

**Plainfield Co-op Board
Minutes**

Tuesday, October 1, 2019

Board members present: Charlotte, Les, Giordano, Sarah

Absent: Chris

Visitors: Cat Klarich, John Nuss

Other: Gail (note-taker), Jean Hamilton, by phone for part of the meeting

Consent agenda. The minutes of the August 27 Board meeting and the September 14 Special Member Meeting were approved with no changes.

Member-Owner input. John Nuss noted the good vibes at the member/owner meetings this summer. Cat Klarich said she was inspired by the summer meeting and wants to help as she can. She noted misinformation in “chatter” at the counter, such as that people on the board are those who can “afford to be on the Board,” implying that Board members are more well off than other members. Sarah noted the importance of having leadership communicate with staff to avoid misinformation, but this has been difficult because Jean works so few hours as General Manager.

Les reported that he attended a meeting about the upcoming road repairs at the intersection on Route 2 where the blinking light is located. The Co-op was mentioned as a particular concern because, if this intersection is closed for repairs, there won't be access to the Co-op from Route 2. Someone at the road meeting commented that it would be great to have a Co-op parking lot on Route 2 connected by a pedestrian bridge over the Winooski.

Financial Update. Giordano said the August report was in the financial report for the September 14 member meeting, and finances looked good up to then. September income is more of a question. The store should end the year with a bottom line \$10,000 to \$11,000 above budget if there are no increases in expenses, even if income goes down in October and November as expected. As observed in previous months, we cannot continue like this because there are going to be unavoidable expenses. Accounts payable are improved: as of the end of August, the average was 20 days beyond term; this is the best they have been in 3 years. We owe about \$30,000 on the loan to NECLF, and there is \$15 to \$18,000 in the Capital Expense Fund (Capex). At the October Board meeting, there will be a thorough review of financials.

Committees: At present there are no active Board committees. Newsletter is an operations committee; next issue will be out shortly. No update from Building committee. There have been no CAPEX funds approved for building work recently. Bob Fancher is chairing the marketing committee, and staff are participating as volunteers.

Pledge Campaign. Gail reported that, at the Special Member Meeting, 38 people pledged to increase their shopping in the coming year by a total of \$20,743. To continue collecting pledges in the store, staff need to be aware of and supporting of pledge campaign. Hope Jean can help in communicating about this. Gail has a one-page summary of the pledge drive which Jean can share with staff. Also we should

follow up with people who pledged by e-mail. The e-mail should come from the Co-op, not an individual, such as Gail. Will ask Jean to facilitate this. John Nuss volunteered to work with Gail on next steps for the pledge drive.

Monitoring. There was a discussion about how to proceed with monitoring. Les said he would like minimally to have a verbal report on how management responded to concerns from last year. Sarah explained that can't be done because there were no/few monitoring reports last summer when the store had new management. It would be good to have a verbal update from Jean, but if she doesn't have time to do that, the only option is to fire her as GM, and that wouldn't benefit anyone. Charlotte said she was comfortable with postponing F5, but she thinks F4 is important and should remain on the agenda to be discussed at the next meeting. Sarah explained how the Policy Governance calendar works and said she would mail the current calendar to board members. She will be developing a new calendar for 2020.

The Part D membership policies do not require monitoring reports. There was a quick review of the membership policies and no recommendation for any changes.

Manager's Update (Jean joined the meeting by speaker phone).

- Has not spoken with staff about pledge cards. Meeting next week with Kevin
- Update of email list is not done. Paula was overwhelmed by the task. We are back to the drawing board. Maybe ask cashiers to ask for email update at checkout.
- Jean will provide Board with update of number of working members
- September sales were not as robust as summer sales.
- A current staff person may take over internal accounting tasks. Board would like an update.

Interim Management Plan. There is a preliminary draft plan. Jean said she not yet touched base with Kevin. Do not have staff buy-in to the importance of executive function. Don't have a plan how to afford it. New England Cooperative Loan Fund is launching a professional development program that will provide 4 hours per quarter of coaching, which will be welcome, but will not meet our need. Jean will have a full discussion of the fiscal plan for interim management at the October meeting. Important to get staff feedback by then.

Les expressed a concern that the position of manager was funded but didn't work out because of the operations manager not being up to the task of communicating with both staff and board. Now we need to fund an additional position. He wonders whether a half-time general manager would have the time to do the job of connecting with staff, board and community and for marketing and outreach. Jean noted that doing all the executive level jobs requires a very wide range of skills in a single person. We wouldn't be able to compensate a person with such a broad array of skills. Jean noted that Kevin is effective at operations; the store is functioning, but there is no backup in case of emergency. The Interim Management Plan is a proposal to keep Kevin doing what he does well. Charlotte suggested that staff could prepare monitoring reports for the board. Giordano said that, although the Co-op needs the executive functions, we can't afford it. We also need someone who can manage in unforeseen circumstances. Sarah said that when the original management plan was developed, it cost more than the store could then afford, but the hope was that reinvigorated management would bring in more sales and reduce expenses.

Sarah said the management plan should be included in next year's budget and targeted to start in January. To fund the position, revenue will have to have an increase, quick estimate by Giordano of \$78,000 (based on estimated COGS). Charlotte is concerned that the manager will be paid much more than other staff and thinks the budget needs to look at pay for all staff.

Next steps for Management Plan. Jean will continue to work on development of the job description and get feedback from Kevin and staff. If Board has additional thoughts, they should send them to Jean.

Debrief of 9/14 Special Meeting.

Charlotte: Great turnout. John: surprised at the level of support for Hunger Mountain merger; also surprised at level of tension/negativity from some members. Giordano: Survey showed different results from the voting; now we have a resolution. Time is of the essence. Good facilitation. Les: Board did its job to get feedback from the membership through the combination of the meeting and the survey. Compared with crisis meetings in the past, there was good direction from the Board and a good show of support from the members. Need to go back to a/the strategic plan for how to get people to put money on the table.

Next steps.

Sarah has proposed committees to move forward. Sarah said each committee will need a charter.

Giordano will head up Route 2. This committee can consider bridge over river option

Jean will head up partnership with Hunger Mountain. Gail will work on this.

Sarah will work with Jean and others (including reaching out to Bob) on expansion of footprint of store.

Charlotte and Les will work on membership engagement. Not clear if this will be a separate committee or will be part of Marketing committee. Charlotte and Les will reach out to Bob Fancher.

Sarah has a list of the people who volunteered at the Special Meeting to work on these committees. She noted the challenge is that in many places, this committee work overlaps with operations, but members want to engage. Will have to be flexible about Policy Governance rules and work out protocols with management about how to go forward.

Board Development

Sarah shared a chart that showed when each Board member's term starts and ends. The by-laws create a confusing pattern, considering the coming and going of board members (and appointments during vacancies). Have to figure out Charlotte's term. Perhaps look at by-laws amendment to make this simpler? Sarah will share a board roster with all to review at next meeting.

Les offered to work with Charlotte to add to the Board Job Description, to be reviewed at the next meeting.

All are encouraged to continue to consider recruitment of new board members.

The meeting adjourned at 8:45pm

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