

Plainfield Co-op Board
Meeting by Zoom
September 8, 2020

Board members present: Cat, Les, Rose, Sarah, Roseanne

Others present: Peter (GM), Gail (minute taker), Liz Bicknell (member), Lane Fury (CFNE)

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

Participants were able to connect and to stay connected.

Minutes. The draft August 17 minutes were approved with the proviso that the date of the minutes approved at that meeting is August 3.

General manager Update (written report attached to these minutes). Peter said he had four addenda to his written report:

1. Kevin agreed to serve as emergency back-up resolving the issue of compliance discussed at the August 17 Board meeting.
2. The buy-local initiative launched by the state this morning sold out within minutes. 23 people selected the Co-op as the place to purchase. This means the Co-op will receive \$690 from the initiative. Program is run by a Boston company – Nift -- and may be expanded in the future.
3. Over the Labor Day weekend, the Building Committee put a second coat of paint on the store floor (the first coat was applied Memorial Day weekend) and repaired tiles in the back stock area.
4. SSA deferral turns out to be optional, and the Co-op doesn't want or need to do this.

Peter reviewed his proposed revised budget and proposed wage adjustments for the remainder of 2020. The budget would result in an end of year deficit of \$46,096, plus the loan principal of \$6649, for a total of \$52,755 net loss, but this is expected to be offset by a \$31,045 gain from forgiveness of the Payroll Protection Plan loan. The budget incorporates a number of assumptions:

- Sales are increasing and will continue to increase as a result of the store being open for longer hours on weekdays, except Thursday, and Sunday. However, November will be a low month as it is historically.
- Hazard pay will end and there will be across-the-board .30/hour pay increase to reflect increases in the cost of living, and lay the foundation for state-mandated increases in the minimum waged. Wages for a few workers will be increased to reflect increased job responsibilities.

Lane Fury (who uses they/their) was invited to get their thoughts. They commented that our store is not alone in struggling, and they asked how the business was doing in terms of cash flow. Peter responded that cash flow is good; vendors are being paid on time, which is an improvement over years past. Sarah noted that cash flow is being supported by the one-time

PPP loan and the federal tax refund. Peter responded that is one factor but that \$20-30,000 on gift cards is also a major factor. Sarah wants to be sure the proposed wage increases are sustainable in 2021.

Peter noted that the budget has been tightened by reducing staff hours from 374 hours/week to 344 hours per week. Also there were significant one-time pandemic-related costs for supplies as well as a huge drop in income at the beginning of the virus quarantine. The PPP is offsetting these costs this year and won't be needed if we have normal operations next year. Of course, if the store is closed down again because of the virus, Peter cautions that all bets are off.

Les said he didn't want to review the specifics of the budget; he just wants to get a grasp of where this budget will leave us in terms of compliance with the F1 financial policies. Peter said it will have us moving toward compliance. Sarah noted the budget is clearly out of compliance and the Board has to ask tough questions about the budget to be a partner. Les said asking for projections *is* asking a tough question. Peter said the Board needs to reckon with the fact that these numbers don't show underlying weaknesses: the age and size limitations of the building, the need for capital improvements, and the fact that the store is not competitive price-wise because we can't get the volume discounts that Hunger Mountain offers. He noted that another big question is the underutilization of the Community Center space. Les responded that is an example of the importance of budgeting being based upon a multi-year plan.

Following discussion, all Board members said they were in support of the GM's proceeding with the wage adjustments and revised budget he presented.

Lane Fury explained potential financial support from Cooperative Fund of New England (CFNE). Plainfield Co-op has a \$45,000 line of credit, of which \$20,000 is available now if the Co-op elects to borrow additional funds. The CFNE terms (interest rate) are not as favorable as those from the SBA, but borrowing from the CFNE has the advantages of flexibility and accessibility. Les asked about emergency loan funds at 3% which are highlighted on the CFNE website; Lane said that is a possibility and they would provide details to Peter about that as well as additional borrowing against the line of credit and increasing the line of credit.

Peter said that, at this point, he does not plan to proceed with the EIDL loan because we don't need that much money. Board members were in agreement.

Annual Meeting. Sarah said she has decided not to run for another term on the Board, so this will be her last meeting. Board members expressed great appreciation for all her work on the Board.

Sarah shared a draft agenda for the Annual Meeting, as follows:

Annual Meeting Agenda

President's Report

Treasurer's Report

General Manager's Report

Vote to Elect Board Members

- Cat Klarich, for first full term, 2020 – 2023
- Rose Paul, for first full term, 2020-2023
- Roseanne Scotta, to fill the remaining term which ends 2022
- Vacant, 2020 – 2021
- Vacant, 2020 – 2022
- Vacant, 2020 – 2023

Vote on Proposed Changes to Bylaws

Discussion of Member-Owner Survey Results

The notice to members will include the proposed by laws changes and a link to the by-laws on the web. In addition to time and place, there should be information about how Covid protection will be provided and protection from the elements. Sarah offered to help Cat prepare the President's report. Peter will let Bob Fancher know that the Board would like to have any reports that are available prior to the meeting posted on the website; Peter will also send Bob send the Annual Meeting agenda for posting. The notice should also make it clear that one must be a member in good standing (paid up dues) to vote. Peter is going to send the snail mail notices out tomorrow to people for whom the Co-op lacks an email address.

In light of Sarah's announcement that she is leaving the Board, Cat was unanimously elected President.

