

**Frederick County Consumer Cooperative
Board of Directors Meeting
March 22, 2018
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Board members present: Lisa Williams, Annie Marshall, John Beutler, Sasha Crum, Jim Hanna, Sibylle Mangum, Kate Moss, Elina Myers, Megan Schneebaum

Staff members present: Bob Thompson, Erin Zavala (meeting minutes)

The meeting was called to order at 6:02pm by Lisa Williams, Board President. A quorum was present.

Consent Agenda

The Consent Agenda, including refund requests from owners 6160, 1377, 5626, and 7740, was approved.

Owner Comment Period

Two owners were present for the meeting, including Grady O’Rear, who returned for follow up on his suggestion for an owner task force during the January board meeting.

The Board recommends that the Advocacy Committee is the best vehicle to achieve the goals O’Rear proposed. John will continue chairing the advocacy committee, along with the involvement of O’Rear and other interested owners to tackle one issue/goal at a time. Ideas for getting the word out about the committee were discussed, including a mention in the next store newsletter, which John will handle. O’Rear proposed hosting a candidate forum for the upcoming local election to see where candidates stand on issues important to our community. The committee could collaborate with other organizations in the community to host an event like this. Annie added that we can ask past Board candidates if they are interested in joining the advocacy committee.

Electronic Monitoring – Moved to April

Will be sent in April.

GM Monitoring – B1 Staff Relations, Compensation, and Benefits; B8 Membership

Membership – B8

Bob discussed plans to implement monthly incentives for owners beyond thrice-yearly discounted shopping trips. He also mentioned the idea of a special discount or coupon for owners based on the length of their ownership. Bob is considering offering four discounted shopping trips per year instead of three.

Results show that it’s been a great year for fundraising, and Bob noted that a record amount was raised for Puerto Rico hurricane recovery efforts. Results also show there has been a 5.8% growth in ownership. Over 90% of Patronage Rebate checks were redeemed this year, and over 10% of owners voted for the Board of Directors election. Starting this quarter, owners will now be polled for their choices of which organizations will receive Bring A Bag donations. Overall compliance is reported by the GM.

Annie moved to accept, John Seconded, all in favor.

Livable wage model discussion – B1

The livable wage for Frederick has been set to \$14.04. Bob reported that 75% of our full-time employees are making over the livable wage, and that our starting wage is going to be increased to \$13/hour. The state of Maryland has passed laws about sick leave, but our PTO policies are generous enough that we are not going to be affected by this. Workers comp dropped from .73 last year to .69. A score of 1 is baseline for national average; the lower the score, the better.

Staff Survey

Results from the recent staff satisfaction survey were reviewed. Bob noted that compared to results from 2015, 2016 & 2017, we scored very well. An HR audit recently showed that we are on track with current best practices, and employee feedback reflects this as well. Michael Healy recommends using a third party service to conduct the staff survey as it may help generate more responses. Lisa proposed waiting to accept the report until the board can better understand the questions and feedback from staff. All were in favor.

Discussion: Review Board Code of Conduct

Kate prepared the code of conduct revisions with a recommended template from CBLD as comparison.

On the current Code of Conduct, it is noted that it is applicable “when acting as a board member.” This statement will be included in any revision. In regard to reporting potential conflicts of interest, the Board should be made fully aware of these immediately. The Board will decide the definition of “immediately,” whether it be an email notification or the next time the board is together.

The template’s stipulation about violating the Code of Conduct states that any member can be removed from the Board by a 2/3 vote. Current Bylaws state that a majority vote, not strictly 2/3, can remove a member from the Board. We will keep the majority vote language and apply it to the revised Code of Conduct.

The attendance policy was also discussed. At one point there was a clear attendance policy in place, but it was dropped in the past. The CBLD template doesn’t specify an exact amount of attendance required of each Board member, but it established an expectation of attendance and engagement. Having this expectation in the code of conduct is good support to fall back on if there were any issue of Board member attendance in the future.

All Board members are in favor of re-signing the code of conduct on a yearly basis.

Over the next month Board members will think about desired revisions and make a decision at the next Board meeting. Kate will revise language into a new code of conduct to be distributed to the board before next month’s meeting.

Expansion Discussion

Bob updated the Board on store expansion proceedings and potential timelines for options under consideration. Bob also discussed potential website updates to allow customers to place orders online.

Odds & Ends:

The budget will be revisited next month once Megan receives more information from Common Market staff.

MFCA is on Sunday in Ambler, PA. John is attending; Elina and Kate are planning to attend as well. The next meeting will be in Newark, DE.

John discussed his presentation about the coop to the Frederick AARP chapter during a recent event. Approximately 200 people were in attendance, about a dozen of whom said they currently shop at our store.

Sasha requested final word from Board members interested in attending CCMA in Portland, OR from May 31 – June 2.

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Board members up for re-election (Jim, Sibylle, Elina) should notify Lisa whether or not they desire to re-run by next month.

Bob shared an article about how retail giants are going to struggle in the changing market. Price-based stores (dollar stores) are going up like crazy, higher end stores are doing well, but middle-road stores are suffering. More store closures are likely coming, so it's necessary to keep this in mind as we prepare for expansion, as new locations may become available.

At 8:31 Lisa motioned to adjourn to executive session.

Notes taken by Erin Zavala.