


peOple's
 FOOD CO-OP **Board Meeting Minutes**
Tuesday, April 28, 2020; 5:30-8:30 pm

Facilitation: JennyL **Minutes:** Gayle **Vibes/Celebration:** JennyO **Clean-up:** n/a **Scribe:** n/a

Attended by:

Board Members: Eleanor, Naoki, Jen, Chris, Brion, Jenny

CM/Staff: Amina, Rachel

Member-Owners: Debbie, Linn, Claire, Iris, Christopher

Guests: n/a

COMMITMENTS:

	COMMIT MADE	DIRECTOR(S)	DUE DATE	COMMITMENT
1	4/23/19	Rachel	5/20	CM will clarify and explain 8.6, allocation of net loss, in time for the 2019 patronage decision.
2	9/24/19	Eleanor, JennyO	5/20	Subcommittee for reflection on 2.2.
3	3/24/20	JenB, Rachel	5/20	Discuss resources and documents that are needed for new Board members and generally plan the orientation. Jen B. will coordinate
4	12/3/19	Kahadish	5/20	Kahadish will make the refund happen for the person whose membership was terminated once they provide an address.
5	7/23/19	CM Link	?	CM Link will bring the topic of names on bank accounts back to the Board when Finance Team has another eligible person.

DECISIONS:

DECISION: March minutes approved as written (Brion abstained).

DECISION: Yes, we will do a dividend payout. (Brion abstained.)

DECISION: Pay 100% patronage dividend.

DECISION: If actual number is outside of 25-40K, Board will reconsider the 100%.

DECISION: \$3 de minimis.

DECISION: If numbers come back outside 25K-40K, decision will be made by ad hoc committee of JennyO, Chris, Jen, Eleanor.

NEW COMMITMENTS:

- n/a

MINUTES APPROVAL:

DECISION: March minutes approved as written (Brion abstained).

AGENDA REVIEW:

- n/a

Member Owner Forum:

- n/a

1) Welcoming Prospective Board Members: Intro to the Board & NMEC

Sponsor: Eleanor/Naoki

Purpose: discuss

- Eleanor: NCG article: “Never before has the coop been more in need of the foresight that ...support to management....no playbook exists.” Really grateful for people who are willing to step up at this time.
- Naoki: Some more about why we’re excited about each nominee and their board buddy. But first really want to appreciate the level of work and engagement of Finnley and Christopher on putting together this election.
- Christopher: Really cool that people are willing to show up in this way.
- We have 3 board candidates. As you may know, we have 4 open seats. Once this election is over, we will need to continue the work of finding another board member.
- Board: Debbie: You were nominated because she has shown excellent reflection on how what she does affects others, boundaries, anti-oppression. (buddy=Brion)
- Board: Claire: Your parents have run a store and so you have been involved in retail for a long time. You already knew all the answers of what it means to be on the board. (buddy=Eleanor)
- Board: Jen: We have seen you on the board for the last several months, and you have been such an important addition to the board this year. Early on, you really challenged what was going on. Help the board have difficult conversations. (no buddy since on board)
- NMEC: Iris: The first thing that came up is how what you want to do and how NMEC operates are really aligned. Also the way that you are thoughtful in how you approach things, the way you listen. This is key since the role of NMEC is to listen to membership. (buddy=Christopher)
- NMEC: Jeanne: Did not interview because they opted to collect signatures to be on the

ballot. (no buddy assigned)

- NMEC: Linn: You are very passionate about engagement in organizations and communities, revive engagement with membership, ask good questions about the democratic process and best practices. (buddy=Finnley)
- NMEC: Christopher: You have been on the committee for 3 years and has gone through so many versions of the committee and its learning curve. Persistent in finding ways to resolve conflict without going against values.
- Brion: Are all of candidates for Board & NMEC on this call? No, Jeanne (NMEC) is not present.
- What NMEC does: Elections and nominations, member engagement events.

