

Plainfield Co-op Board
Meeting by Zoom
June 22, 2020

Board members present: Cat, Les, Sarah

Absent: Rose

Others present: Peter (GM), Gail (minute taker)

Cat, as vice president, prepared the agenda and chaired the meeting.

Participants were able to connect and to stay connected. No at-large members or members of the public joined the meeting. As there are currently only 4 members on the Board, it was determined that there was a quorum. Giordano has resigned from the Board. Appreciation was expressed for his years of service.

Minutes. The minutes of the June 8 meeting were approved with the understanding that the reference in the General Manager's report to a staff member's medical treatment will be removed.

General Manager's Update. Prior to the meeting Peter distributed a written update to the Board. The report is included at the end of these minutes.

Peter reported on the store's first day of being open to the public (June 22). As of 2 pm, there had been more than \$2200 in sales. No problem with crowding: most of the time under the maximum number permitted in the store. Some people don't realize the store is open. Will continue with publicity: Front Porch Forum tomorrow.

There was a lengthy discussion about how, when, and whether to phase out hazard compensation, which, in total, amounts to about \$3/hour. The Paid Time Off (PTO) changes and the increase in staff purchasing discount (from 16% to 20%) do not have a large financial impact. The biggest impact is from the increased hourly wage of \$2.50/hour for all employees. Hazard compensation is costing the store about \$900/week. After discussion the Board recommended to the General Manager that the hourly hazard pay be decreased by ½ effective 7/9 (this allows for a two-week notice to staff that the decrease will be coming) and that the staff discounts and PTO be returned to normal rates two weeks later. A decision on when and whether to end the remaining \$1.25/hour hazard pay was deferred to the July 20 meeting when this decision can be made in the context of the quarterly financial reports.

Peter has a couple of leads on a bookkeeper. Hunger Mountain lacks resources to assist with financial management now.

Sarah said she is satisfied with the way COGS is calculated. She noted that the quarterly reports are the key documents for financial planning, rather than monthly reports, which do not reflect inventory adjustments. After the previous meeting Sarah reached out to Jean Hamilton

and Lane Fury about the financial reports. Jean is willing to do a quick tutorial if the Board wants this, but it also seems okay to wait for the Columinate review. Les noted that COPAS has an application called COSAT for periodic inventory, which functions in conjunction with COPAS.

Latest on EIDL: the store got a message today asking if Co-op will accept an award of \$0-150,000. Since the Co-op wants more than that, Peter did not accept, and will continue to pursue, but this indicates we are in the door. The Co-op will not qualify for State of Vermont assistance, because that is limited to businesses that have lost 75% or more of sales.

Annual Meeting. Using the updated active members figures Peter provided, Les calculated that a quorum would be 35 people (700 x .05). There was a discussion of whether to have the meeting outside or by Zoom; some people will feel excluded either way. Peter noted that the Co-op staff have been meeting by having some people in person in the Community Center with the rest participating through Facebook, using the Co-op's Facebook page. Chloe moderates. Sarah thought that might be a good way to hold the Annual Meeting, as it gives people the option to participate remotely OR in person. Other options are a tent at Onion River Campground, the Goddard Haybarn with the side doors open, or the natural amphitheater at Goddard. Sarah noted that there would have to be an RSVP system for an indoor meeting to be sure we don't exceed occupancy guidelines. Les said he prefers an outdoor venue. Les agreed to take the lead in identifying potential sites and to bring the information to the next Board meeting; he invites Board members to email him with ideas. Target time for the Annual Meeting is late August or early September.

Policy Governance. There was a discussion about the need for new officers, as Sarah does not feel able to continue as President and there is no Treasurer, now that Giordano has resigned. Board members agreed to think about what they are willing to take on, and to decide on new officers at the next board meeting. Other potential board members were recommended (Karl Bissex, Sam Clark), and Sarah agreed to reach out to them.

Les will schedule Board Policy Governance training using short You Tube videos and Zoom discussion.

Les proposed amending the Policies by removing the words "and the By-laws" from Section E3(3). Sara disagreed and proposed alternate language, which Les did not agree to. Sarah then proposed removing Section E3 (3) altogether from the By-laws, and the rest of the Board agreed to this. Les proposed moving Section E5 (Communication and Support to the Board) to Part F of the Policies so that it will function as an executive limitation policy and will require an annual General Manager's report. This was agreed to. Peter asked where it would go on the Policy Governance calendar, and it was agreed it would be logical for this report to be made in May, in conjunction with review of Part E (Board-Management Relationship).

Committee/Work Group Updates. Peter said the Building Committee has no chair, but the committee is still functioning. They did a work project painting the floor over Memorial Day Weekend. There is a lot of physical maintenance to be done, such as brackets for a shelf,

casing for generator, awning for express window. The express window needs a smooth cleanable surface, but there are lead abatement concerns. Cat said this can be addressed with an aluminum insert. She said she and her husband have experience with this, and she volunteered them to do the insert for the Express Window. Peter said that Chris Thompson takes the lead on building projects when he is on site. He has a folder, and Peter will add this project to his binder and tell him to consult with Cat.

