed as manager be amended to reflect a change in general manager in the store and on the license.
 - ii) Samuel Black (LVC Board President) may sign the application submitted to ABCC for change of manager on the above license, and to execute on the Village Cooperative Corporation's behalf any necessary papers and do all things required to have the application granted.
 - iii) John Calhoun, the current LVC General Manager be appointed as the manager of record on License # 00002-PK-0610 and hereby grant him with full authority and control of the premises described in the license and authority and control of the conduct of all business therein as the licensee itself could in any way have and exercise if it were a natural person residing in the Commonwealth of Massachusetts.

Board voted unanimously in favor of the resolution.

- 2) The Board of Directors of the Village Cooperative Corporation authorizes that:
 - iv) The ABCC license # 04873-RS-0610 (Restaurant, Wines and Malt) on which Ruthann Walsh is currently listed as manager be amended to reflect a change in general manager in the store and on the license.
 - v) Samuel Black (LVC Board President) may sign the application submitted to ABCC for change of manager on the above license, and to execute on the Village Cooperative Corporation's behalf any necessary papers and do all things required to have the application granted.
 - vi) John Calhoun, the current LVC General Manager be appointed as the manager of record on License # 04873-RS-0610 and hereby grant him with full authority and control of the premises described in the license and authority and control of the conduct of all business therein as the licensee itself could in any way have and exercise if it were a natural person residing in the Commonwealth of Massachusetts.

Board voted unanimously in favor of the resolution.

- 3) The Board of Directors of the (Leverett) Village Cooperative Corporation authorizes that:
 - i) It accepts SBA EIDL # 3000141329 for \$135,500 awarded by the SBA to Village Cooperative Corporation (and a \$7000 advance grant provided with this loan).
 - ii) Samuel Black, President LVC BOD, may sign the SBA loan closing documents on behalf of the Board of Directors.
 - iii) The resolution will be dated and signed by at least one Board member, will include each Board member's title and will be provided to SBA as evidence of the LVC Board of Directors willingness to accept this loan.

Board voted unanimously in favor of the resolution to accept the EIDL # 3000141329 for \$135,500 awarded by the SBA to Village Cooperative Corporation (and the \$7000 advance provided with this loan) and authorizes LVC Board President Sam Black to sign the closing documents in this loan.

2021 LVC Board Members: Samuel Black, President

Danielle Barshak, Vice President

Martin Pittman, Treasurer

Kari Ridge, Clerk

Danielle offered to be Timekeeper for the remainder of the meeting.

GM's Report (John Calhoun) (20 minutes)

John said things are progressing well and he is expanding selection.

Sam asked about the GM Report that John sent the board that indicated that February 2021 sales were about \$4,000 short of projections and how that fits with the overall projections that Jono and Cory put together.

John said he has been looking at the records of past sales through today to understand why sales fell short. He added that it is a challenge to predict what sales will be for 2021 when you go from empty shelves to rebuilding and he thinks it was a smart thing to have projections.

John said he is heartened by what has been happening in March and said the Co-op hasn't had sales this high since 2016. He said he has confidence that we will match or exceed projections going forward.

Jono pointed out that the projections are conservative and the Co-op should be looking at getting beyond those numbers. He asked how the ramping-up of inventory is affecting sales in March.

John responded that this week the store is bringing in general merchandise like socks, candles, oven mitts, bags and other gift products. He said the Co-op sold about \$250 of these items in five days and that this merchandise has high profit margins and are the kind of things that people add to their basket when they're shopping for staples like milk. John added that he doesn't mind selling socks for twice what the store paid for them if that means we can keep staples like milk and eggs affordable.

John said he also looked at supplement sales at the Co-op in recent years and thinks that is another place where we could grow business. He added that bulk foods have high margins and are affordable.

Kari asked John to expand upon the idea of "private label" merchandise that was mentioned in John's March GM Report.

John responded that private label products (for things like vitamins and essential oils) would have the LVC logo, but he thinks the Co-op is too small to be able to afford and meet the minimums needed to do this. He is looking into the possibility of private label products as well as the possibility of working with a private vendor to provide these and will let the board know what he learns.

Jean asked if a Bulk Catalog would be available online so that shoppers wouldn't have to spend time in the Co-op looking through a single catalog. John said he is working on setting up an online bulk catalog. Lise said that a lot of people would order this way if they knew the Co-op was offering Bulk Foods again.

MaryJo asked about plans for a Members Visioning Meeting and asked if we might have a Board committee to work with John on this. John said he has experience with visioning meetings and would offer to facilitate a Zoom meeting with members. Sam said we can come back to this since we're still figuring out committees and their roles.

Treasurer's Report (Martin) (10 minutes)

Martin said he and John had talked and come up with an agreement that John will provide broad points to share in his monthly GM report, and every three months he will provide a more comprehensive financial report. Martin said this will provide the balance of oversight that the Board has, with the GM running the store. Martin gave the rest of his segmented time to John to talk about the possibility of a new Point of Sale system.