2) COVID-19-related Updates from CM

Sponsor: Rachel

Purpose: discuss

- Some info in board packet. Jenny sent additional questions in email, and Amina has researched answers.
- Amina: Over the hump of increased sales at start of pandemic, now getting negative sales growth (which is happening across the board). Scheduling has been one of the tougher things to manage, finding people who are willing to work. Six or seven weeks, closer to a more regular schedule. Creating plan for if/when a worker tests positive, in coordination with OSHA, etc. Actively hiring, bringing subs in as staff, trying to expand worker pool. Face masks: Now requiring all customers (as well as staff) to wear masks.
- Rachel: Last time pulled numbers (2.5-week period of early April) comparing to last year, running about -5 to -7 from last year. Hired previous worker as sub, might become staff. Another recent change was deciding to close on Thursdays for the foreseeable future to make scheduling more possible.
- JennyO: Thank you both for sharing that information, both operational (what was in the packet) and bigger-picture questions. NCG is having a board conversation about how to best support GMs (CM in our case). I don't think we're the only ones who are asking these questions about staffing, what it feels like to be on the floor, what to do if someone tests positive. Feels important that Collective has a plan for that.
- Amina: We have contingency meetings every Thursday to communicate with CM various scenarios. Doing as much work in advance to know as we can.
- Chris: I know one of the owners asked about requiring face masks. How is the information being communicated out to owners? What happens if someone arrives without one?
- Eleanor: Temp check on how M O feedback?
- Naoki: A bit concerned about level of detail being shared from Jenny's questions and how it helps us do our work as a board.
- Jenny: If someone tests positive, I think community will ask Board about it.
- Eleanor: Vibes: We tussled with this at work session and asked ourselves what we need to know to do our job vs what is just nice to know.

- JennyL: How is communication going between Board and CM? What works best right now?
- Rachel: Face mask question: Don't know how it's being communicated to customers; it happened on my weekend. Might be out of the disposable ones we had from FEMA. Plan seems to be to have them on hand to give people who don't come with a mask.
- Amina: Communication on website, Instagram, occasional Facebook.
- Rachel: Vast majority has been very positive, people thanking us for what we're doing, saying it feels safer at co-op than at most places.
- Rachel: Stopped sending out large daily emails to staff, now doing one every Sunday. Want to go back and send the last updates to the Board.
- JennyO: I think that since we're having this conversation right now, you don't need to send us information you've already told us. Mostly concerned about response if/when someone tests positive.
- Chris: Re face masks: I haven't seen anything come out to owners, would like to see an email to members. Re information: Would like to see the weekly Sunday emails to CM.
- Amina: Confused on whether we should send you the flowchart we have, talk about media response, ? I think in a lot of operational work, would like to show general and long-term plans rather than minutiae. Would rather get larger-view questions from board, not questions about hand sanitizer. Would like more trust from the board about that.
- Jen: Gratitude for Amina's honesty and also the feedback that it feels like Board is focusing on minutiae. We are trying to look at bigger picture. Committing to keep my ears open and hope we can align better with what you need from Board.
- Naoki: Board job is to get an understanding of how people are being kept safe.
- Rachel: We could give you a flow chart of things, and one could be we would call health department now and see what they're telling us now vs calling them then and see what they tell us then. Board could ask if we're responding appropriately, or tell CM what is lacking, rather than asking very specific questions.
- Amina: I know that as Board members you have very limited time. It still feels like what we're talking about today is mostly operational. Suggest stepping back and asking other boards how to respond on media, etc--bigger picture things.
- Naoki: Vibe check: Would everyone be willing to share what they're feeling? I wasn't at the work session, so I wasn't part of this conversation, but I think it's crucial that as a Board we constantly ask ourselves "is this our job?" I didn't feel validated after the first thing I said. I want us to keep having these conversations about "is this our job?" and "are we on the right path?"
- JennyL: Let's take a break, return at 7:38.
- <break>
- Naoki: It will be hard for me to concentrate on patronage after the conversation during the break. That seems bigger; it's about people. Would rather focus on sharing about the things people shared at break.
- JennyL: Temp check: Does board want to talk about vibe/process reflection (up) or patronage (down)? 3 up, 1 side, 1 down. Let's take 30 seconds to write down what you want to share about process reflection.

- Chris: I understand the delineation of board's role of policy vs operation. Board is responsible for everything that's going on in the co-op. It's up to us to decide what's important for us to know. It doesn't mean there isn't trust.
- Rachel: This comes up over and over again, and I would like to work on it, but not now.
- Jen: Zoom is hard, and we might be more successful at checking vibes if we only had one way to raise our hands, etc. To build better relationship with CM, I would benefit from finding something we could do that is easy and effective that would help build that trust.
- Amina: I would want you all to use the vibe check tool. Best way to address this is to talk about vibes as they come up.
- JennyL: We could use a mini vibe-check training.
- Eleanor: I feel sad because we made a good faith effort to think about questions that were big picture and not minutiae. Would like trust in other direction too that we are working in good faith.

