



Rutland Area Food Co-op Board Meeting July 26, 2018

Present:

Board: Hannah Abrams, Steve Peters, Matt Poli, Dave Tibbs, Molly Nitka, Tyler Richardson, Kate Thomas, Irene Gold, Chris Ettori,

Missing: Mckenna Hayes, Erin Anderson

Staff: Zach Stevens, Melissa Rixon, Jamee Sherwin

Guests:

Notes:

Meeting brought to order: 6:30 p.m. Hannah calls names to verify members are present.

Minutes:

Hannah motions to approve June minutes. Kate Seconds. Approved unanimously.

General Updates and Information – Hannah

- NFCA (neighboring food co-op association) and CDS – please make sure you are on their mailing lists. The NFCA is having a Peer Board Gathering on Saturday Sept 15th at the Upper Valley Food Co-op, if you're able to attend please do so. More information to follow.
 - Will cover successful board succession planning, attracting members, board connections, and more.
- CDS is having the Co-op Café on October 13th in Keene, New Hampshire
- Saturday March 23rd, 2019 in Greenfield MA, NFCA is having their annual meeting (will be a full day event). Please start looking ahead to see if you can make this event.
- BOD Co-operative competition is in full swing as Chris L. was able to easily find Co-ops in Italy.
- Hannah and Zach went to Stone Valley Co-op in Poultney. Stone Valley reached out to Zach asking for some advice, Hannah and Zach were more than happy to visit and share tips of the trade.

FINANCE COMMITTEE –Chris L.

June Review

- June sales were \$182,122.50, up \$1,691.28 (.9%) from last year!
- Staff worked very hard to get sales up after being down the last few months
- Profits for the month were \$2,315, up \$970 from last year
- Cost of goods was up for the month as the store prepped for the 4th
- There were some new fees this month for the lawyers for the Member Loan campaign and the Board insurance
- Repairs were up due to a cooler issue and annual cleaning
- Customer service was up from annual meeting expenses
- Had extra week of payroll last year, so that helped this year's profits

Q1 2018

- Sales were down \$14, 831 from Q1 last year
- Profit of \$8,907, down \$9,193 from last year

- Lots of extra expenses this year, including lawyer fees, increased rent, higher payroll (with a full staff,) and increased insurance
- Close to \$100,000 in the bank, with \$70,000 in savings. Up from \$45,000 in the bank last year

Looking Forward

- July sales are down \$8,000. The 4th fell on a Senior Day, which is usually one of the biggest days of the week
- Inventory was done and is up \$7,000. This will help profits
- CPA bill should be in soon
- There have been some good candidates for the bookkeeper job
- The Co-op failed a liquor sting. They did not sell to the underage person, but they did not ask for ID. \$260 fine

More Year End

- CPA Audit came back clean. No major changes, most were +/- \$1,000
- Profited at \$65,000 for the year!!!!
- Expenses matched pretty closely to the previous year.
- Review has been approved and placed in Drop Box
- We have to pay State taxes on an expected profit of \$65,000 for next year. Money is due quarterly, and if we don't make \$65,000 in profits, we will get a refund, or a credit against the following years taxes.
- This throws our budget way off; as we had figured taxes would be paid on a more modest profit.
- Last year, we thought there was a \$500 late fee for the accountant turning our taxes in late. That was incorrect. There is a minimum tax of \$500 for a business that earned over \$2 million in sales regardless of your profitability.

MEMBERSHIP RECORDS COMMITTEE – Kate

- Charter has been drafted and is in drop box and appendix.
- The Member committee is going to go through the old records and try to get an accurate account of each household and how much they've paid, and how much they may still owe.
- Committee is also tasked with updating membership policies. Potentially reach out to other co-ops to review their membership policies, or the CDS.
- Next meeting is August 8th, 5:00pm I the Co-op board room. Meetings are typically about an hour long. Please feel free to join.

Hannah motions to approve the committee charter. Chris L. seconds. Unanimously approved.