Peter asked what the Board wanted to do about reviewing the Personnel Policy, which is in need or reworking. After discussion it was agreed that Peter will present his report on F5 compliance at the next meeting in terms of compliance with the current personnel policy, and he will provide the Board with a revised personnel policy when it is ready. Les said he disagreed with the provision of Policy F5 that says the Board will review the personnel policy annually. Sarah explained the background of that requirement and said it reflects experience that the Board is ultimately responsible if personnel problems enter the legal arena and the Board needs to keep apprised on the details of the personnel policy.

Next Board Meeting. Monday, September 28, 6 pm by Zoom.

Peter's Corner: General Manager's Update for September 8th, 2020 Board Meeting

Expanded Store Hours: Beginning September 8, we are opening the doors to the public at 10:00 AM rather than Noon on Mondays, Tuesdays, Wednesdays, Fridays, and Saturdays. Sunday will remain 11-7 and Thursdays, our huge delivery day, we will continue to open at Noon. For several weeks now, we have only been getting about five curbside orders a week. Adding 10 additional hours a week should help increase sales, as well as spreading out the demand. Extending our Sunday hours a few weeks ago has proven helpful, nearly doubling the number of customers that day and pushing gross sales over \$3000, where it had been about \$2000.

Staff: Very happy to say our staff situation has settled for the time being. We are currently scheduled for 344 hours per week, down from the original budget 377. This includes bringing Leah Tedesco back on as the Membership and Marketing Coordinator 15 hours a week.

F5 Staff Treatment and Compensation: All staff, with the exception of new hires still on probation and subs, received an evaluation packet. This included a cover letter, a current job description (many are out of date), and an evaluation form that includes a self-evaluation component. I have received a majority of them back at this point and have begun interviews with the goal of completing them by September 11. Evaluations haven't been done since 2017, so many staff have yet to ever have one. Some job descriptions need to be altered to reflect actual duties. At least three should include enhanced compensation for additional duties. Another goal is to get back to pay raises (if merited and if funds available) on anniversary dates. Several staff have been skipped, causing inequalities within the Co-op, counter to F5. You will see some of these calculations reflected in the revised budget. And we also need to keep in mind the Vermont Minimum Wage Law changes. Our current starting wage has been \$12.00/hr for some time. Current state minimum is \$10.96, jumping \$.79 to \$11.75 for 2021, and jumping another \$.80 to \$12.55 for 2022. We need to keep pace and ensure that veteran staff who will have been here a year or two or more stay ahead of new hires coming in at \$12.55, making as much or more than them. Again, you will see a proposal to address that in the revised budget figures, as it would be quite a jolt to Co-op finances to try to get to that point all at once. I will address F5 more completely for the September 28 meeting, as well as F7.

Labor Day: A reminder that the Co-op will be closed on Monday, September 7.

Economic Injury Disaster Loan and Co-op Budget: The EIDL still remains unsigned at this time. Please see the separate documents on the re-cast budget details. I understand that Sarah has arranged for Lane Fury to be with us for part of the meeting to discuss loan alternatives.

Marketing Committee: The market basket is nearing completion. Julia did the in-store shopping and the committee tweaked the results. Julia brought in a great basket, which we will now fill and photograph for promoting the second half of September and October through social media, signs in the Co-op, and the October sales flier. A Co-op poster has gone through several revisions and printing costs are being researched, but should also be ready to go within the month.

Building Committee: They have gotten at least one quote on taking down the dead tree by the dumpster. They are also planning to re-paint the store floor and possibly replace some of the rear office tiles Labor Day weekend.

Rodentia: Mice and moles and river rats, oh my! Security cameras caught an invasion the other night, and our bread department was the target. Mice also attacked the new morning bread delivery out in the lobby, and left some presents in the upstairs office. Chris placed some traps, and Erlich, our pest control contractor, came Wednesday and placed 6-8 boxes with two baited snap traps each around the store, lobby, and upstairs. Staff is taking extra precautions wrapping the baked goods at night.

Security Alarm Event: All evidence points to closing staff not locking the inside door that night. When a morning vendor dropped their products off, they jarred the door, setting off the alarm. There is no evidence of any entry. Staff has been reminded of proper closing procedures.

Rt. 2 Interchange Project: On Wednesday, August 26th I presented Giordano's report to the Select Board and summarized it for the @30 people in attendance. Plainfield Select Board is planning a town-wide survey shortly, and then planning on voting by the end of September whether to: 1. Go ahead with the major project; 2. Go ahead with a minor project (didn't get much support at the meeting); or 3. Do nothing. Their position is to let VTrans know what they want to pursue, and then negotiate around mitigation and other considerations. If the major project is the choice, we're about 3-5 years out from construction.

Columinate: Haven't heard anything since the videographer's visit two weeks ago. We did get and pay an invoice for \$1250; balance to come later.

Annual Meeting: Kevin and I got out the printed snail mail "save the date" notices with the survey link. We are preparing for a larger snail mail for Wednesday/Thursday, as the legal requirement is to have those sent no later than 10 days prior to the Annual Meeting. In terms of getting the membership reports prior to the meeting, may I suggest that the President, Treasurer, and General Manager post reports on the website, and that we direct members interested to go there, rather than printing and stuffing them into envelopes, or sending as attachments to Mail Chimp. We can have printed copies at the Annual Meeting.

Respectfully submitted,

Peter Youngbaer, General Manager

