

**Plainfield Co-op Annual Meeting**  
**April 29, 2018**  
**Grace Church, Plainfield**

Following a potluck and music by Doug Perkins, Board President called the meeting to order at 3:30 p.m. and announced that enough members were present to constitute a quorum.

John Harrison led a song of praise to the “Goddess of Fruit.”

Lucy Blue awarded a door prize.

Jean Hamilton read the Co-op’s Ends. Current board members, current and former staff, working members, former board members and members were all recognized.

Election of Board members. Pete Boyle and Jay Herbert were elected to three-year terms on the board. There were two abstentions, and all others votes were in favor.

President’s report (attached). Jean reported that the Co-op has 504 members as of the date of the meeting. Membership has been increasing gradually (74 new members in 2015, 86 new members in 2016, and 2017 new members in 2017). Jean emphasized the importance of recruiting new members as the core of the Co-op’s strength.

Jean reviewed the current committees, and said all of them are looking for members. (Building, Expansion Finance, Membership, Food Security, Newsletter). Mike Brosky chair of the Building Committee talked about upcoming projects: the first will be developing office space for the new manager(s) on the second floor in the kitchen area.

Financial Report (attached)

Jean said that Board and staff don’t anticipate being able to cut costs relating to staff compensation of cost of goods and services. However, a focus for cost cutting is the \$18,000.00 we are paying in credit card fees. Members were encouraged to pay by check or cash and also to prepay their purchases with a one-time check or credit card payment.

Strategic Plan Update

Jean said the Board continues to be guided by the goals of the Strategic Plan but the Co-op made little progress in implementation last year because staff were unable to take on more work.

The Expansion Finance Committee and the Board decided that expansion plans should be guided by the results of a Marketing Survey, to be conducted by a nationally known professional. The co-op is in the midst of that process now.

## Management Restructuring (Attached)

Karen Staff and Sarah Phillips jointly described the intensive management restructuring process which has been happening since December, led by the Management Review Group, (two staff and two board members). Karen explained that the Management Collective which had led operations of the Co-op for many years concluded that their present structure needed changes; unable to come up with a new structure that received consensus, the MC invited the Board to take leadership of the restructuring process. Sarah and Karen emphasized that this was initiated by a request by the Management Collective and not something imposed by the Board. Karen emphasized the “collaborative” and “respectful” nature of the process. She said that the goal is for all staff to have “purposeful work.”

As a result of the work of the Management Restructuring Group, the Co-op has a new staffing structure, and new wage structure. Two new positions for General Manager and Administrative Manager are currently under recruitment. The new wage structure will significant increase staffing costs, will, bring the Co-op much closer to paying all staff a Livable Wage, and will base compensation upon a combination of responsibility, performance, and longevity, as compared with the previous structure which was based almost solely upon longevity.

Following the Reports, there was a lengthy question and answer period.

## Questions and Answers

Joseph Gainza asked how the new sage structure will affect the Co-op’s financial status. Jean answered that we will need a 19% increase of revenue to pay the recommended wages. She said this should be looked at as a *strategic investment*, and that the Board is looking at borrowing to get started. Karen added that we need to increase sales and we need to bite the bullet to get staff with the skills to increase sales and with needed leadership skills.

Brian Tokar expressed appreciation for the deliberation and care with which the management restructuring is occurring. He asked whether, if the move to a more vertical management structure doesn’t work out, can we go back to a more horizontal structure. Karen said she has no expectation this will happen; she pointed out the new structure is a usual one for co-ops. Sarah said there is no plan to return to a more flat structure. There is also no expectation that it will stay in this structure forever; change will continue to occur. The new structure takes staffing patterns from a two-level to a three-level system. Staff expect that there will continue to be a collaborative approach within the new structure. Rosamond London said that staff are equal coworkers regardless of different positions; they have different roles but all are equally important.

Dawn Fancher said that the materials that went out said that this was a move to a “healthier” management structure, and she found that wording hurtful. She said we have lost something, even if it was the right decision. Dawn said she thought the flaw with the Management Collective

was that MC members had a “mom” complex and didn’t take care of themselves. She added that the financial part scares her.

Sarah Norton expressed appreciation for the presentation and for all the work that went into it. She said it is “a jittery thing” to shift to a vertical structure and was glad for the acknowledgement of loss. She asked how the new approach is embedding safeguards and accountability. Jean answered that these questions and perspectives are important and will be discussed by the Board. Rosamond added that Sarah Phillips is revising the personnel policies, which will address some of this.

Paula Emery asked how many FTES do the work of the Co-op. Jean said 8. Karen said most staff work only 20 hours, and prefer the part-time schedules. Paul asked whether 8 is too many; could we have more working members doing tasks such as stocking now done by paid staff? Sarah answered that the goal is to get more working members, but need staff with time and skills to do the recruitment. Paula asked by the costs in 2016 were so high. Jean said it was because of the high level of staff turnover that year and the associated training costs.

Betsy Zeigler asked how we will get out the message about the changes at the Co-op; how will we “bump it up?” Sarah said there is a sale at the Co-op next week. She said that there is a key new position to be work 10 hours a week on marketing and membership. Karen said that having more sales is the key to being able to decrease product costs.

Glenda Bissex said she is relieved to know that the restructuring came from staff and not from “the top.” She wanted to know how the new managers will be introduced to the community. Jean and Sarah said that was a good point.

Joseph Gainza expressed appreciation for the changes and was also happy to hear the impetus came from the MC. He said he had not heard the term “member/owners” during the meeting. He said he hopes that the new managers will have a strong understanding of the Cooperative Movement.

Nancy Ellen observed that the MC worked really well for years but it stopped working because “we didn’t have accountability to one another in the MC.”

With no more questions, Jean Hamilton adjourned the meeting at 5:00 p.m.