

Board of Directors Meeting Minutes for the RAFC

June 25, 2020

Location: Virtual meeting via Zoom.com; due to Covid-19

Board President Hannah Abrams called the meeting to order at 6:33pm.

Attendance

Board Members Present: Hannah Abrahms, Jess Venable-Novak, Melissa Rixon, Irene Gold, Chris Littler, Chris Etori, Steve Peters, Matt Poli

Staff Present: TJ Allen

Hannah asked for a motion for the minutes from the May meeting to be approved. Chris Littler motioned. Irene Gold seconded.

Committee Reports

Finance Committee w/ Chris Littler

May Review

- Sales down \$23,627 or 13.5%
 - HABA sales down 32.2%
 - Cooler sales down 21.5%
 - Bulk sales down 17.9%
 - Take Out down 83.9%
 - Produce sales up 15.5%
 - Alcohol sales up 33%
- COGS down \$6,042 or 5.1%
- Loss/Waste down 33.3% (\$155) over last year
- Loss of \$6,638 down 549% over last year
 - Total Operating expenses down \$10,474 (19.6%) over last year
 - Store Supplies up \$478 (581%) due to COVID-19 safety purchases for store and staff
 - Payroll down \$9,170 (22.8%) due to one fewer pay period and two fewer department managers

QTD/YTD Date

- Sales down \$37,535 or 10.6%
- COGS down \$27,341 or 11.2%
- Loss/Waste Down \$724 or 20.3%
- Profit of \$2,060 up \$2,269 (1,087.5%) over last year

Looking Forward

- Continued reopening of Take Out/Prepared Foods
- All store meeting June 28
- Cooler/Freezer Manager returns July 1
- Bulk Manager ETA unknown

The staff are moving products around to increase sales and bring the potential for shoplifting down. Judy now is working from a mobile workstation so she can have more of a sales floor presence.

PG Reports

Policy Name & Number: C5 – Code of Conduct

Policy Type: Board Process

Last Revisited: May 24, 2019

Director: Jess Venable-Novak

Submitted on: June 22, 2020

We each commit ourselves to ethical, businesslike and lawful conduct.

1. Every director is responsible at all times for acting in good faith, in a manner which she/he reasonably believes to be in the best interests of the Cooperative, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.
2. Directors must demonstrate unconflicted loyalty to the interests of the Cooperative's owners. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups, membership on other boards or staffs, and the personal interest of any director acting as an individual consumer or owner.

Board of Directors Code of Ethics and Conduct:

As a member of the Board of Directors of the Rutland Area Food Co-op, I agree to:

1. Attend all regular and special Board meetings;
2. Be prompt, attentive, and prepared for all Board and committee meetings;
3. Devote the time needed to fulfill the responsibilities of the position;
4. Contribute to and encourage open, respectful and thorough discussion by the Board;
5. Be honest, helpful, diligent and respectful in my dealings with the Co-op, with other Directors, and with the Co-op's Management, Staff, and Members;
6. Disclose any personal, economic, domestic, or organizational conflict of interest that I may have and refrain from discussing or voting on any issues related to that conflict;
7. Refrain from becoming financially involved or associated with any business or agency that has interests that are, or could be perceived to be, in conflict with the interests of the Co-op;
8. Refrain from asking for special privileges as a Board member and from interfering with Management's authority. Will not engage in operational activity of the Co-op without the expressed permission of the General Manager or the official approval of the Board of Directors;
9. Treat the business of the Co-op and its members, and all related information and decisions, with appropriate discretion and confidentiality;
10. Work for continued and increased effectiveness in the Co-op's ability to serve its Owners;
11. Abide by decisions made by the majority of the Board, even if it is not my own personal opinion. Present the agreed-upon view of the Board of Directors rather than my own, if different, when I speak for the Co-op to employees, members, shoppers and the general public. I understand that in case of disagreement between me and the Board decision that I shall have the right to present further evidence and argument to the Board for further consideration in a manner consistent with the Board's by-laws. Whereupon, the Board shall have the duty to reconsider its actions according to the bylaws.
12. Work to ensure that the Co-op is controlled in a democratic fashion by its members and that all elections are open and fair and encourage the participation of all members. Strive at all times to keep members informed of the Co-op's status and plans and of the Board's work, as appropriate;
13. Continually seek to learn more about the Co-op and its operations and about my responsibilities as a Board member.

As a Co-op Director, I agree to abide by this Code of Conduct. I agree that if, in the opinion of the majority of Co-op Directors, I have violated the letter or spirit of this agreement, I shall resign my position on the Board immediately and shall not seek to cause continued disruption to the Co-op and the Co-op Board for that action.

