

Plainfield Co-op Board
Special Meeting by Zoom
April 6, 2020

Board members present: Cat, Les, Giordano, Rose

Board member absent: Sarah

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

Sarah (Board President) was unable to participate. In her absence, Cat, as vice president, prepared the agenda and chaired the meeting.

All participants were able to connect and to stay connected (with brief exceptions) by Zoom.

Consent agenda. The January meeting minutes and the March 26 Special Meeting minutes had been circulated by email. With the correction of a typo (“addenda” instead of “agenda”), the January Board minutes were approved. Les and Rose made corrections to the March 26 Special Meeting minutes, and those minutes were also approved, as corrected.

Member-owner input. Les reported on his experience volunteering on the phones. He said that, as of Monday morning, the Co-op was caught up on orders and there was not a backlog. He said there were still glitches in getting messages to and from vendors. Les said Paula Emery created a Google sign-up sheet for volunteers to sign up online. Cat said she shopped two days ago, and it went really well. Gail suggested that a topic for a future communication with members might be to describe the measures the Co-op is taking to protect customers and staff and also what further steps (if any) customers need to take to clean the packages or food after bringing it home. Peter said that the store is complying with all guidelines on cleanliness. Les said that providing the details would make people feel safer.

Peter reported that there have been problems with the technical functioning of the email system. Over the weekend, emails were not forwarded and were lost for a period of 24 hours. Email is now working. The customer wait time for response depends upon the time and the day; for instance, last Wednesday there were 40 people in the cue at the end of the day, but they were caught up by the following day. While putting the inventory into an online order form seemed like a good idea, it is an overwhelming task because of the huge inventory. The store decided against putting together a short basic products list (as Hunger Mountain did) because we have such eclectic shoppers. Gail noted that she found information about fresh produce on the Co-op’s Facebook page, but Peter said that may be out of date because Leah (the social media staff person) is on leave now.

Cat directed the Board’s attention to the website of the National Cooperative Business Association (ncbaclusa.coop) for information about how other Co-ops around the country are responding to the pandemic. In the context of those reports, our Co-op’s response looks innovative.

General manager's report. Peter said it is too soon to tell how March went financially, because the latest figures he has don't include the last two days of March. We were doing well, he said, coming into March. Kevin creates budgets for the buyers with tight targets based on historical patterns. There was panic buying in March, both by customers and for inventory. For various reasons, we are now well stocked, even over-stocked, for dry and liquid bulk. This is not a problem over time as these items are nonperishable, but it means inventory expenses were high in March. Payroll is 110% of normal for March because of the need for overtime pay and substitutes as regular staff were on leave. However, he said, the federal reimbursement for leave should help in April. Peter said Kevin is not worried about the budget; he thinks the store will have a profit by the end of the year; this includes the grant for Columinate.

Peter has been working hard on the application for the SBA loan. This is the first time cooperatives have been eligible for the program, and the SBA doesn't have the rules out yet. All co-ops are encouraged to apply to get the \$10,000 grant that comes if you apply. It is necessary to designate a "principal" on the application, and the Board agreed that Peter should be the principal. Peter reviewed some of the questions on the application (Ever declared bankruptcy or been insolvent? Outstanding lawsuits? Convictions? Federal loans? Delinquency on taxes, loans or child support?). The Board agreed that the answer to all these questions was "no."

The SBA application asks for what loans are outstanding. Giordano said the only loan is the loan from Cooperative Fund of New England (CFNE). Giordano will send Peter information for contacting Lane Fury at CFNE to get information about the loan. If the SBA loan rate is lower than the CFNE rate, he said it might be worth paying off the CFNE loan.

There was a general discussion about how much of a loan to request from SBA. Peter said the intent of the program is to give businesses 6 months of working capital. Peter said that collateral may be required if the loan is greater than \$25,000. Peter noted that, while sales are up, the cost of goods and services is also up. Had to upgrade phones, bought containers and bags instead of usual system of reuse. Giordano said we may need close to \$300,000, whereas Peter thought the amount we should borrow is much lower.

Peter will do a first draft of a budget for the loan application and run it by Giordano. Peter says we should get it in as soon as possible. The SBA says they will process the \$10,000 in three days after application and complete the loan in a month. Peter doesn't see the need to apply for payroll protection because there are no plans to lay anyone off; if anything, the store could use more staff.

Peter said he is still trying to get access to all the Co-op financial records. He is puzzled by the item "common stock" that appears on the books. After discussion it was agreed that it dates to many years in the past, and, as there is no record of what it is for, it just remains on the books. Peter has talked with the accountant Naomi and described her as "a shining star." Peter acknowledged that there is a long term plan to bring accounting in house, but he said he wants

to keep her in place now because we don't have the expertise to bring accounting inhouse now and she does a great job.

Peter said staff are pleased with being able to work at the store without being risking infection from the public. Staffing is difficult because the lead receiver is now out on leave. Staff are requesting hazard pay. Other groceries in the area are paying hazard pay to staff. Staff are all feeling overwhelmed and stressed. Rose said she would favor providing hazard pay at the rate of \$120/week for a full-time worker (prorated for those who work less). Other Board members also expressed general support for the idea and the Board asked Peter to develop a plan to offer hazard pay within the budget we have. Giordano noted that it must be made clear that the payment of hazard compensation is a temporary measure. Peter agreed to develop a budget recommendation for hazard compensation and submit it to the Board for review.

Board's Response to COVID-19 and the Co-op in these changing times. Rose said the draft developed by Les and Giordano of a letter to the membership is "fabulous." She found a typo and will send it by email to Les and Giordano. Cat also loved it. It was agreed to circulate it both by e-mail blast and by putting a printed copy in shoppers' bags. There is a hyperlink to the website in the letter that just says "here." That won't make sense to people who get a printed copy of the letter; Giordano and Les will rewrite the links to be usable by people who get a printed copy of the letter.

Giordano and Les will take responsibility for getting the letter out as an e-mail blast and Giordano will send a copy of the letter to Peter, who will get it printed in the store to be put in shoppers' grocery bags.

Board e-mailbox. Right now Sarah has been responsible for checking the Board e-mailbox. Because of Sarah's other responsibilities, Rose volunteered to check it. Giordano will send Rose the instructions about how to access the mailbox.

Adjourn. The meeting was adjourned at 7:30 pm.

Next meeting Monday, April 20 by Zoom at 6 pm. Because notice of the agenda cannot be provided by posting in the store, Cat will prepare a copy of the agenda to be posted on the website, hopefully a week before the meeting (Section 4.08 of the By-laws)