John said he wants to go with a system called CORE. He said he has looked at other systems, some that cost about \$35,000 for all the bells and whistles, and also considered upgrading the L-BOSS system that the Co-op currently uses. Features of the CORE Point of Sale system are that the software is "open-source," so they never charge an annual fee (which L-BOSS charges). He added that the Co-op will not need to replace its scale-scanners to work with CORE and he said that employees can pull up CORE on any computer, so the Co-op will not need new office computers for work stations, which provides cost-savings. He estimates that switching to CORE with receipt printers and cash drawers will cost between \$12,000 and \$16,500. He said the price includes a team coming to install the new equipment, train staff and import L-BOSS files to Core.

Jono said River Valley Market uses CORE and he wondered who is paid if CORE is “open source.”

John said the company, The Tech Support Cooperative, is a worker-owned co-op and this is a system that he used at the New Orleans co-op.

Martin said that John talked him through the options and he is comfortable with choosing CORE. He added that it could take two months before the LVC system can be switched to CORE and it would be ideal to have the system up and running before the summer season begins. He said he wants to ensure this is something that the board is comfortable with.

Sam asked if operations would have to be shut down during setup and John responded that L-BOSS will be up and running during the transition.

Martin said that, since the Board does not meet again for a month and we may need to make a decision on CORE before that, what is the best way for the Board to vote once we receive an estimate of costs?

Jono suggested we vote by email. The Board agreed unanimously to vote by email once we receive John’s estimate.

Infrastructure Report (Lise) (5 minutes)

Lise said that last Friday a new heating and air conditioning installation was completed and we’re now off propane and oil for heating the Co-op. She said she’s coming back to the Co-op to install fans with an electrician and an insulator is coming to place insulation in the attic. She added that the bathroom fans will now vent to the outside. She said she’ll make sure walkways are placed in the attic and then the whole heating and A/C project will be completed. She’s looking into an air recovery ventilator that brings in fresh air and she estimates it could cost anywhere from a few thousand dollars up to \$10,000 and added that she has fund-raised \$1,000 to go toward this project.

Jono asked Lise if she could get bids for the air recovery system to present to the board and Lise said she would.

New Business (25 minutes)

1. Café Discussion (Sam)

Sam said John has asked us to discuss the possibility and feasible time frame for opening the café and asked if we could form a subcommittee to discuss this.

Jono said much of the decision about reopening will depend upon at what the State of Mass. is requiring.

Sam said that we have been respecting the least risk averse in our community and that there will be a time when we should open the café.

Jean asked how we could get community members to participate in this discussion and Sam said he could write something to post on MailChimp.

Martin said he liked the idea of looking at opening the café, along with our progresses made on infrastructure. He asked Lise if the new system she mentioned is something we should have in place before we feel comfortable opening the café.

Lise said the systems that deal with COVID are very expensive air handling systems and not the less-expensive options she mentioned. She added that she would rather err on the side of caution when it comes to reopening the café and that it's also important to get input from the staff to see what they are comfortable with. She suggested we have a board committee to look into possibilities and timing of reopening the café and then get community and staff input.

Sam said it worked well last summer to have outside seating and the Co-op sprayed down the picnic tables after each use.

Jono agreed with Lise and suggested creating a small group to talk about indoor dining and then get thoughts from the community and staff members. He agreed that a priority is for shoppers and staff to feel safe.

MaryJo said we should be specific about what this subcommittee is expected to do and why. She said the board should consider if this is a subcommittee to understand under what conditions or guidelines we would open the café.

Sam asked who would serve on this subcommittee and Sam, Lori Lynn, Kari, Mary Jo, and Danielle agreed to be a part of this.

2. Policy Governance (MaryJo & Danielle)

Danielle said she and MaryJo have been talking about Policy Governance and the main point is to be proactive about how we, as a Board, function, so we have everything in place for LVC boards in the future. She suggested that the Board set aside time for Policy Governance discussions, rather than squeezing this into monthly Board meetings, which are already full. Danielle suggested the Board set aside learning time on the off-weeks when we don't have a meeting.

MaryJo asked if everyone had looked at the "10 Principles of Policy Governance" document that she sent the Board and said it is like Roberts' Rules of Order for boards in that it frees up the Board with established guidelines. She said this is used by every co-op of which she has been a member, and also by many non-profits. She said this allows boards to speak with one voice and avoids problems. She said that, once this is in place, you don't have to re-hash it every time a new board or a new GM is in place.

Sam said it would be a good idea to come back to talk about this and he will set up a Zoom meeting for every second Wednesday from 6:30 to 7:30.

MaryJo said that meeting as a full Board will be good initially, and then we might want to create a Governance Committee to recommend policies to meet our needs.

Danielle and MaryJo agreed to lead the Policy Governance meeting.

Motion to Adjourn Meeting

Executive Session (Personnel) (10 minutes)

In Executive Session, the Board voted to enter into an Agreement with Joyce Urwin, which Agreement permanently settles any claims or issues between the Co-op and Ms. Urwin.

Meeting adjourned at 8:55 p.m.

Respectfully Submitted,

Kari Ridge, Clerk of Board of Directors, Leverett Village Cooperative