

Plainfield Co-op Board Minutes

Tuesday, December 17

Present: All Board members (Cat, Sarah, Les, Charlotte, Giordano); Gail (notetaker)

Consent Agenda. Minutes of 12/2 Special Board Meeting were approved.

Board E-mail. Sarah said the Board now has its own e-mail address (Board@plainfieldcoop.com). Sarah is managing it. Sarah will send the password to the Board so they can all access it. Sarah will forward any emails that come in to the appropriate person.

Board Recruitment, Training Needs, Meeting Attendance. Les contacted a potential board member who is interested. He will follow up with her. Sarah and Charlotte did not yet reach out to the members they were going to contact; they will do so this month. Consensus that it is a priority to add one to two more board members as soon as possible.

Training will be deferred until one or more board members are recruited so they can be included in the training. Will revisit training priorities in January.

Sarah reminded the board that the by-laws specify that a board member who misses a certain number of meetings can no longer serve on the board. (Section 4.14. Three consecutive meetings or five in a year)

There was consensus that the 4th Monday of the month continues to be a good time for the regular board meeting.

The holiday community party that was mentioned at the November meeting is not happening. Plan to have a party in February. Charlotte is working on it. Hopes to have live music.

Still plan to have gifts/lunch for staff. Cat has arranged to get pizza from Positive Pie. She will reserve the community center and coordinate with Kevin on the best days. Sarah will bring hot fudge for staff and Les will bring jars of sauerkraut. Cat will work on getting donations for other gifts and will send an email inviting staff to free pizza party.

Cat said she thinks that staff should get a year-end bonus. Discussion about staff raises continued later in the meeting in the context of the 2020 budget.

Newsletter. Giordano can finalize the Treasurer's report once the Board approves the budget (this happened later in the meeting). With that, all articles the Board committed to write have been submitted.

Building Committee. On hiatus until January.

Marketing Committee. Met recently. Active. E-newsletter is continuing.

Pledge campaign. Gail and John Nuss will send out quarterly reminders to the people who pledged at Annual Meeting. Lack of staff or volunteer capacity to solicit additional pledges. Cat said she will recruit additional pledges personally. Gail will send her pledge cards.

Hiring Committee (for General Manager). Met 12/17. Next meeting January 2 at 6:30. Hope to have one or two staff members. Sarah will contact Jean and Kevin to get staff identified and authorized to attend meetings. Expect to be able to review resumes January 2.

Future Groups (Expansion Finance and Route 2). Cat and Giordano are still willing to anchor this group or groups but there is consensus to wait until a General Manager is hired before moving forward to reinvigorate these initiatives.

Manager's Report. Jean was unable to be present and sent an email report (copied below).

- *Report on November performance.*
 - o *Loss of \$7k due to store closure.*
 - o *Spoiled \$8k of inventory and received a claim check.*
 - o *Kevin looking into COGS discrepancy of about \$10k.*
- *End of year inventory is coming up. Seeking some member volunteers.*
- *We are eager to hire a membership coordinator position – but not sure we have the capacity to train them at this time. Kevin is receiving more requests for volunteering which is stretching Kevin's capacity.*
- *Kevin is working about 20-25 hours/week.*
- *Lots of new staff training, which can create some tension. New staff member Rinn is great.*
- *Jon Draper is potentially going to work on the generator install.*
- *DLC – final forms have been submitted for board of directors.*
- *Secretary of State – Kevin has updated all of the state paperwork.*
- *Bank – in 2020 we should transfer the bank check signers over to replace Jean with Sarah.*
- *Columinate management support proposal. Lane from CFNE is eager to hear if we are interested in participating. what timeline. can we afford to pay \$1,000? CFNE would be open to adding \$1k to our loan to support the cost (or possibly granting us those funds).*

After reviewing report, Board agreed to ask Jean for information about the COGS \$10K discrepancy.

The Board agreed that the CFNE proposal sounds helpful. Agreed that it should not start until after the new GM is hired. Sarah will contact Lane Fury at CFNE and invite Lane to attend a Board meeting.

F2 Business Planning and Budget.

At the outset of the discussion Les said that he “has issues with how the Board responds to the Budget,” in terms of second-guessing or over-ruling management decisions. He wants the Board to follow Policy Governance practices and principles. Sarah responded that there is no one from management present at the meeting, and the board has to finalize a responsible budget based on the information they have and their judgment.

Giordano said he does not think the .25 per hour pay raise included in the 2020 budget for staff is sufficient. He thinks staff would be more motivated if they were paid more. He sees a need to reinvigorate the members to shop more but offered no specific suggestions Sarah responded that

increasing sales is the job of the marketing committee. All board members present agreed it would be desirable for staff to be paid more. After discussion, it was agreed that there is not enough end-of-year money to pay for a staff bonus nor are there sufficient projected revenues for 2020 to pay an additional raise (beyond scheduled pay increases), even a small one. However, it was agreed that the Board will look at the financial reports in mid-2020 with the hope that there will be increased revenues by that time to give raises or a bonus.

The Board reviewed the proposed 2020 budget in detail and, through discussion, clarified members' understanding of various items. It was noted that payments on the principal of the loan from CFNE were not included in expenses. Hence, the actual budget has a net loss of \$6,649. It was also noted that, although the job duties of the General Manager are consistent with FLSA standards for an exempt (from overtime) employee, the proposed salary of is too low for the position to be exempt. The Board agreed that it was desirable for the position to be exempt.

After discussion, the Board approved the budget with the following adjustments:

a) The board raised the annual salary for the GM to \$35,568. This change was made to comply with FLSA changes that go into effect 1/1/2020 and to maintain the GM position as exempt. In light of the salary increase, the Board stated its expectation that full-time for the GM be considered 40 hours/week.

b) The board agreed to approve a budget where Net Profit is at least \$6,649, the amount equivalent to annual principal payments on the loan. Management has discretion in how to achieve this goal. One way to achieve this goal may be to adjust the wages to reflect delayed hiring for positions to be hired: for example, adjusting the assumptions for the GM to reflect a start date of 3/1. The board agreed that the membership/marketing coordinator is a priority to hire but the back-up buyer and the membership coordinator may have a delayed hire.

The Board also agreed upon an understanding of the marketing line budget proposed by the Marketing Committee. The Board expects the GM to review and approve all marketing expenditures based on an understanding of the expected return on investment.

Part D Membership Policies. Deferred to January.

At January meeting the Board will revisit board officer assignments, and the responsibilities of officers.

The meeting adjourned at 8:35 p.m.