MEMBER LOAN CAMPAIGN – Hannah

- Member loan campaign offer document has been submitted and is waiting for review.
- Hannah is working on organizing a group to help with the committee, as well as reaching out to co-ops who have successfully completed a member loan campaign to ask about their experience with it.
- Chris L. notes that it was suggested that we wait until we know what exactly is happening with the renovations before we start to discuss when to kick-off the campaign.

STRATEGIC PLANNING COMMITTEE – Zach and Hannah



**1st Quarter, Fiscal year 2018-2019
Company Wide Rocks & Accountability**

Q1 Financial Goals

Gross Sales: \$550,000 \ **\$529,000**
 Net income: \$10,000 \ **\$11,000**
 GMP: 33-36% \ **37%**

Q1 KPIs (Key Performance Indicator)

1. Sales Growth: 2% \ **-2.7%**
 2. Basket Total: \$29 (or greater) \ **\$27.06**
 3. Membership Growth: 91 new members \ **82**

	WHAT	WHO	WHEN	STATUS	DATE COMPLETE
1.	We have successfully found our new Assistant Manager and he/she is well suited to all that the Coop needs & does and are functioning happily in their role.	Zach	6/1/18	YES	5/16/18
2.	The annual meeting committee has planned and prepped for an exciting event that is reinvigorating our membership and grows attendance & participation.	Steve and committee	6/6/18	YES	6/6/18
3.	Membership: CPA has reviewed/assisted with this and the policy is written & in place. Records from now on will be entered all into one place.	Zach, Chris, Laura	6/15/18	NO	
4.	Forward movement continues for the renovation/expansion; including member loan, proforma and design work	Hannah and Zach	6/30/18	NO	
5.	We are prepped for our successful member loan campaign; including forming a committee, it's chair and a charter	TBD	6/30/18	NO	
##	Extras: Phone call is placed to NCG for membership moratorium update	Zach	WBN	NO	
##	Extras: The new Coop employee handbook is completed & ready for review by an attorney	Zach	WBN	NO	



2nd Quarter, Fiscal year 2018-2019
Company Wide Rocks & Accountability

Q1 Financial Goals

Gross Sales: \$546,000
 Net income: \$10,000
 GMP: 33-36%

Q1 KPIs (Key Performance Indicator)

1. Sales Growth: 2%
2. Basket Total: \$30 (or greater)
3. Membership Growth: 91 new members

	WHAT	WHO	WHEN	STATUS	DATE COMPLETE
1.	We have successfully found and hired our new Kitchen Manager and Bookkeeper and they are well suited to all the Co-op needs & does and are functioning happily in their roles.	Zach	7/20/18 7/31/18		
2.	The membership committee has officially formed and has created a charter and timelines for completion of membership policy and has put all of the membership records thru the policy.	Kate Thomas	9/15/18		
3.	Member loan program has been reviewed by legal counsel and the SCC. The team has been trained and fundraising is ready to begin	Hannah	9/1/18		
4.	A facilities and expansion update meeting has been held with Mark Foley	Hannah	8/15/18		
5.	Painting of the retail space is complete	Zach	9/1/18		
##	Extras: Co-op handbook complete	Zach	9/30/18		
##	Extras: All parking lot signage is complete	Melissa	9/30/18		

PG Reports

Reminder: The Sunday before the Board Meeting, please email PG Reports to the whole Board and Zach as well as place it in the Drop Box.

C6 –Directors code of Conduct– Dave

- Dave will have this for next meeting. He is having issues with Dropbox – Steve volunteered to assist him.

GM Report

• This Month

- Hannah and I had a conference call with Jeff the project manager last week who advised we need to send Mark a professional but stern email advising we need an update. Sent the email on Monday, still haven't heard anything back.
- Hannah and I travelled to Stone Valley Community Market in Poultney yesterday to tour and offer tips and tricks on operations. It was a great visit and felt very rewarding.
- As Chris mentioned we failed a liquor sting. Fine to Co-op \$260.00. We didn't sell the item but didn't properly ID the person either. Staff member that failed the sting was promptly fully retrained and each cashier was alerted of the situation and the need to follow proper laws/guidelines. All cashiers have been retrained and are aware that you *must* ask for ID.
- One of the old drain pipes sprung a leak in the warehouse during the heavy rain this week. Was against the back wall (no damage to our products). Called Landlords tech, he promptly came and patched it.
- We have hired a new book keeper. Her name is Monica Jermacans and will join this coming Monday 7/30.
- We offered the kitchen manager position to an applicant who sadly decided to take a different position. We currently have an applicant moving back into town from South Carolina in mid-August and have begun the application process and hope to phone interview next week.
- Sales for July as of yesterday are **down \$ 8,000 or -5 %**.

