

Los Alamos Co-op Board Informal Check-in Meeting
Wednesday, 5 August 2020
Via ZOOM

Welcome, Introductions, and Agenda Review Call to order 6:02

Board members in attendance: Joshua Faulconer (president), Dave Hampton (vice-president), Robi Mulford (Secretary), Jeff Jansen, Holley Aiken, Jesse Samdahl,
Also participating: Jim Fischer, General Manager, Jack Majure-Barklay, business manager

Positive Test for Covid-19 in the Store, update

New Mexico State Health Department called Jim Friday at 5:10 PM, with a list of requirements to be met “by the end of the business day.” However, on Saturday the epidemiologist from the State of New Mexico came to the store and inspected the store, the cleaning practices, and staff behaviors and gave the store a clean bill of health.

Sales appear to be unaffected by the news of a positive case, and are about 20% above this week last year. Jim posted the news of a positive case on the website.

Both Jim and Isaac composed scripts for the Front End to use in response to enquiries about the positive case.

No tests of store employees have come back positive, although some tests are still outstanding. All employees are to be tested, although not all results have been received.

If another positive test occurs in the store, Jim now has only 4 hours to contact the State of New Mexico. Contact tracing must then be done, to identify everyone who spent more than 15 minutes within 6 feet of the person with the positive test. The results of contact tracing need to be reported to the State. All employees are then tested. The store is cleaned, on a scale that can be done in house, by Dom, the new Facilities Manager. If necessary, (e.g. if multiple positive tests arise) Jim will contract with PMI for a deep clean, requiring a two-day closure during which time the store can do curbside business.

If an employee tests positive, they have to leave immediately and quarantine for 14 days, during which time the PPP money covers up to 80 hours of salary. The FCVRA, The Federal Coronavirus Response Act, lists 3 qualifying reasons for the employee being given up to 80 hours of paid time off; symptoms, a quarantine order, or a possible exposure.

It is possible that so many employees will have possible exposure that the store will be too understaffed to operate. Jim is ready for this scenario, but is more aggressively limiting congregation within the store, in order to avoid any potential for a closure.

Financials and Administration

Apparently the store failed to file federal tax forms 940 and 941, Federal Unemployment Tax return forms. Form 940 is missing for last year, but Jack has already been able to reconstruct it. Form 941 is filed quarterly. A 941 was prepared for Q1 of 2020 but not filed, and form 941 is missing for Q2 of 2020. These forms are due 14 August, but the IRS is in active cooperation with the store to get the forms properly entered. In the future, the UNFI accounting service will take care of filing these forms.

A PPP loan has been acquired.

Employee Salaries

It is time to give employees a raise, if not a blanket raise. It is important to maintain our good employees. Jim will consider how best to give raises.

There has been no end of discussion of discrepancies between salaries in different departments, and the inconsistency of salaries with seniority in the store, and these discrepancies can be ameliorated using raises.

It is important to pay employees a living wage. NCG had a template to use to address this topic.

Employee survey

Sarah Dahl is unable to conduct the employee survey, but it handing it off to another Colluminate employee.

Member Lender Loans, Topic for the Upcoming Annual Meeting

We need to determine the lenders, amounts and interest rates associated with the member-lender loans.

It is possible that the PPP money can be used to pay off these loans, as they are immediate and overdue debts. This would provide loan consolidation and a reduction in interest rate.

If we can pay the loans in store credit, this would be acceptable to many lenders and advantageous in not making inroads in our bank balance. The mechanics for providing store credit is not in place, and the timescale for figuring out how to provide credit within our new POS system depends on Jack and on Jim, both of whom are very busy.

We need to prepare a statement for presentation at the Annual Meeting. An outline for the statement is composed:

Our bank account looks great, but much of this bank balance is borrowed money.

Thus our debt to asset ratio is not as strong as the high bank balance would suggest.

We plan to pay our Member-Lender loans off soon.

Our plan for paying the Member lender loans is to extend store credit in the amount of the principal plus interest.

We are not ready to roll out store credit, pending completion of the changeover to our new POS system, under which store credit can at least be provided. We do not know the timescale for repayment of the loans in store credit.

We propose to hold a Member-Lender meeting in November, similar to that of last November. At the time of the meeting, the impact of Natural Grocers should be evident, and the changeover to the new POS system should be complete.

We also need to be ready for questions which will be posed at the Annual Meeting.

New Board Member Election, Upcoming Annual Meeting

Completed board member application packets are needed by Friday, which provides 4 weeks before the completion of voting. Holley has submitted her packet, and Jesse is preparing his. We do not know whether Laila and Whitney Spivey will submit board member application packets.

Elections will be held by posting candidate statements on the website and using survey monkey to facilitate voting.

Jim's time off

Jim needs to take time off. He has 6 weeks of time off allowed and hasn't taken any of it.

An assistant store manager would allow Jim some time off and could take some of the many tasks and firefighting duties off of Jim's plate, allowing him to focus on critical issues, and to take time off in the confidence that the store will run smoothly.

The Manager on Duty idea was not well received by the Department Managers. However, a Manager on Duty would provide a clear point of contact for any issues that arise in the store, and could fill in in any department that needed extra staffing.

Jim has the authority to establish an Assistant Store Manager position and advertise it.

Staffing

It is possible that Covid will take a bite out of the existing staff. Grocery is short on people, but has recently hired a full time employee who has experience from years ago. Amy is doing well as Grocery manager.

Deli is somewhat short.

Jack has a lot to do but is getting through his workload. As UNFI (properly called FMS Solutions) takes up the contracted workload, Jack will have less to do. Tasks such as invoice entry and taxes will be devolved to UNFI. Implementation of a new timeclock system will help with some of the timecard issues.

Isaiah is doing very well as new Front End manager.

The Annual Meeting

Jack will present out financials; where we are, our strong bank balance, and the debts associated with the strong bank balance.

Jim will give a short speech on the state of the Coop

The board will present the plan for addressing the Member Owner loans.

Closings, Next Meeting

The board will have a meeting Wednesday, August 12, at 6 PM, via Zoom, to prepare for the Annual Meeting.

