

Board of Directors Agenda for the RAFC
September 24, 2020
Location: Virtual meeting due to Covid-19

New board president Steve Peters called the meeting to order at 6:33.

Each board member introduced themselves briefly to the board's guest, Lindsey Bishop, who may be interested in becoming a board member.

Attendance

Board Members: Steve Peters, Abigail Fowler, Jess Venable-Novak, Melissa Rixon, Chris Etori, Matt Poli, Irene Gold
Staff: TJ Allen

Staff Time

No staff present at this meeting.

Steve asked for a motion to approve the minutes from the August meeting. Jess motioned. Irene seconded. The motion passed unanimously.

Committee Reports

Finance Committee w/ Matt Poli

We took in more money than we sent out this month, which is incredible given the circumstances. It sounds terrible compared to last year, but we're still profitable which is great.

We have over \$200,000 in the bank right now, which is after the 50% deposit for Catapult. We're the size that we need to be for the time being, and we're poised to take off once we're able.

Chris E requested that Matt include him on the finance committee.

August Review

- Sales down \$19,775.52 or 11%
 - HABA down 13.5% (\$3,853)
 - Bulk down 40.1% (\$8,097.53)
 - Grocery down 0.1% (\$49.49)
 - Produce up 9% (\$1,904.60)
 - Alcohol up 13.5% (\$1,028.06)
 - Coffee up 24.9% (\$997.59)
- COGS down \$1,102.02 or 1.1%
 - Grocery costs up \$4,179.92 (19.9%) due to using new vendors to fill term UNFI OOS in pasta, canned beans, condiments, etc
 - Bulk costs down \$4,705.38 (46.3%) due to decreased ordering as we worked through moth infestation
 - HABA costs down \$2,193.20 (14.2%)
- Loss/Waste down 18.5% (\$394) over last year
- Profit of \$2,078.93 down 81.3% (\$9,009.31) over last year
 - Payroll down \$13,263 (29.9%) over last year (one less pay period in 2020)
 - Small Tools and Equipment – Marketing Laptop
 - Professional Fees – Initial Columinate program fee

QTD

- Sales down \$43,402.27 or 12.1%
- COGs down \$2,288.25 or 1.1%
- Loss/Waste down \$970.79 or 36.9%
- Loss of \$8593.28 down \$17,813.86 over last year

YTD

- Sales down \$106,027 or 11.8%
- COGS down \$47,053 or 8.4%
- Loss/Waste Down \$2,420 or 22.8%
- Positive NI of \$1,747.01 down \$24,433 (92.9%) over last year

Annual Meeting (follow up) w/ Melissa Rixon

- Meilssa thanked everyone.
- 30 people attended the meeting.
- There were multiple attendees listed as Justin Jankus at the meeting. They think that somehow the name field was auto populated through the eventbrite platform.
- The meeting went well, very smooth.
- Meilssa thanked Jess for being the chat moderator.
- The meeting is now available on vimeo to view.
- Melissa is going to upload everything to dropbox after she complies and edits some things.
- TJ said that Middlebury had 36 attendees at their virtual annual meeting, so we had a pretty good turn out for a virtual event.
- Steve reported that there were already 34 views of the meeting on YouTube. He also thanked everyone for their hard work.
- Raffle winners: Zachary Manganello won the Local Wellness themed basket and Barbara Richardson won the Local Grocery & Cooler basket.
- Chris Ettori said everything went really well, no dead spots, great work.
- Jess thanked Melissa for taking charge of the whole process, despite coming into the committee late, and then magically making everything go so smoothly.
- Melissa thanked her husband Eddie for his help.
- Irene was impressed and thanked everyone for their hard work.
- Questions asked during the meeting are still actively being followed up on.
- There were some very deep questions sent in by email prior to the meeting that are also being followed up, as well as some additional questions/comments that came in after the meeting.

PG Reports

B3 - TJ Allen

The General Manager shall not allow assets to be unprotected, unreasonably risked, or inadequately maintained.

