

APPROVED



**Council Meeting Minutes  
April 6, 2020, via GoToMeeting**

**Present:** Scott Hess, Katie Michels, Pat Siergiey, Steven Farnham, Olivia Dunton, Julia Goldstein, Eric Jacobson, Eva Schectman, Andrew Sullivan.

**Staff Representative:** Jess Knapp

**Staff:** Kari Bradley, Doni Cain, Stephani Kononan, Tim Wingate, Jay Wisner.

**Facilitator:** Mark Simikaski

**Note Taker:** Rowan Sherwood

**1. Welcome, agenda review, time allocation, guest policy review.** Mark welcomed everyone and acknowledged that we will need to get used to meeting remotely. It was proposed that a discussion of the Paycheck Protection Program fall under item #4, Coronavirus preparedness and Response.

**2. Cooperative Community Comments.** None.

**3. Consent Agenda: Approval of minutes, equity refund requests. Scott moved to accept the Consent Agenda. Katie seconded. The motion passed unanimously.**

**4. Coronavirus Preparedness and Response.** Paycheck Protection Program: Tim explained that the application was submitted on Friday; it is a low interest loan designed to help employers keep people employed during the crisis, and will help shore up the Co-op's cash position. The loans will be allocated on a first come, first serve basis.

Scott asked what happens if we don't receive the loan. Tim said that we are in a fairly good financial position now but it's hard to tell what the future will bring. It is possible that sales could decline even more and we need to use cash reserves to cover expenses.

Olivia asked if labor costs were down in conjunction with sales. While hours worked are down, payroll expenses are not because many employees are using paid time off.

Julia asked if we are in touch with our banker. Tim said we are but they are overwhelmed right now.

Pat expressed she is thankful this is available to us.

Eric asked if the loan was restricted to payroll and asked about the interest rate. Tim responded that the interest rate is 1% for 2 years and it can be used for payroll, utilities and mortgage interest. If we follow the rules, it is likely that most of it will be forgiven. Even if we had to pay it all back, we should be OK.

Andrew asked about raising extra income to pay the loan off. Tim reiterated that even if we're required to pay it back, we can use cash reserves and still be good.

Eva expressed gratitude for the opportunity of the loan and thanked Tim for acting quickly on it.

Steven joined the meeting late and needed an update.

Katie expressed support for taking on the loan.

APPROVED

Scott asked what happens if we don't receive the loan. Tim said we could use cash reserves and/or line of credit.

**Scott moved to adopt the proposed resolution and approve management's consummating the loan process. Julia seconded.**

Eric asked if it was a line of credit or if it would come as a lump sum. Tim said it was a lump sum.

Eva asked about insurance in the event we had to close the store. Kari said that our business interruption insurance does not cover interruption resulting from the pandemic.

**Eight in favor of proceeding with the Payroll Protection Loan. Steven abstained. The motion carried.**

Kari discussed suspending the requirement of member equity payments this year. In June/July equity payments usually bring in about \$30,000 but staff recommendation is not to require the payments this year.

**Scott moved to suspend the requirement of member equity payments this year. Pat seconded. The motion passed unanimously.**

Kari proposed holding April 20<sup>th</sup> at 5:30pm for a special council meeting if needed.

#### **5. Finance Committee: Council Budget**

Pat presented the Council budget, and explained that the only increase was to cover a full audit of financial statements. **Scott moved to accept the financial committee recommendations. Steven seconded.** There was no further discussion. **The motion passed unanimously.**

#### **6. Committee Reports**

There were no updates.

#### **7. Monitoring Reports**

Kari reported on L1/L3, Treatment of Shoppers and Members. The annual Shopper Survey has been completed but a summary report will not be produced this year. We regularly get high quality data through the customer experience surveys that come through the registers.

**Scott moved to accept the monitoring report. Katie seconded.** No further discussion. **The motion passed unanimously.**

#### **8. Staff Rep Report**

Jess acknowledged that she's been working from home, but has still heard from staff. There has been a good coming together of Union and Management to ensure the safety of customers and staff during this time. Some staff feel that customers don't always understand what we are trying to accomplish and that is hard. It's good to limit the number of customers in the store.

Pat asked if there were a lot of call outs. Jess responded that there is a lot of short staffing. Eva expressed appreciation for staff and all they are doing, and is thankful for positive relations between Union and Management.

APPROVED

Kari acknowledged a wide range of experiences among staff and said that he is quite proud of everyone's flexibility and willingness to work together.

**9. GM Report**

Kari shared that the Co-op's plans to pursue strategic priorities were altered by the onset of the pandemic. Inquiry into possible purchase of the Uncommon Market is off the table for the time being. There is no point in pursuing a market study at this time. On a positive note, workers compensation insurance premiums will be reduced next year thanks to improved safety performance. A big thanks to Mary Mullally for all of her work bringing safety to the forefront.

**10. Wrap-up: Actions, communication, calendar.**

Kari checked in to see if April 20<sup>th</sup> works for a special meeting. People will check and get back to him.

Katie asked what the council could be doing right now. Kari suggested that council members could talk up the shopper code of conduct in their conversations, with a focus on limiting trips to the Co-op. There are still some customers who come in every day.

Eva suggested adding mask wearing to the shopper code of conduct. Julia wondered if we should be stronger in our "advisement" to wear masks and if we could encourage people more strongly to stay home.

**11. Meeting Evaluation**

Mark offered the question "Did we listen actively and hear what is being said?"

Scott said the meeting was very efficient.

**12. Council or Cooperative Comments**

Julia reiterated her thought that we should be strongly encouraging people to stay home.

Kari responded that his conversations with members have been interesting. Everyone has their reasons for doing what they do. He was reluctant to make hard rules, but instead wants to appeal to people to come in less frequently.

**13. Other Business**

Eric asked about the Curbside Pick-up Program. It launched on Thursday and has consistently run below capacity, probably because it is reserved for high risk shoppers and the product selection is limited. Online ordering through Webcart is coming within 2-3 weeks. Our approach has been slow and steady so we can work out operational details to ensure success. Storage is one of our biggest obstacles.

**Scott moved to adjourn the meeting. Steven seconded. The motion passed unanimously. The meeting was adjourned.**