

Plainfield Co-op Board
Meeting by Zoom
July 20, 2020

Board members present: Cat, Les, Sarah, Rose, Roseanne
Others present: Peter (GM)

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

Participants were able to connect and to stay connected, but Cat had technical difficulties and was muted for the latter portion of the meeting. No at-large members or members of the public joined the meeting.

Roseanne asked about board training and specific responsibilities of the treasurer. Les told her he would review the resources that were linked in the "What you need to know about joining the Plainfield Co-op Board" document, as well as Policy Governance resources related to treasure responsibilities and finance/budgeting related policies, and pass them along to her.

Minutes. Approval of the minutes of the July 6 meeting was postponed until the next meeting as it was unclear if we had the final version.

Member Input. Rose mentioned she had been in shopping many times since in-person shopping has been reopened. It has worked well for her and she appreciates it. Peter noted that the capacity of 4 shoppers has been hit quite a bit, but it passes quickly.

General Manager's Update (written GM update included at the end of the minutes)
Peter noted that staff is getting input from members regarding equity payments for previous years and it would be very helpful if the board's letter to members would be finalized soon. Rose is finishing it and it will be available soon.

Hazard pay (and financial projections). Refer to update manager's update below. To be able to weigh in on the topic of hazard pay, Sarah would like to see monthly financial projections showing the hazard pay options. Les would like to see a revised budget for the year and into next year and understand how it would relate to the finance and budgeting policies. Peter indicated he is not yet knowledgeable about the sales end of budgeting process to do that, but he had worked with Giordano on projections need for the emergency loan application. That projection showed a net loss of \$277K due to the pandemic. Peter thinks it will be less than that now that there is in-person shopping.

Executive Session. The board went to an executive session to discuss personnel issues with Peter.

Policy Governance.

Board Officers. Sarah is planning on stepping down as President, with Cat becoming President and Rose as Vice President. As the Economic Injury Disaster Loan the co-op may be accepting has Sarah as the president, it was determined to wait on changing officers.

F-1 Quarterly Financial Conditions report review. Peter reported the pandemic has had a big impact on the co-op's ability to remain in compliance with the financial conditions policies. The F-1 reports shows out of compliance with 3 of the 5 sub-policies, but cash flow is good, the co-op is making payroll, meeting obligations with vendors, and moved funds to the equity account to pay out patronage dividends. The \$41K PPP loan (all to be forgiven) and the upcoming \$5K tax refund are making a big difference (as well as ~\$2,400 in reduced payroll tax due the co-op's claims on covid related paid sick leave).

Economic Injury Disaster Loan (\$150K). Sarah is concerned about committing to this large, long-term liability. Is it needed? At this level? If at some level, are there better sources for capital (Sarah reminded us about the Cooperative Fund of New England)? Les indicated that agreeing to this kind of commitment is another good reason for solid financial projections for the rest of the year and into next year. Sarah offered to work with Peter, Kevin and anyone else to help develop the projections. Roseanne would like to know if the money is earmarked for anything in particular. Peter noted that, per the loan application and the loan guidelines, the funds would be for making up the overall losses projected due to the pandemic, but July sales are better than the previous three months and if the positive trend continues, there may not be need for such a large loan. Peter understands we have 60 days to sign on to the loan. Les suggested we get a good grasp of the co-op's capital needs in the coming years by restarting the strategic plan from 2-3 years ago and update it based on the new realities the co-op faces, recognizing that completing such planning can't happen in the 60 days we have for the loan EIDL loan decision. The EIDL loan is 3.7% interest. The co-op's current CFNE loan is 6% interest. Les reported that CFNE's website shows that they have an Emergency Cooperative Enterprise Relief Loan Program available to co-op's impacted by the pandemic that has better terms than either. Peter noted that the line of credit can be up to \$45K. Roseanne asked about repaying a large part of the \$150K loan in the months ahead if it turns out we don't need it. It was agreed that would be a possibility, but we would be building up interest expense for that option. A committee will form to provide whatever assistance management needs to put together financial projections that will help in the loan acceptance / loan level determination.