The GM will not:

- 1. Allow equipment and facilities to be inadequately insured, or otherwise unable to be replaced if damaged or destroyed.**

All insurance policies are current and complete.

- 2. Allow unnecessary exposure to liability of lack of insurance protection from claims of liability.**

Our coverage protects us, and we currently have no claims.

- 3. Allow inadequate security of premises and property.**

Premises is secure with all the proper locks in place. We have a monitored alarm system with motion activation and a silent alarm button. All team members who are keyholders are required to read and sign off on policy guidelines.

While this does not affect our compliance, we should begin looking at securing a new perimeter alarm system through Brinks if we are going to stay in this location through the end of our lease. Our current system is a residential alarm system and we could improve security through upgrading.

- 4. Allow data, intellectual property, or files to be unprotected from loss, theft, or significant damage. a. (Allow improper usage of members' and customers' personal information)**

All property, data, and personal information is stored securely and not at risk. Member information will never, for any reason, be shared with outside parties.

- 5. Allow uncontrolled purchasing or purchasing subject to conflicts of interest.**

All purchasing is recorded in QuickBooks and hard copies are kept for the seven-year requirement. All purchasing is done following the proper buyer's guidelines. Any conflicts of interest are disclosed.

- 6. Allow lack of due diligence in contracts.**

All contracts are secure and up to date.

- 7. Allow damage to Cooperative's public image.**

The GM will not conduct himself or allow the Co-op, or any persons directly related to the Coop, to do anything that would damage our public image. We have an open-door policy and are happy to discuss any concerns that our owners or any members of the community may have at any time.

Conclusion: **Compliant**

The Co-Op's Brinks security system is designed for homes, not businesses. TJ is going to start looking for a new system now that it looks like we're going to be staying through to the end of our lease.

The B3 report was accepted.

D - Melissa Rixon

Policy Name & Number: D - Global Board-Management Connection
Policy Type: Board-Management Relationship
Last Revisited: December 30, 2019 - Erin Anderson

Director: Melissa Rixon
Submitted on: 9/21/2020

Policy text copied below:

The Board's sole official connection to the operations of the cooperative will be through the General Manager.

1. Is this policy clear? What does this policy mean to you? (Yes/No/Comments)

Yes, this is a clear policy. This policy establishes a concise chain of command where the board works with the General Manager (as outlined in additional policies) who helms operations.

2. How has the board been IN compliance?

Following this policy, and the additional policies outlining the Board-Management relationship, the board of directors has not attempted to facilitate a change to, or management of, operations. All interaction between the board and operations has occurred via the General Manager.

3. How has the board been OUT of compliance?

To the best of this board member's knowledge, the board has not been out of compliance.

4. Overall, has the board been in compliance?

Yes.

5. Is this the policy that we want? (Yes/No/Comments)

Yes. The policy is clear and functional.

Recommended changes (if applicable).

None at this time.

Melissa made a small edit to the worksheet. On questions one, she added "What does this policy mean to you?" She wants to make sure it is clear to the reader what the board member's point of view was and for a deeper policy review and evaluation.

She did the report with Matt Poli as this was her first.

D1 - Matt Poli

Policy Name & Number: D1 - Unity of Control
Policy Type: Board-Management Relationship
Last Revisited: 10/24/19, Christopher LiFler

Director: Matthew Poli
Submitted on: 9/23/20

ONLY OFFICIALLY PASSED MOTIONS OF THE BOARD ARE BINDING ON THE GM.

1. DECISIONS OR INSTRUCTIONS OF INDIVIDUAL DIRECTORS, OFFICERS, OR COMMITTEES ARE NOT BINDING ON THE GM EXCEPT

IN RARE INSTANCES WHEN THE BOARD HAS SPECIFICALLY AUTHORIZED THIS POWER.

2. IN THE CASE OF DIRECTORS OR COMMITTEES REQUESTING INFORMATION OR ASSISTANCE WITHOUT BOARD AUTHORIZATION,

THE GM CAN REFUSE ANY REQUESTS THAT, IN THE GM'S OPINION, MAY DISRUPT OPERATIONS OR THAT REQUIRE TOO MUCH STAFF TIME OR RESOURCES.

