

Plainfield Co-op Board Meeting
November 27, 2017
6:15 PM @ Plainfield Community Center
Meeting Minutes - Draft

Attendance: Jean, Sarah, Giordano, Bob, Alicia (by phone)

Links: Chloe, Kathleen

Guest (notetaker): Jay

The meeting opened with Jean inviting everyone to share something they appreciate about the Co-op. Chloe appreciates cozy space of community center. Sarah loves Basecamp, apologizes for 'pings' her posts inflict upon other members. Alicia is thankful for real interactions she has upon visiting Co-op. Jean feels grateful for the access to food Co-op provides, and is thankful for the effort others are contributing to Co-op. Bob feels like a character on 'Cheers', as everyone knows his name, and Kathleen is thankful for this as well. Giordano is happy to be back after missing last meeting.

Consent Agenda: 10/23/2017 meeting minutes.

The minutes were removed from consent agenda, as the B1.10 financial conditions report is incomplete. Jean recalls that agreement was made to not accept B1.10 and that finance committee would work with the Management Collective on a more complete response to the financial review. With this edit, the minutes were approved.

Board Monitoring: D2 MC Accountability addresses MC link to board. The board discussed when issues are brought to a specific MC member who is not a link. It was agreed that this is compliant with the policy, when that action is approved by board or a part of committee work. The Board formally approved new link additions (Karen and Kathleen), and discussed the possibility of having a more formal review process of proposed links in the future. Note: New link members approved!

The Board tabled review of D3 to the next meeting.

Link Report:

MC Still waiting on storm outage insurance claim, claim made, however.

Chart of Accounts is in hands of management, to be submitted. Bob requests a draft.

10 year building plan has been found, but Kathleen feels is out of date and needs redaction. More voluminous than strategic plan, very detailed as to improvements and projected dates for these improvements. A long-range framework is necessary to make board approval for expenditures from CAPEX.

The Board discussed the need to review and approve an overall capital plan to guide CAPEX requests. The MC can also draft short-term forecasts that fit in the framework of the long-range plan and detail expenditures as they come due. There was agreement that equipment expenditures should be included as part of a "capital plan". The annual budget cycle can

account for capital repairs and replacements. There was discussion about the use of member equity pays for capital expenditures currently, and that profits could also be used. The Board discussed the ability to build a capital reserve fund.

MC Action: Prepare a capital repair and replacement plan with support from the building committee, looking at one-year, two-year, five-year out. The capital plan should be based on an assumption is made that Co-op will remain in current building so as to simplify decisions around repairs and replacements.

Jean shared the Board Link To-Do Doc is a simple template to demarcate outstanding requests from the Board. The Board reiterated the need to follow its policy that the board in total or a committee is requesting info rather than individual board members.

Monitoring of B Policies and Ends

Review of the B1 Financial Condition was postponed as the B1 was not available, unclear when it will be completed. The Board discussed what the finance committee could do to support the effort to complete B1. Action: Jean will follow-up w/ Jeanine and see what help can be offered and when report should be finished.

End 1, 'Healthy & Affordable'; is definition acceptable? Work has been done to create metrics to reveal whether or not these ends are being met. Definition centers around non-GMO, organic & Whole Foods as 'healthy', but must be balanced w/ affordability of available products. Agreement on interpretation, but are sales reflecting affordability? Alicia would like to see charts and graphs to map out this data and make it more clear in contrast w/ other grocery stores. Sarah would like to establish benchmarks and evaluate trends over time. Are definitions reasonable? Price points on 'healthy' food are competitive w/ other grocery stores, so 'yes', and is data complete enough to approve? Discussions take place about market-basket comparisons w/ other grocery stores and their value as annual or biannual exercises. Data is adequate, so 'yes'. The Board accepts the report and thanks the MC for their excellent work on achieving this end and providing valuable data.

End 3, 'Sustainability'; is definition acceptable? Energy use, packaging reduction efforts and consumer education are big points from definition. Giordano says that economic sustainability of small farms in area is lacking due to no economies of scale, and the Co-op cannot make up the difference here. Are these farms and the markets that serve them sustainable? This question may fit into another End. Sarah feels that the definition is comprehensive, and would like to see actual numbers for oil use, electrical use, et al year-on-year so as to assess sustainability. Definition is acceptable. Alicia contributes that overall utilities have gone down 3.4% from 2016, at least financially. Does data show compliance? 'Yes' is the agreement. The Board accepts the report.

Committee Updates

Expansion Finance Committee: Jean talked extensively to Debbie and reviewed her report from Putney Co op. Debbie has committee review sales data from 4 consecutive days and correlates this to local census data. \$11,500 has been set aside for these market studies, and the

committee would like to contract her sometime in January. She will project potential expenditures and compare their effects to their ramifications if implemented at a theoretical site on Rt. 2. Giordano asks about contracting a marketing consultant, and the Board discussed and agreed that the market research study should be completed before hiring a marketing consultant.

Management Strategy (MRG): Pete has resigned, so a new board member must be found ASAP. Karen, Anji, remain. Alicia joins MRG at first prompt! Elation. Roadmap has 4 phases. Phase 1 complete, infrastructure in place. Phase 2 is about taking advice on management structure. Action: Sarah will fill Alicia in on meetings, bring her up to speed. MRG will come up w/ talking points to pass on to staff so as to clarify the MRG's work.

Treasurer's Report: 2% over budget on sales, under slightly on expenses. Profit coming in right around budget, or slightly under, possibly because of spoilage after power outage post-tempest. Sarah says wages were approx. 63% lower for October, year-on-year, but this could be an aberration due to timing of pay periods, as could anomalies on cost-of-good. Discussion best for finance committee. Jean asks Chloe about open line of credit, only \$1,849 left, should be paid off by end of year.

Board Recruitment Strategy? No plan in place and not urgent. Action: Jean will find or create an Excel spreadsheet that delineates board members and their respective skill sets and terms of service.

Neighborhood Meal @ Church: Michael Billingsley is organizing a monthly meal hosted by different community groups, and Lucy Blue is asking Co-op to consider hosting a meal. The Board discussed this possibility and other past commitments and community activities hosted or sponsored by the Co-op; for example, a Twin Valley Senior Center meal. The Board discussed whether members might do this kind of work on behalf of the Co-op, rather than adding to the workload of staff or board members. Action: Membership committee is asked to explore participation in these dinners.

Use of \$2,130 for CAPEX funds for POS hardware upgrade. 1) Will this technology last for five years? And 2) Why use CAPEX and not operating profits to cover this expense? This is the latest model of POS equipment and the last upgrade went for four years only. The Board discussed whether CAPEX funds should be used for this expenditure, whether there was enough cash on hand or whether using available financing would be best. The Board decided that it is not a CAPEX expenditure due to the expected life of the product, and asked the MC to pay the expense out of the operating budget. The Board suggests that the MC consider using the financing available from the company.

Holiday Activities: Neighborhood outreach to close neighbors has been discussed in the past. It was proposed that \$50 gift baskets be provided to the 4 closest neighbors. Action: Chloe will expense the governance budget the \$200 for gifts and leave four cards @ back of store for board members to sign.