Annual Meeting. Peter reported that Andy Robinson is open to facilitating the annual meeting. It was agreed that the Plainfield Rec Field would be a good location, collecting sufficient tents (canopies) in the meantime so everyone can be undercover while also social distancing, and that September 20th is the date we are planning for. Rose and Roseanne (hopefully, with

assistance from Paula and other members) will focus on logistics, such as tents, porta-potties, sound system, food (if included, it be single serve snacks, water, etc.), tables and chairs (it will be a bring your own chair event, but it would be good to have extras). Les and Sarah will work on the meeting agenda and content, including working with Andy. Sarah outlined the usual planning/process/agenda

- At-the-door
 - Staffed table with member list
 - Checking members on list as they arrive
 - Accept equity payments for members not in good standing

Mingle time prior to meeting start

- May be limited due to social distancing, but plan for time for people to gather and get settled, providing appropriate “open-house” info and activities if possible

Andy facilitation intro

Acknowledge and intro active committees. Ask for additional members and means for signing up new members

Reports

- President
- Treasurer
- General Manager

Board Elections (can be moved in agenda to make sure there is a quorum present at the time)

Any other business requiring member vote (bylaws,etc.)

Andy facilitated co-op visioning (or other name for it) non-binding discussion.

It was acknowledged that the board budget includes \$600 for membership meetings, but we would do what we could to minimize expenses while meeting the needs for the annual meeting.

Next Board Meeting: August 3, 6pm via Zoom

General Manager’s Update -For July 20 Board Meeting

Re-opening to the Public: Curbside orders continue to max out at about 20 per week. We are planning no changes to the store hours at this time. If we get two staff available for the second shift Sunday, we will add that in August. Sales for July are good – not quite comparable to last year, but much better than when we were shut down. Let’s hope that continues.

Hazard Pay reduction: Additional pay has been reduced from \$2.50/hr down to \$1.25/hr. Paid Time Off (PTO) and staff discounts have been returned to normal. Considerations for the Board: continue the \$1.25/hr for some time (any changes would need to be done at the beginning of a new pay period. Next one begins Thursday of this week (July 23), so notice to staff is a consideration. Or, the Board could decide to go back to normal pay (\$12/hr is starting pay for subs and new staff. We have several that would be at that rate, plus a number of staff who would be making \$12.25/hr, thanks to the \$.25 raise given across the board at the beginning of the year. The Board could also decide to keep some of the increase as a permanent increase to the base. Arguments can be made that work is more hazardous now with the store open. It is probably helpful to know that Vermont’s new minimum wage law makes the state minimum \$11.75 on January 1, 2021, and then \$12.55 on January 1, 2022.

Staff: We continue to have difficulties keeping all shifts covered, due to staff illness, staff injury, family member illness, and returning staff not covering all previous shifts. We have a new sub/potential permanent staff person, Lindsey Brownson. She had her DLC, SNAP, COVID, and administrative training/new hire paperwork completed on Friday, and is training on produce Sunday. Cashier and other floor staff training will take place this coming week. Another candidate is interviewing Tuesday. Bookkeeper position has no new candidates, and has been put on the back burner until other staff is more stable. I checked the schedules over the past months, and we have yet to have one week of scheduling that doesn't have subs covering for regular staff. It's unsettling, and we are often scrambling to put the week's schedule together. I'd like to speak with the Board in Executive Session – briefly – as there is confidential information.

Economic Injury Disaster Loan: The EIDL remains unsigned at this time. Based on your actions at last meeting, I requested new papers with the President and Treasurer's names and signature lines added. Our SBA staffer put that request through, but as of Friday, the papers on line have not been updates. Given email comments I received after the last Board meeting, the Board may want to confirm its intent to accept this loan. It will add to our long term liability, by definition. It will also provide us working capital to maintain operations for the near future – through the end of the calendar year.

Payroll Protection Plan: As I mentioned last time, our initial 8 week loan period has just passed. We can technically apply for forgiveness anytime now to the end of December. I have not had the time yet to investigate whether or not we have met the criteria for full forgiveness, but plan to do that over the next couple of weeks.

Building Sign: Has been mounted and looks good. Just received the bracket to mount the new "Open" sign (a pointing hand) out on the main sign, replacing the flag.

Marketing Committee: July sales flier should be out by the time we meet Monday. Committee has a Zoom meeting scheduled for Wednesday, July 22. No other committees scheduled at this time. Still waiting on scheduling a time with John Draper for training on the new backup generator.