

Cambridge Food Co-Op Advisory Board Meeting Minutes

Meeting held October 23, 2019

Board Members Present: Jayne Stokes, Charlie Reiss, Janet Britt, Fern Bradley, Edwin Schiele

Board Members Absent: Kari Bernard, David Bayne, Aila West, Betsy Shiland

Others Present: Jessica Jones, Melissa Carll, Kathleen Quinn

The meeting was called to order at 6:35 p.m.

1. Approval of Meeting Minutes

Minutes from the August 28, 2019 Advisory Board Meeting were reviewed.

MOTION to approve minutes with no changes: Charlie Reiss

MOTION SECOND: Fern Bradley

MOTION PASSED

2. Executive Committee Report/Picnic Update

Jayne Stokes welcomed Kathleen Quinn as Board Clerk and announced that the next meeting of the Board is scheduled for November 20 with the Membership Meeting tentatively scheduled for December 8. Jayne reminded the Board of the post-picnic celebratory potluck is scheduled for Friday, Oct 25. A discussion of the Lakota Wedding Barn event followed. This event, a local artisan and wellness fair, was to raise funds for the Co-op and other local projects. There has been no word on any monies raised.

ACTION ITEM: Jayne will reach out to Kimberly to get an update on the event.

3. Personnel Committee Report

Jayne reported that the Personnel Committee conducted an exit interview with former co-manager Shannon Woodcock. In the interview, Shannon offered the following feedback on areas in which the co-op can improve:

- a. Staff training—Shannon felt that it was short, and incomplete. In a typical “new hire” situation, onboarding has to happen quickly which can make it difficult to provide adequate training.
- b. Staff Meetings—too irregular to be particularly useful; an app like Go-To Meeting might be helpful.
- c. Staff evaluations—this did not happen on schedule. A discussion followed regarding evaluation tools, and a suggestion was made that staff self-evaluations be included in the process.

ACTION ITEM: Janet Britt will obtain a copy of the evaluation tool that ASA uses to see if it can be adapted for use at the Co-op.

- d. Membership demographics—working members are getting older and Co-op should consider finding a place for older members who may have mobility, strength and cognitive issues and a need for social interactions to continue to participate in daily Co-op operations. A discussion followed regarding accommodations that might be made for older working members.

4. Co-Manager Report

Melissa Carl reported that the Co-op has hired several new staff members, Stepynie Miner, Kathleen Quinn, Elizabeth Collins. Melissa has focused on training new staff and retraining other staff to take on more and different responsibilities. Melissa also explained planned roll-out of member ID card scanning at the registers. Roll-out was scheduled for early November but has been pushed back in order to make sure all potential concerns are addressed thoroughly. Staff training is planned for Wednesday Nov. 6 to make sure staff and cashier super workers are prepared to answer any questions members might have. A special edition of the newsletter is planned to address anticipated questions from members. A discussion on the need to revisit/update the Co-op's privacy policy ensued.

ACTION ITEM: Managers will review Privacy Policy and work with Jessica and Nathanael to update the language in time for the December 8th Membership Meeting

5. Third Quarter Overview

Jessica Jones reported that in the 3rd quarter sales went up by 2% but COGS went up by 10%. This may be because the Co-op is increasing inventory ahead of the busy holiday season. The 3rd quarter made clear the importance of conducting quarterly inventory. Without quarterly inventories and the information they would provide it is difficult for co-op managers to identify any potential issues that might arise later in the year. Spoilage is up and staff will be watching this. Staff will also be watching purchases carefully.

6. Building Committee

Charlie Reiss reported that building improvements continue. \$60,616 has been or will be spent by the end of 2019. These improvements include new siding, masonry and basement repairs, HVAC improvement, drainage improvements and a new "Bilco" door leading to a cleaned-out basement. Many of these improvements may be expensed on the Co-op's taxes, but since the Co-op will be taxed on member contributions as income there will likely be no net gain or loss to the Co-op. In order to complete "1st priority" improvements (front steps, painting, signage, flooring, carpentry) in 2020, 1 of 2 things will have to happen: either the Co-op will receive Main Street grant funds, or the Co-op will draw down close to the full loan commitment made by the Community Loan Fund. Main Street grant funds, as currently estimated, will also fund "2nd priority" improvements (additional masonry, painting on east and west sides, additional windows in the store) without increasing the funding from the Community Loan Fund. However, a short term "bridge loan" will be required as the grant funds reimburse payments already made by the Co-op. Charlie indicated that the Co-op will need an extension of the loan offer deadline to allow for time to determine the outcome of the Main Street grant process, and that the Board will need to authorize the Building Committee to seek this extension and to loan up to the current commitment, if necessary.

MOTION: To authorize the building committee to seek an extension on the loan offer deadline, and to either borrow the full amount of the loan offer to complete renovations or to inform the Community Loan Fund that the full amount will not be needed due to receipt of Main Street grant: C. Reiss

MOTION SECOND: J. Britt
MOTION PASSED

7. Nominating Committee

Janet Britt led discussion of potential Board members for the Nominating Committee to consider. Several names were mentioned.

ACTION ITEM: Janet and Fern will follow up with names mentioned to see if they are interested in serving on the Board or on committees.

8. Finance Committee Report

Treasurer Charlie Reiss introduced the proposed budget for 2020. A 5% increase in sales income will be necessary to cover increased expenses and to achieve the target for the Co-op's Gross Revenue Ratio (relationship between gross sales income and gross revenue) of 34.9%. It may be necessary to implement a modest price increase however, management hopes to attain that goal by growing sales volume, adjusting for pricing errors that occurred in early 2019 and by attracting new member and non-member shoppers. The Co-op only has 16-17K in reserves which is low.

The Co-op's biggest expense is salary. Working Member discounts are up. There has been a small decrease in occupancy expenses (possibly due to improvements), and additional funds have been allocated to advertising to help increase sales. On the building side, the commercial offices are currently fully rented and are expected to remain so through all of 2020.

As there is uncertainty regarding the continuation of the picnic, the expected income from a 2020 picnic is estimated at substantially lower in the 2020 budget than the actual return for 2019. This reduction makes the 5% increase in sales essential for the continued financial health of the organization.

A discussion of credit card fees followed.

MOTION: To approve the proposed 2020 budget which will be voted on by the membership in December: C. Reiss

MOTION SECOND: F. Bradley

MOTION PASSED

The meeting was adjourned at 8:25 p.m.

Respectfully submitted,

Kathleen Quinn
Board Clerk