

Friends & Farmers Cooperative
Board Meeting Minutes
October 4, 2017

Present: Jeremy Bean, Chris Rand (scribe), Mike Pipe, Daryl Sinn, Roy Sletson, Anne Williams (staff), Mark Maloney, Lois Annechini (member)

JB convened meeting at 7:02

Old business - none

Plow to Plate wrap up report

CR - Event P&L statement distributed and reviewed. Food costs lower than expected. Net profit of approximately \$3,400 is twice what was projected for event. Multiple sales locations in town and online, plus walkup sales, may have helped. Tony Sapia wants to do it again in 2018. F&F should strongly consider a repeat engagement.

DS - Eventbrite income says it is for Elk Creek event from June. CR to investigate and ensure Eventbrite paid out both events.

OLM Update

AW - \$300 net profit and 40 orders average during tenure. 40 orders is about what we can reliably manage with current staff and volunteer load. Want to improve operations and increase orders. Limited ability to manage and monitor volunteers. Packing could be more accurate, leads to frequent small credits for some customers. We want to eliminate mistakes and avoid disappointing our customers.

Deliveries are an issue, maybe grant money can pay for hiring a dedicated, regular driver? Stan Latta is not available while he is coaching soccer on Tuesdays through October.

Windswept Farm is active vendor now on OLM. Did around \$150 this first week, only vendor with apples right now. Will reach out to Way Fruit Farm to inquire about the right time to resume their vending on OLM. Might not happen until winter. Other new vendors are Schaufler's Wild Blumen Farm (Janet Schaufler), selling cold-pressed oils (Sunflower and canola), and Koo-Weh-Nana (Ann Kusnadi) selling baked goods- specialty is Baklava, also selling cookies.

Deliveries are not all going smoothly and some arrive after 9-2 window. One vendor is spotty with deliveries. Getting some good feedback from vendors, especially those on their way to farmers markets. We are calling vendors in 24 hours before delivery to remind them. Jim Eisenstein is gathering some food for farms and delivering to Meetinghouse.

MM arrives 7:35

RS - Presents OLM postcards and discusses handing them out to neighbors. JB suggests we need fresh cards and current info. Will discuss later in meeting.

Wholesale Update

RS - We will start ordering in bulk, beginning with only frozen items. Sharon at Meetinghouse says walk-in is coming, but not sure when. We will start with 8 items. Hard produce items would be next to bring on wholesale. Might donate my chest freezer.

RS proposes equipment purchases: tote bins for hard produce, metal rack shelving, miscellaneous OLM supplies. Visited 1200 sf retail space near Nittany Mall. \$12/sf lease rate.

Market and Communications

JB - Diana Griffiths contract ended 9/30/17. We have spoken with people about project-based work. We need more dynamic communications. We need to get AW in position to manage weekly communications. Marketing team would do more sophisticated projects.

MP - Is this for hourly rate, quote, etc?

JB - either way.

CR - We need quotes, hourly rate is not preferable.

DS - Will check with The Printers.

JB We can discuss their doing social media separately.

All agreed no vote needed to authorize continued marketing as it is core business need and continuation of existing strategy.

AW departs 7:50

DS - Sent Thompson Harner quote in email. He was concerned about logistics but we can get him what he needs to do the books. He can start 1/1/18.

CR - See if he can start sooner on prorated basis.

All agreed cost isn't that high for the services rendered and compared to going rate, and we don't have time to explore options.

DS - I will get us to end of Nov anyway. New checks coming, will meet with JB to sign.

DS - F&F needs to consider hiring a part-time office manager at some point in time.

DS - Have a list of invoices for Jenn.

JB - Have contacted Jenn and will help coordinate.

DS - Bank recs are four months behind.

DS - Inventory means accrual accounting, if it isn't done a specific way.

RS - We want to buy about 1 month of stock. F&F posts food items on OLM.

Food Hub

JB - Conversations with multiple parties including PSU regarding food hub, local-sourced products for larger institutional buyers. Other groups have identified us as the best organization to be the nexus between grower and buyer. It's a niche and the need is urgent, if we don't do it someone else will. Adding capacity will help local food system thrive, we distribute and make bulk transactions. Local municipalities being considered as source of funding for operation. Space, materials, refrigeration, and capital all may be available. Processing facilities are sorely needed locally.

JB - this is a big difference from a local grocer. Is there room for the F&F grocery in local food economy? Food hub would preserve OLM and maybe provide future retail space. We need this to be included in the annual membership meeting. PSU needs to know if we can pivot.

RS - We need an amendment to bylaws if we want to establish food hub. Food hub does not align with bylaws stating F&F is incorporated as a consumer cooperative.

MM: Would PSU invest money, provide space?

JB: Would people accept pivot for F&F?

MP: We need to see what the tangible steps are if we are to move in this direction. How do we redeploy OLM and vendors?

JB: OLM continues. F&F explores food hub model, determines what we would do. PSU students and an MBA are working on this, including a conference type activity to explore the concept.

CR: Will our members give a mandate? FCI said board needs to take lead in strategic planning phase as we are more familiar with what is going on.

JB - PSU doesn't want direct relation with vendors, too many things need to happen for that.

CR - PSU might like the job creation, local economy boost, and town/gown relations angle.

JB - We would probably start with schools and businesses and work up to bigger scale like PSU over time. PSU could support our scaling efforts.

RS - Where do we go from here?

JB - Need FT hire.

MM offers to secure legal help.

JB: OLM continues, meeting upcoming, we need bylaw amendment

MP: Meeting with PSU decision makers would help. We need to confirm interest.

CR - Moves to announce annual member meeting November 12, 2-4:30 PM. Also announce bylaw amendment proposal to explore feasibility of and work to create food hub

MP seconds, vote passes 5-0.

CR Motions to adjourn

JB seconds

Meeting adjourned 9:02 PM

cr