ANNOUNCEMENTS: n/a

3) Patronage Dividend Decision

Sponsor: Rachel

Purpose: decide

- (Where is JennyL? Rachel will proceed with dividend discussion.)
- Rachel: Most people saw what I sent out. Would have loved to have gotten it to you way before now, but it's just a super challenging situation.
- Elizabeth (CPA) said we do have income. Max dividend would be \$30,000-35,000, so spreadsheets are a good starting spot since they're in that range.
- (JennyL is back on phone; farm internet went down)
- Does board want to pay patronage or or retain it as net income? (There are tax implications if we keep it--getting closer to where we would need to pay income tax.)
- Chris: clarifying question: paying out is a way to avoid paying tax?
- Rachel: yes; not that we want to never pay taxes. If we allocate a percentage of our income--we have to pay at least 20%--the remainder would be not income but retained patronage.
- JennyL: points are:
 - Payout or not?
 - If yes, what percentage?
 - If not able to make decision tonight, there are a few options
- Rachel: Tax implications of payout or not: we would have a net profit but probably still would not need to pay taxes. Member morale: Even if not high payout, last time we had payout was in 2016 from 2015 income. Expense of printing & Labor comes out of this year's expenses. (Not a huge expense.) Finance team's opinion leans toward paying out, and paying a larger amount, but not attached to this.

- Chris: Is voucher the only way we can pay--any cheaper overhead option? And if we pick a minimum amount, what do we do for members who are below that minimum?
- Rachel: Other option to vouchers: Not this year. Amounts under minimum (“de minimis”) stay in earned income.
- Eleanor: Propose that we do payout.

- **DECISION: Yes, we will do a dividend payout. (Brion abstained.)**

- Eleanor: Propose we pay 100%, with de minimis being the cost of doing the voucher.
 - Rachel: It would be work to figure out the cost. Could just go with \$1.
 - Chris: I was thinking \$5 or maybe \$2. There are so many that are less.
 - JennyO: Maybe don't offer check to people under minimum but give an extra 10% off, so they still get some benefit?
 - Amina: That would also still be labor.
 - Naoki: I thought \$1 is too low. Would be for higher amount.
 - Chris: I like the idea you had. What if we said we would pay dividends of \$5 or more plus give 10% off to everybody?
 - Jen: I think 100% is too much. I think we would be better served to put something back unto our co-op, especially given the current situation.
 - Naoki: I hear you. We have \$700,000 in the bank, though, so I would support giving out 100%.
 - Eleanor: Same as Naoki.
 - Chris: On a practical level, we don't need to hold a lot back and would like to show some benefit to everyone.
 - Jen: I am also okay with 100%.
 - Rachel: Would be cool if people did this proposal style.
 - JennyL: Seems like 100% is the main feeling in the room. Would someone like to make a proposal: Pay 100% of dividend.
 - Jen: Proposal: 75% to owners, 25% to co-op.
 - JennyL: (amount of money we're talking about is 7500 less/more of 50 vs 100)
 - JennyL: thumbs up for 100%, down 75%: Proposal is to go for 100%. No stand-
asides or blocks.

- **DECISION: Pay 100% patronage dividend.**

- Rachel: We don't have final number, and the low end is probably 30K, high near 40K, want board to think about “what if CPA says you actually have 60K”? Is there a number that's high enough to reconsider? I think if it comes back as lower than 25K or higher than 40, we should come back to the Board.
- Brion: Why are we making a decision without actual numbers? Rachel: We would have to have another way to make the decision before next board meeting.
- Proposal: If actual number is outside of 25-40K, Board will reconsider the 100% and de minimis.

- **DECISION: If actual number is outside of 25-40K, Board will reconsider the 100%.**

- Eleanor: Propose \$3 de minimis.

- **DECISION: \$3 de minimis.**

- Jen: Proposal: If this does have to come back, we would have a special Board meeting to

resolve.

- JennyO: I think we could just have a special committee do it.
- Brion: Issue with having special committee is that we may not have quorum.
- JennyO: I think we are pretty much in agreement as to where we're headed, so fine with letting those who have more time and energy do it.
- JennyL: Who would be on committee? JennyO, Chris, Jen, Eleanor.
- **DECISION: If numbers come back outside 25K-40K, decision will be made by ad hoc committee of JennyO, Chris, Jen, Eleanor.**
- Rachel: Thank you, thank you, thank you!

DRAFT