1. Is this policy clear? (Yes/No/Comments)

Yes

2. How have we been IN compliance?

I believe that our Board is engaged and interacts in a way that is aligned with this policy.

3. How have we been OUT of compliance?

Not that I am aware of.

4. Overall, have we been in compliance?

Yes. I cannot recall a time this year when this code has been violated. I know that in previous years, when this Code has been violated, the executive committee, in conjunction with the full Board, has discussed and made decisions in a way that was not disrupted to the Board's overall function and operation.

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

I believe so!

Recommended Changes:

None!

Policy Type: Ends Policy Title: A- Ends

TJ Allen, GM

Because of the Rutland Area Food Co-op, our community will have:

- Affordable access to natural, whole, and minimally processed and packaged food items and other products that form the basis for healthy and ecological lifestyles.
- A market for local, regional, and other cooperative producers of food and other household and personal products
- A community building and educational center where owners and other patrons can work, shop, and learn together and empower each other.
- Support for and cooperation with other individuals and organization whose purposes are similar to those of the Co-op.

Please see the data under each section below:

Affordable access to natural, whole, and minimally processed and packaged food items and other products that form the basis for healthy and ecological lifestyles.

- We select a wide variety of monthly specials. These specials are clearly signed throughout the store, are posted in the monthly sales flyer, and emailed out the beginning of each month.
- Supplement discount day is on Mondays, members receive 10% off supplements.
- Senior discount day is on Wednesdays. 10% off on all purchases except consignment and gift cards for all patrons that are at least 62 years' old.
- Staff receives a 20% discount. Not valid on alcohol, gift cards, clothing, or consignment.
- Board members and volunteers receive a 10% discount. Not valid on alcohol, gift cards, clothing, or consignment.
- The special order programs offer additional savings on bulk purchases and is available to all customers and staff.
- We continue to focus on trying to carry products and brands whose prices are more competitive and comparable to the income level of our community.

- We make every attempt to get the best possible pricing on the items we carry. We share those discounts directly with our consumers.
- We offer a diverse and expansive selection of carefully selected products for better living.
- When considering new products, we always check to make sure the retail price would fit our consumer base.

A market for local, regional, and other cooperative producers of food and other household and personal products

- We offer a wide array of local products
- We focus on local producers first and foremost
- When considering prospective suppliers, we follow proper Co-op buying guidelines
- There are chances for consignment, gift, local art, and clothing
- We are always happy to receive and follow-up on customer suggestions to expand our product selections
- The Co-op looks for every opportunity to invite new suppliers or vendors to our store. Everyone is held to the same standard and given the same opportunities without discrimination
- We invite our vendors to demonstrate their products and educate our community.

A community building and educational center where owners and other patrons can work, shop, and learn together and empower each other.

- Our building is open to all members of our community
- We prioritize great customer service
- We offer space for education, group meetings, and community projects
- We welcome and educate numerous school groups and cooking classes annually
- With our continued growth and profitability, we hope to expand our educational offerings in the future.

Support for and cooperation with other individuals and organization whose purposes are similar to those of the Co-op.

We support and/or participate in the following:

- Vermont Retail Grocers Association
- Cooperative Fund of New England
- National Food Co-op Association
- Cooperative Groceries Network
- Columinate
- Downtown Rutland Partnership
- The Community Cupboard
- The Rutland NAACP
- Rutland United Way
- Heritage Family Credit Union
- Northeast Organic Farming Association
- CoMetrics
- The Rutland Free Library
- Rural Vermont

- VBSR

In my opinion, we are compliant.

Signed: Tecumseh J. Allen, GM

We're not sure how to proceed with the education aspects in the midst of COVID. TJ knows the education leader on the Upper Valley co-op and will reach out when the pandemic is over.