1. Is this policy clear? What does this policy mean to you? (Yes/No/Comments)

Yes, it is. It explains how the board's power doesn't trickle down to individual directors or committees, and unless something is being imposed by an official motion, the GM can say no.

2. How has the board been IN compliance?

I am not aware of any board members or committees disrupting operations or wasting staff time or resources.

3. How has the board been OUT of compliance?

I am not aware that we have been.

4. Overall, has the board been in compliance?

Yes

5. Is this the policy that we want? (Yes/No/Comments)

Yes, I think so. I don't think there's a problem with board members "throwing their weight around".

Recommended changes (if applicable).

None, but I would recommend keeping the last line of this policy in mind when we have meetings with the GM and staff. I think we have done well in this regard recently, but this policy review is a good reminder to stay vigilant.

GM's Monthly Update

- We started Catapult this morning! They estimate it will take 8-10 weeks to complete, which will put us just 4 days before Thanksgiving. Justin and TJ are either going to try to expedite or slow the process way down so as not to conflict with the busy holiday traffic.
- Whitebeard Eric Frankie has been "trespassed" from the store for threatening staff and shoppers. He's been a consistent agitator.
- The Co-Op is starting a new member-owner benefit in the form of a volunteer program. Once a quarter, if a member-owner has completed 8 hours of community service (and can prove the work was done), the person will receive a 7% discount on their basket.
 - Brattleboro and Hunger Mountain both use this format.
 - TJ wanted to know if this program needed to be approved by the Board.
 - Steve isn't sure if a vote is required, but is happy to set a vote just in case.
 - Melissa asked if we still have the senior discount and supplement discount. TJ said the discounts can't stack.
 - Matt asked if a coupon would be useful, but TJ said it would be more work.
 - Broc, Community Cupboard, Mentor Connector, RVSP are some of the organizations that we're working with.
 - Melissa wanted to know how we'd know who had done their service. TJ said that there is a point person at each organization that would submit the names.
 - There was some discussion about if we needed to vote, wondering if it was a bylaw change or a policy change or an operations change, or none of the above. It doesn't seem to be.
 - Melissa said that she thinks this is a great idea and is very excited for this program to roll out. The rest of the board agreed.
- The power will be off Tuesday for repairs to the breaker.

Special Orders

- Irene said that she had the fresh fish and it was excellent.
- TJ said that we're doing 40-50 lbs and the quality is incredible.

Official Vote of new Officers:

Facilitator - Steve Peters

Second Facilitator - Jess Veneble-Novak

Secretary - Melissa Rixon

Treasurer - Matt Poli

Irene motioned

Chris E seconded.

New Business

- Columinate Financial Webinar Update from Melissa & Matt
 - Melissa has all the handouts from the webinars they virtually attended if anyone is interested and will be uploading the files to dropbox as soon as she can.
 - They learned a lot and they are very excited to share their knowledge with the rest of the board if anyone is interested to learn more or answer any questions anyone might have.
- Calendar
 - Meeting dates for November will be changed to the 19th since the last Thursday is Thanksgiving.
 - Meeting date for December changed to 17th since the fourth is Christmas Eve.
 - Usually in September there is a board retreat, but Jess thinks we should push it this year to January due to COVID.
- Justin and TJ were on a webinar for member owner engagement recently and Jess is excited to learn more about that. TJ put the slides from the program in dropbox.

Agenda Setting

- Board Calendar:
 - Finance committee will be held the 21st
 - TJ - B4 & B5
 - D2 - Chris Etori
- Melissa will send the new worksheet template to Chris and then once dropbox is reorganized she'll let the board know where it will live.
- A request for any new Agenda items
 - TJ will report more on the ProForma at the next meeting.

Adjournment

Board president Steve Peters called for the meeting to adjourn at 8:08pm. Irene motioned.