

Springfield Food Co-op

Board of Directors Meeting

July 22, 2021

Directors Present: Sarah, John, Jane, Lee, Jack, Aminah, Larisa, Hilarie

Ex Officio: Neomi

Recording Secretary: Ali

Guests: Steve

Call to order: 6:03pm

GM Monitoring:

B1 Financial Conditions: Q1 Results

Reported quarterly: plan was to open in April, then May, ultimately opened June 10th. This and CoVid continued to have an impact. Despite this, sales growth was 57.33. Compliance reported though the P & L net ordinary income is -19k for the quarter. This compares to a -46k loss for the same quarter last year (first qtr of true CoVid impact). We're very proud of what we've been able to achieve given the difficult circumstances. It's expected that it will be a full fiscal year before things stabilize.

Questions:

Jane asks for clarification on the PPP and "other donations." Is this "other income?" This question has been posed to the co-op accountant. PPP went from a loan to a grant. Suspect this will be taxable.

What is the "membership discount?" This would include the discount that the board receives as well as Food For All discounts.

What is the patronage dividend line? These are dividends distributed from other co-ops to which we belong.

Suggestion that the board spend time next month discussing patronage dividends so that new board members understand the history, process, and benefits.

Jane motions to accept B1 as submitted; John seconds the motion.

B: Global Constraint

Cooperative principles explained. With regard to education: nothing specifically offered to customers due to CoVid, though staff did participate in educational opportunities through NCG, Columinate and more.

Jane moves to accept as submitted; Sarah seconds the motion.

Further discussion:

Tax Filing Status: taxes are not ready, B1 will have to be resubmitted.

Clarification: Fiscal year begins April 1st.

JLF (Joint Liability Fund) contribution to NCG has increased. This is standard practice for co-ops going through an expansion due to increased risk. The JLF is a deposit to NCG which would enable NCG to pay our bills should the need arise. "Risk insurance." It was 145k this year. The NCG risk committee will assess and determine when that deposit will be returned based on having a ProForma with actual numbers post expansion and move.

Discussion of existing liabilities with CFNE. Further discussion needed.

Jane suggests that there is a financial committee established. That committee would report to the larger board.

There continues to be unfinished construction and needs in the new store.

During expansion NCG requires co-ops to have 21 days cash on hand.

Q2 Budget Update

Ryan was unable to attend the board meeting. Neomi reports that all operating accounts have been moved to Mascoma Bank while the accounts at People's Bank are dedicated to River Street expenses.

GM FYI

57 new members in June!

New employees hired in front-end, deli, produce and grocery. Two staff members are on leave.

Vito is our new grocery manager; background as a cheese maker, has co-op experience. Happy to be at the co-op!

Basket size over \$30.00. Amazing considering the deli growth is huge.

Equipment issues continue.

Inventory during all of this!

Outdoor walk-in coming over from the old store, as well as products that remain in the old store.

Packaged bulk that remains at the old store will be donated to the Family Center.

We need to file the new board members with the Secretary of State. Specific form to be filled out and submitted.

BOD Self-Monitoring

C1: Purpose and Aims
(read by Sarah)

Score 4.5

C2: Governing Style
(Read by John)
Score:4.0

Agreed that this is important work and there is an opportunity to make this a priority.

Board Business:

Annual Meeting - Tallied Votes - comments/discussions?

16 votes, confusing ballot. It was a very unusual situation as we were in the middle of the move, with continued impact from CoVid. Should consider an Annual Meeting committee for next year.

Welcome, Hilarie, Aminah, Lee, and Jack to the Springfield Food Co-op Board of Directors.

Terms will be clarified.

Appointed Larisa Demos as a board member. Option to run for election at the next annual meeting.

Sarah Bolaski: President
Jack Hurley: Vice President
Will Mitchell: Treasurer

John Vorder Bruegge: Secretary
Motion to accept: John; Hilarie seconds the motion.

We need to schedule an informal meeting with Marilyn Scholl, board advisor from Columinate. - (Monday in August?) 1-2 hours. Tentatively scheduled for 8/16 at 6pm. Sarah will confirm.

Annual Board Retreat: (all day Sat, late Oct/early Nov)
Tentatively scheduled for 10/30 9am-4pm. Sarah will confirm.

Columinate budget: Currently 11.25 hours utilized of the 15 contracted hours. Will need to pay per hour after that. Agreed that it is well worth the additional expense. The retreat is part of the contract.

Governance budget is currently \$4k per quarter.

There is an opportunity and need to form board committees: 2-4 people max on each. Focus will be to finalize this at our meeting with Marilyn in August.

Expansion Committee (Steve, Jane, Neomi)

GM Evaluation Committee (Sarah, Jack, Jane, Will)

Finance Committee (Will and ?)

Board Development? (consider merging this with the election and 30th anniversary committee).

Community Outreach? (more operations) vs member engagement which might be the board tabling at festivals, events etc.

Expansion Updates:

Steve Greene joined the meeting via phone call.

Steve and Neomi generated a list of additional work that needs to be done at 6 Main. Neomi is working to get contractors back in and work scheduled. Steve and Neomi talk 2-3 times a day trying to finish projects etc.

Steve reports that there is a verbal offer for the sale of 335 River. Purchase and Sales agreement unsigned. When in place, the board will receive a copy for review.

Fits in with Pro forma estimates.

It will take quite a while to get the new place running smoothly. Big projects that remain: cafe (indoor/outdoor) old walk-in move, mezzanine utilization.

Opportunity for board: continue to raise money in the community.

Clarification: boundaries for the board (operational decisions go to Neomi directly; board strategic overview vs operational decisions).

Next month the expansion committee will meet prior to the board meeting.

Overall Updates and additional discussion:

Jane will find out the specific information and form that will be required by the Secretary of State and ensure that is done.

Motion to adjourn the meeting

Seconded:

Meeting adjourned:

