

Minutes of the Springfield Food Coop
Board of Directors
Thursday, July 24, 2008

Board Members Present: Judi Becker, Susan Dunning, Judy Glos, Pam Goldman, Raven Mueller, Anne Nordstrom, Christine Speidel

Ex Officio: Cindy Phillips

Call to Order: 6:05 PM

Minutes: April 24, 2008

Susan made a **motion**, seconded by Christine, to approve the Minutes as presented. The motion passed unanimously.

Minutes: June 26, 2008

Susan made a **motion**, seconded by Christine, to approve the Minutes with the following three corrections: 1) Under "Financial Information" the first sentence should be "Judy Glos indicated that Rent should be deleted from the Profit & Loss statement." 2) Under Second Quarter Budget, second paragraph should read "Susan asked for clarification on the mark up of the cost factor for the produce department." 3) Under New Committees, 2nd paragraph should be "Susan made a motion, seconded by Christine, that the Board appoint a Personnel Policy Working Group ..."
The motion passed unanimously.

Manager's Report:

The Coop continues to do well. During the first quarter of the Fiscal Year (Apr – Jun) sales were up from the previous quarter by 8.9%. Personnel figures reflect 1 new employee and 1 summer hire.

Cindy has spent considerable time establishing written procedures for staff to follow. Individual job dialogues have been completed, and staff job descriptions are underway. This will provide a benchmark for accountability. Cindy indicated the need for an updated personnel policy to address issues of confidentiality.

The Coop will begin participating in the CAP program on October 1, 2008. Cindy will work with a representative from NCGA shortly to begin the orientation process. Cindy will attend the NCGA conference in Seattle in mid-September.

Cindy outlined the following goals: 1) Plan a Coop Localvore potluck picnic at Stoughton Pond on Sunday, September 7; 2) Motivate staff to be more in tune with their departments and to follow a more cohesive team approach; 3) Write a job description for an Assistant Manager; and 4) Explore opportunities for an internet business for the Coop.

Susan made a **motion**, seconded by Judy Glos, to accept the Manager's Report. The motion passed unanimously.

Second Quarter Budget:

Cindy presented the proposed budget for the second quarter of FY 2009 (July through September) and predicted a 4.9% increase in sales. Expenses will rise modestly with expected net income of \$3,231 for the quarter.

Judy Glos made a **motion**, seconded by Pam, to approve the July through September quarterly budget. The motion passed unanimously.

Financial Training:

Judy Glos conducted a tutorial on reading and utilizing financial statements focusing on the Balance Sheet and the Income Statement (Profit and Loss).

The Balance Sheet is a financial inventory of the business at a given point in time. The assets are equal to the liabilities and capital. The Income Statement shows the financial performance of the Coop over a period of time. Sales less Cost of Goods Sold = Gross Margin or Gross Profit. For most Coops, the gross margin represents 28% – 33% of sales. The net income is determined by subtracting total expenses from the gross margin.

Executive Session: 7:30 PM

Following a discussion of real estate concerns, Christine made a **motion**, seconded by Raven, authorizing Susan to call Fred Glover to clarify real estate questions. The motion passed unanimously.

Open Session: 7:55 PM

Committee Reports:

Finance: Judy Glos reported on various types of short-term investment opportunities currently available as an alternative to the Fidelity Cash Reserve. The latter is currently earning 1.78% interest and is not FDIC insured. Judy listed the rates for a number of CD's and Treasury Bills as well as preferred stock in the Organic Valley Dairy Coop, and equity in the Cooperative Fund of New England.

Judy Glos made a **motion**, seconded by Christine, that we terminate the Fidelity Cash Reserve account. The motion passed unanimously.

Raven made a **motion**, seconded by Susan, that we invest the proceeds from the Fidelity Cash Reserve account in 3 short-term certificates of deposit as follows: \$20,000 at Bank of America for 7 months; \$15,000 at Capital One for 6 months; and \$15,000 at Key Bank for 11 months at best available rates. The motion passed unanimously.

Raven made a **motion**, seconded by Susan, that the remainder of the funds withdrawn from the Fidelity account be placed in a Chittenden Bank savings account with overdraft protection. The motion passed unanimously.

The Board thanked Judy for her research and presentation of investment opportunities.

Promotion: Christine reminded Board members to attend the Coop Appreciation event on Friday, July 25, with 5% discounts on Coop member purchases, followed by a barbecue and entertainment from 6 – 8 PM at the Hingston Cherry Hill farm.

Cindy reported that ten new members joined the Coop last quarter.

Working Member: Raven submitted a draft of the Member Benefits Policy describing the various types of discounts available to eligible residents of member households. Susan made a **motion**, seconded by Judy Glos, that the Board accept the Member Benefits Policy as presented. The motion passed unanimously.

Christine made a **motion**, seconded by Judy Glos, that Board members need to document their extra 4 hours of committee work on the Coop Wall Calendar each month in order to earn the additional 5% discount. Preparation for a Board meeting is not considered “approved work” for the additional discount. The motion passed unanimously.

Old Business

Flood Insurance: Before making a decision on the Flood Insurance proposal, Board members requested more information on Coop general insurance coverage. Cindy indicated that she would prepare a spreadsheet listing all of the various types of Coop insurance coverage.

New Business

Pan Consortium: Anne and Cindy reported that the Coop is a member of the Precision Valley Physical Activity and Nutrition Consortium (PAN). This organization is a good fit for the Coop as it promotes healthy eating and fitness and doesn’t cost anything.

Next meeting: The next Board meeting is scheduled for Thursday, August 28, at 6:00 PM at the Chittenden Bank.

Adjourn: 8:55 PM

Respectfully Submitted,
Judi Becker