Peter said that the summer newsletter is out. 700 copies were distributed by MailChimp. Of those, only 10% have been read.

There was a good article in the Times Argus last week about the Co-op. Board members didn't see it. Gail will send out a copy.

Next Meetings. The July meetings will be July 6 and July 20. The focus of the July 6 meeting will be planning for Annual Meeting. The focus of the July 20 meeting will be the finances. Sara said that the board needs to have tough conversations in July and at the Annual Meeting about the sustainability of the Co-op. Hope to appoint Roseann Scotta to the Board at a July meeting to fill out Giordano's vacancy. She will then be presented as a candidate for the Board at the Annual Meeting. Sarah will update and circulate the spreadsheet showing terms of office for Board members.

General Manager's Update -For June 22nd Board Meeting

Re-opening to the Public: We are finalizing preparations in the store for re-opening on Monday. New signage has been prepared and posted, sneeze guards installed at the registers, and publicity put out. The Times Argus is doing a story and picture (should be out over the weekend). Our website has been updated, and social media notices posted. Our portable sign board has also been updated. Staff has been cleaning, re-organizing, re-stocking, and re-decorating, making the store look good. Chris Thompson and crew just did a fresh coat of paint on the floor over Memorial Day weekend. We have some three dozen cloth masks for the public, if they show up without. Staff is still naturally anxious, but ready to take the leap. Let's hope all goes well.

Hazard Pay soft landing reduction proposal:

Reduce staff discounts to normal level, effective Thursday, June 25.

As we need to be in synch with our payroll period in order to implement changes in Paid Time Off (PTO) rates, I am proposing that we reduce the staff to their normal rates effective Thursday, June 25, the first day of the next pay period. Alternatively, we could delay another two weeks, until Thursday, July 9.

Following on the Board's earlier thinking, I propose reducing the hazard pay by ½, effective Thursday, July 9. Alternatively, we could also delay that another two weeks, until July 23. Currently, all staff are receiving \$2.50/hr above regular pay.

Bookkeeper Position: Has been posted on Front Porch Forum locally and in JobsInVT online. That ad will run for two weeks. We have two interested candidates as I write this; one a Co-op member. In consultation with Naomi Kro, our current bookkeeper, it turns out that Quick Books Online will not work for us – our files are too big. There are some workarounds, but they are complicated, and Naomi doesn't believe worth the effort, particularly if we get a qualified candidate. Quick Books desktop is our likely landing spot at this point. Any transition period consulting with Naomi can be done via a thumb drive, if necessary.

Economic Injury Disaster Loan and Payroll Protection Plan: As you know from the emails I sent, the Small Business Administration finally re-opened taking new applications this week. I completed the on-line process and we are now "in queue." I have no idea what their timeframe is for completing the process. Many of the documents they will ultimately need were not asked for in the brief on-line application, but we're told they are ultimately required. Heck, the application didn't even ask how much we were seeking! Months ago, the SBA said they would turn the "advance" around within three days; the full application in less than 30. We'll see. Regarding the Payroll Protection Plan, Congress did pass new legislation, dubbed "PPP Flex" which grants more flexibility when asking for the loan to be forgiven. We won't finish our initial 8 week period until July 7, so won't do the calculations until after that to see if we ask for forgiveness immediately or wait a few more weeks.

Newsletter: The quarterly June Plainfield Co-op Newsletter is out. Kudos to Glenda, Sarah, Gail, et al. for another great issue. I'm in love with the cover illustration. Email blast was sent to the membership, Bob Fancher posted the link on the website, and we have the printed copies already here at the Co-op ready for pick-up. I think the timing was perfect for our re-opening, financial news, etc. Oh and the recipes are good, too!

Chris Thompson: He's back, although moving slowly and gently. He's phasing back in to work at the Co-op, already leaving a note to staff to "make sure you put your desired projects in my binder."

Building Sign: Our mandatory two-week waiting period for our zoning permit has come and gone, so we're free to hang our new building sign as soon as it arrives.

Columinate Peer Food Co-op Technical Assistance: As you know, we signed a contract for \$4,500 for this project back in March, and it was quickly sidelined due to the COVID 19 pandemic. I have an email in asking for an update on what they're thinking in terms of re-scheduling. I also asked them whether they would include a review of COGS (Cost of Goods Sold) as part of their visit when it happens. Hope to have an update by Monday's meeting.

COGS: As most of you know from emails following the last Board meeting, Naomi did confirm that the current method of booking Cost of Goods Sold is as follows: She takes the invoices (cost of goods received) and then adjusts for spoilage, delivery costs, and any inventory updates. This arrives at the Cost of Goods Sold. As I outlined in the email thread, there have been no inventories, hence no inventory adjustments since before I started. Actually, there have been only three inventory adjustments at all in 2020, all in February. As a follow-up to the June 8 Board meeting, I raised the issue with staff at our full staff meeting the next day. Staff is now working hard to complete the regular June quarterly "mininventories" across all departments. Some have been completed. They anticipate completing these by the end of June, so that the financial reports we receive from Naomi the second Friday of July will include all appropriate adjustments to COGS. Hopefully, staff will then be able to stay on the usual inventory schedule.