• Next Month & Future

- We will have a tent at the upcoming Street Party hosted downtown Saturday 8/4 from 9-5. Melissa and Justin will be working the Co-op tent and will be giving away samples of Bee's wrap, badger balm, Vermont soap and green mtn tick repellent. We would love if available BOD members could stop by and work the tent for an hour or so, here and there, to promote the co-op, show support, and help cover staff breaks and such.
- August is our worst month of the year so please shop extra if you can.
- Justin, Melissa, and I met with Annie Harlow from Vermont Farm to Plate. They have some free trainings and resources available for Co-op's until next year (grant). Some of the topics include vendor relations and buying power, Customer service, merchandising etc. We have emailed back and forth with her and plan to have her in for some shadowing in the beginning of August. After she shadows she will choose which training she thinks would be best suited for our needs.

Special Orders

- Roberts Rules – It's been suggested that we continue to work with Robert's Rules as it seems to make our meetings much more efficient, as well as provide space for everyone's voice without compromising each other's time.
 - It was suggested that we continue to practice Robert's Rules until we become comfortable with it before potentially voting to formally adopt them.

Hannah makes a motion to review and vote on Robert's Rules for October's Board Meeting. Irene Seconds. Unanimously approved.

Unfinished Business

- There was a proposal at last month's meeting to change the meeting date. Kate retracts her original request.

New Business

Announcements

- Thursday September 13th, 5-8pm is the Board Cook-off

Review of Board Calendar

- July
 - Update BOD information for Vermont Department of Liquor
 - Review BOD Insurance
- August
 - Treasure presents Financial Review

Tabled Items

- Postpone consideration of Board – Staff bonding event until October
Hannah motions, Kate seconds. Unanimously approved.

Next Month

- Finance Committee Meeting: Wednesday, August 15th at 6 pm
- Board Meeting: Thursday August 23rd at 6:30 pm
- Membership Committee – August 8th at 5pm
 - C6 – Officer Roles – Dave
 - C7 – Board Committee Principles – Chris L.
 - B1 – Financial Conditions and Activities - Zach

Executive Session: Reasoning Personal - Hannah motions adjourn the meeting and move to executive session meeting. Kate Seconds. Unanimously approved. 7:46 pm

Meeting closed:

Appendix

Rutland Area Food Co-op
Membership Committee Charter
July 18, 2018

The Membership Committee, a standing committee reporting to the Board of Directors, is established pursuant to Article 7.2 of the Rutland Area Food Co-op Bylaws to consist of no fewer than one (1) member of the Board of Directors to be appointed by the Board Facilitator and one (1) member of the Management Team. The Committee and/or its Subcommittees may also include other non-Directors whose experience and qualifications may assist the Committee and the Board in the performance of the Membership Committee's responsibilities. A majority of the Committee members, present and voting, shall institute a quorum. However, at all times a majority of the Committee, and a majority of a quorum, shall consist of Board members.

The Committee shall meet no less than once per month as necessary and appropriate at the call of the Chair of the Committee, and shall maintain minutes of all meetings, which will be distributed to the Board, preferably in advance of the next regularly scheduled Board meeting.

The purpose of the Committee is to:

1. Develop and recommend a Membership Policy to the Board;
2. Design and implement a system for determining the amount of money paid by each Co-op Member towards his/her/their equity share as defined by the Bylaws;
3. Create and maintain accurate records of past Members' contributions towards their equity shares;
4. Create and maintain an archive of information upon which the equity records were based so that future Board members can easily access such information;
5. Cooperate and communicate with the Member Loan Committee to provide information regarding Members' equity contributions; and
6. Carry out any other responsibilities regarding membership delegated by the Board.