

Minutes for the Potsdam Food Co-op Board Meeting
October 19, 2021

Call to Order

- a. The regular monthly meeting of the Board of Directors of the Potsdam Food Co-op was held on Tuesday, 10/19/21 at 6pm at the Potsdam Public Library.

Attendees

- b. Voting members in attendance included Aviva Gold, Marshall Issen, Kim Jukic, Jim Fryer, Karen Bage, Andy Rawdon, David Katz, David Bradford, Camille Frazier, Megan Lane, Jessie LaRose, and Deborah Massell. (13 = full board)
- c. Excused - Katie McLaughlin
- d. Late - Megan
- e. A quorum was present.
- f. The General Manager, Andy Peet, was present.

Approval of Minutes from September 2021 board meeting:

- g. **Motion by Karen. Second by David B.** Motion carried without dissent.

GM and Committee reports

h. **General Manager's Report was presented by Andy Peet:**

- i. Buildings & Grounds:
 1. Roof Repair. Andy has requested a free roof survey with Stilmar Contracting. RSI Roofing suggested that it may not be as simple as patching up the seals around the dormer, a full roof replacement may be necessary.
 2. Currently dealing with a freezer breakdown. No loss of product so far.
- ii. Personnel: Hired new cashier - Keanu Weins
- iii. Sales Report:
 1. Net sales are down 3.5% from last year. Number of daily shoppers is down.
 2. Co-op is experiencing inventory struggles due to stocking issues with UNFI.
 3. Our sales growth is not enough to offset the rising cost of labor. Looking at ways to reduce costs, (cutting hours for workers?)
- iv. General:

Health insurance: Lots of discussion! Coop has 9 FT employees who are not using the coop health insurance. HSA made available to all employees? What are the options for affordable/better health care plans for Co-op employees? Would changes need to be made during Open Enrollment? Finance Comm specifically should address this issue.

Labor Costs: Lots of discussion. Minimum wage is rising to \$13.20 in Jan 2022. All employees would have to have their wages increased 6% or new employees would be making more than employees who've been at the Coop longer. Do the managers

think the employees are working efficiently and are productive? Is there a need for as many employees as we currently have? No one wants to pay people less. A living wage is important. Jessie stressed the fact that people can start out making \$15/hr at other places in the region. What's the incentive for staying at the Co-op? High turn-over of employees is inefficient and requires lots of re-training. Employees who work really hard can't get more pay - although Andy would try to offer them a change of position. Cutting hours of the staff is not a popular idea with the managers. Labor is the #1 cost for the Co-op and it's increasing regularly. We need to figure out how to decrease Labor costs in order to stay in existence. Andy doesn't think the hours of the office staff or Carriage House workers is possible. How else can we increase efficiency without reducing hours? Could bookkeeping/office hours be reduced?

Beer/Alcohol license: Board officers have to sign as a principle; Andy will share form with officers. The lack of sales growth and the increase in labor costs help make the case for adding a beer department now which could bring in an additional \$90,000/yr. Known expenses for getting alcohol license include; License: \$430 fee plus \$1,000 bond; \$3,000 consulting fee; Liability Insurance: according to a quote Andy got three years ago "liquor liability" could add about \$400 per year to our current policy. Andy will contact our consultant (Shauna) and hire her to go ahead with the licensing...might take about a month.

Online store: This could be in operation soon-ish (within a year?).

Policy manual: should be ready for review next month

Motion by David Bradford to pursue obtaining a license by NYS to sell beer, hard cider and alcoholic kombucha in the Potsdam Food Co-op, with an understanding that the executive members will have to complete the required paperwork for the State.

Seconded by Karen Bage.

Motion passes without dissent.

- i. **Outreach Committee: (Andy P.)** - No meeting this month. Ryan is heading up the Committee. No future plans or events were discussed.
- j. **Governance Committee Report was presented by Jim/Megan:** Katie is on leave for another month. Megan will email the current board members and find out if they are planning to run again. And find out if we have to start recruiting new members.
- k. **Finance Committee Report was presented by Marshal Issen:**

September Sales- Net Sales are down over \$5,000 compared to last year. Credit card processing fees are down.

Cash Flow Update - see labor cost notes above.

Server and Catapult Update Status- (Point of Sale system software) Upgrade. Still some “bugs” to work out. Andy and the staff are figuring it out.

Early Payoff of Loans - will start paying off the most expensive member loan from previous store reset (\$20k). Plan to build up savings, pay off other loans

2022 Draft Budget due for review by the finance committee at our November meeting.

- I. **Fund-raising Committee Report was presented by Karen Bage:** \$20,948 raised to date through Round-Up; \$2,200 of funds were used for the appraisal of 63 Market St. Fundraising Campaign to be launched once the closing date is set. 100% Board and GM participation so far. Pledges and loans received to date:
- \$142,500 in Member Loan pledges; additional \$200,000 loan offered by member who is also loaning \$100,000
 - \$23,850 in Donations (including \$21,000 in Round-Up funds)
 - On-line Donations: Ryan setting up the GoTo account will go directly to Cooperative Development Institute; has reached out to CDI with questions

Unfinished Business

- m. Consumer Survey - Jim reports that a final version will be sent out to board in a couple days, for review. Should be able to be published in the newsletter in the first week of November. Jim will write a blog-post as well.
- n. Staff-Board Get-together. Megan hasn't heard anything about Staff preferences for a location so she will send out 2 options (both have to be indoors and heated at this point in the year) to the Board and Staff. Before Thanksgiving is a good target for an event.

New Business

- o. Proposal to use the Potsdam Library as our winter meeting location. All in attendance liked this idea. David Bradford will look into it.

Member Comments (Only items of interest to the whole board, otherwise contact GM directly)

- p. The majority of member comments about the idea of selling alcoholic beer, cider and kombucha at the Co-op were positive/supportive.

Announcements

- q. Our next monthly board meeting will be held Tuesday November 16, 2021 at 6PM

Adjournment:

- r. There being no further business to come before the board, the meeting was motioned to adjourn by Megan and seconded by Deb, at 7:43PM.

Minutes by: Jim Fryer
(and Megan Lane, Secretary, Potsdam Food Co-op)