GM's Monthly Update

- Low customer count still.
- Decreased lunch turnout.
- Closely monitoring production and waste of prepared foods.
- Having the cooler/freezer manager back next week will help.
- Staff meeting on Sunday. New job descriptions will be distributed and each staff member will have to sign off on their description so everything can be as clear as possible.
- TJ was interviewed 1 ½ hours by Rutland Magazine on how to adapt and prosper during the time of COVID. Hannah and Steve will be contacted for the article as well. The article will come out this fall.
- Still on track for Catapult.
- Don Moffat: Submitted a proposal for a \$4500 investment for ProForma on what's the next best step for the co-op. The steps haven't been taken yet, but the options have been discussed. We need to make a decision soon. We have reached the highest level of success we can with the store the size it is now. We need to get back to Don in a week. TJ thinks we owe it to our member base to grow. We've been at this location for 25 years.
 - Chris E was under the impression that we'd already decided to move forward.
 - TJ clarified that we need to decide if now is the right time or if we should wait.
 - Chris E said we need to start fundraising now.
 - Hannah agreed. We're not going to move right away but we need to do the proformas on the three locations to be able to move forward.
 - Chris L asked if anyone is against it.
 - Chris E isn't sold on any of the suggested locations.
 - TJ said it's more about finding a blueprint for size, not necessarily the actual building right now.
 - Hannah said that 6500 sqft is the desired size.
 - Jess wanted to know if we had a proforma on the old Rite Aid building already. Hannah confirmed that we did, but it was 2-3 years old.
 - Steve wanted to know if the Ground Round space was still available. He heard that the restaurant might be doing some construction to reopen. No one was able to confirm.
 - Hannah wanted to know if we were financially sound enough to move forward with Catapult and the proformas. TJ said yes.
 - Jess wanted to know what happens if we don't have 3 properties to study. They said that the market study suggested we move closer to the junction of routes 4 & 7 and to be more visible from the road.
 - Matt wanted clarification that the buildings that were "proforma'ed" are only for general size, not for the actual building itself. TJ confirmed. Hannah said that we could potentially outgrow the Rite Aid quickly, despite the good location.

- Hannah asked for a motion for the Columinate proposal
 - Steve motioned.
 - Matt seconded.
 - The motion passed unanimously
- TJ informed the Board that the website has been updated to a sleeker design, that is also easier to navigate.
 - Melissa loves the new design.

Board Facilitator Update

Hannah wanted to let the Board know that she went into the Columinate call with hesitation, but left the call feeling much more confident and enthused.

Special Orders

Chris L reminded the Board that during the April meeting we decided to postpone the discussion about the Annual Meeting, with the caveat that we'd revisit the discussion in May, which we didn't. He expressed concern that we need to make some decisions. July is approaching very quickly.

Hannah said she and Steve discussed this and set a cut off deadline of July 30 on if we can have an in person or should start planning an internet meeting.

Chris L said he'd heard that there might be a ban on large gatherings until October, but can't confirm. He also pointed out that "can" and "should" are different. He wondered if ethically it was ok to hold such a large gathering, and if it is in line with our mission.

Melissa asked if there was an Annual Meeting Committee in the past.

Hannah said that the Board decided not to have one this year because we'd gotten so good at hosting them, but then COVID hit and everything changed.

Steve said that it was the Board's responsibility to host the meeting.

Hannah said we should probably create the committee again, but the Board didn't want to call it an official committee.

Melissa volunteered to be an information source for that committee/conversation because she had planned and replanned a wedding during the pandemic and knows where to find the appropriate information resources.

Hannah suggested that we just plan a virtual meeting since cases are starting to rise again.

Chris L said Insane Clown Posse cancelled their annual concert, and he doesn't want to appear to be less responsible.

Irene suggested opening the opportunity to discuss the options to the membership, but it was determined that wasn't a viable possibility.

Steve suggested leaving the conversation to the non-committee committee, so as not to take up the whole board's time.

Unfinished Business

Jess is proposing a new calendar system to make things more streamlined and comprehensive, as the current system is confusing.

- The financial calendar will not be changed.
- Chris L pointed out that we'd need to change one of the policies that has language that says board business needs to be conducted between January and December.
- Jess feels like having two calendars is manageable: the Financial Calendar and the Board Calendar. They need to chat further with Steve and Hannah to work out more details.
- Matt looked at the bylaws to see if there would be any issues. He only saw that the board members needed to be selected at the annual meeting.
- Melissa wanted to know if there were any bylaws about when the annual meeting had to happen.

- Matt said the bylaws just said that it had to be held after the end of the fiscal year.
- Hannah asked for a motion to accept the calendar
 - Chris L motioned.
 - Irene seconded.
 - The motion passed unanimously.
- Jess is going to continue to work and will present any changes at the next meeting.

Agenda Setting

- Board Calendar
 - A-Ends - GM
 - C6 Officers - Steve
- Annual meeting conversation update
- Strategic Planning - will reach out for date and time.
- Jess will send out an email confirming board personnel info for the roster.
- Matt suggested we use a different platform for our meetings because Zoom deactivated user accounts at the request of the Chinese government to stop a presentation on protests at Tiananmen Square. He suggested using Google Meet instead.
 - Irene said it was at least wise to consider options.
 - Jess agreed.
 - It's a free platform. Very similar to zoom platform.
 - No one opposed the suggestion.

The next meeting will be held on Google Meet! Matt suggested a trial run to make sure it works for everyone.

Adjournment

Board President Hannah Abrams called for the meeting to adjourn at 7:39pm. Irene motioned.