

**Frederick County Consumer's Cooperative
Board of Directors Meeting
January 24th, 2013
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Board members present: Jim Jenkins, Annie Marshall, Jim Hanna, Maria Acker, Patton Allen, John Beutler, David Cloutier, Annette Stefancic and Margie Lance

Staff members present: Sarah Lebherz, Kendra Varnon

The meeting was called to order at 6:06 pm, by David Cloutier, Board President. A quorum was present.

Consent Agenda

Consent agenda approved.

Jim J motioned to approve additional Owner Refund #4529 (financial hardship). John B seconded and motion passed unanimously.

Electronic Monitoring - C3 GM Delegation; D6 BOD Committee Principles

100% compliance.

General Manager Monitoring B3 Financial Condition

Sarah reported on Executive Limitations Policy B3 Financial Condition and reviewed the supporting documents – 2nd Quarter Balance Sheet and Income Statement.

We fell noncompliant in two areas: Net Income and Gross Profit Margin. Estimated taxes affected the profit amounts and the difficulty of the closings from Hurricane Sandy affected us as well.

Changes to the report include:

"I report compliance with all sections of this policy." Will be changed to: "I report noncompliance with key indicators, net income and gross profit margin and compliance with remaining sections of the policy."

Margie moved to accept the monitoring report for Policy B3 Financial Condition as amended. Jim J. seconded and the motion passed unanimously.

General Manager Monitoring Report B4 Asset Protection

Sarah reviewed the partially compliant monitoring report on Executive Limitations Policy B4 Asset Protection. One noncompliance on B4.7 with one rating falling below a score of "b" The board discussed the options to adjust the bank account to make it compliant.

Changes to the report include:

"I report compliance with all sections of this policy." Will be changed to: "I report noncompliance with section B4.7.1 of this policy and compliance with the remaining sections of the policy."

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Margie moved to accept the monitoring report as amended. Jim H seconded and the motion passed unanimously.

Strategic plan finalization and approval

The Board discussed the upcoming goals. John motioned to accept the revised strategic plan as submitted. Annie seconded and the motion passed unanimously.

2013 Calendar Approval

The Board reviewed the calendar and agreed to have the Board Retreat on November 9th.

Jim J motioned to accept the 2013 Calendar as amended. Annie seconded and the motion passed unanimously.

Initial Introduction of Board Education Plan & Resources

David explained the plan and Sarah provided an initial article to be discussed at the meeting in February.

CAT survey details

Sarah reviewed the schedule and thanked the Board for their willingness to participate.

Odds and Ends

PR Update: Kendra updated the Board on the progress of the Patronage Rebate Progress and will be contacting those who signed up to help make phone calls by next week.

Good of the Order:

Annie: Anna Purna's Kitchen is extremely thankful for all the store gave and all the people that came, ate, and supported.

John: MAFCA's next meeting is on March 16th in Doylestown, PA. Bethlehem food co-op (start-up co-op) will be coming to talk.

Margie: TPSS is hosting an event series "Farms, Food and Public Policy: A series of films and discussions" If anyone else is interested in attending, let Margie know. See the email sent out for more information

John motioned to adjourn the meeting at 7:08pm

Notes taken by Kendra Varnon

**Frederick County Consumer's Cooperative
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Board members present: Jim Hanna, John Beutler, Patton Allen, Jim Jenkins, David Cloutier, Margie Lance, Annie Marshall, Annette Stefancic and Maria Acker

Staff member present: Kendra Varnon

Owners present: April Delaney (2909) and Gareth Buchman (2178)

The meeting was called to order at 6:03 pm, by David Cloutier, Board President. A quorum was present.

Consent Agenda

Consent agenda approved.

Jim J motioned to approve additional Owner Refund #4962 (moved). Margie seconded and motion passed unanimously.

Electronic Monitoring – D3 BOD Agenda Planning; BOD Minutes

100% compliance.

General Manager Monitoring - NONE

Education: overview article on expansion - discussion

Highlights:

- How different it is between expanding one store versus opening an additional store, also the difference between opening your second store and opening your third/fourth
- The article covered 4 main topics; the section on vision was relevant. Changing the view from “the store” to “the coop” will be a challenge.
- Capital planning should take place a good 3 years before opening. Opening a new store is more expensive than expanding. We will need to decide between the options of owning versus leasing.
- According to the article, Owner's contribution is 5-30% of total project cost. This seems to be extremely high.
- We are far ahead in some of the areas (talent and systems) however growing staff will take time.
- Discussion of size/scale issues – how do we keep it personal/small? Is Blooming Foods a model? Did people say the same thing during our last expansion? Ask Michael Healy if there is research to indicate at what point store size becomes overwhelming to the shopper. (Example: Adding more checkout lines)

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- Note that the article is from 2007, would be useful to expand the statistics to today. – How many co-op with multiple stores, how many expansions, how many failures, why.
- Importance of additional store potentially having its own “concept”: Opening another store would be like a popular chef opening another restaurant, a different feel but same great food. A new feel can be attractive. It could be a cookie cutter clone or it could be a completely different feel.
- We are positioned pretty well. There is no obvious second site. We have lots of possibilities and lots of options. The market survey should help focus our geographical choices.
- Another option could be to give help to start up coops around (Hagerstown, Boonsboro, Lovettsville). Is there a way to create more of a system (concentrated effort) for this?

Kendra passed out the next packet of articles to read for the March meeting.

Election process plan

Jim J reviewed the process. David and Annie will take over the election process once the applications have gone out, since Jim is up for re-election. The applications will change to a defined question – answer format, removing the 330 word general statement. The Owner Services Coordinator will pre-sort the incoming ballots, helping to shorten the final validating and counting process. Info sessions will only be an hour this year, one session on a Wednesday evening and one session on a Saturday afternoon.

Discussion of purpose/scope of BOD social media presence

The Board represents the Owners, the more ways the Board can be connected to the Owner the better. –Owner linkage. The Board Facebook page needs to cross link with The Common Market Facebook page and the main website. A target amount of “likes” should be set, either a number or percentage of Owners. The Social Media committee will set up a meeting with the current Marketing Social Media person (Dave).

Owner Services Update and PR Wrap-up

Kendra reviewed the Owner equity numbers, 3,963 Owners. She also reviewed the Patronage Rebate final numbers. 91.6% of rebate dollars were redeemed this year. This was partly due to the help given by the Board Members making phone calls.

Odds and Ends

Gareth & April had both had previous contact with Board and/or staff concerning carrying products like Naked Juice, which are owned by food conglomerates who gave large donations to help stop Prop. 37, the GMO labeling ballot initiative in California. Requesting we consider removing products like this and/or posting education materials in store to inform customers.

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*Board Response – the Board does not **directly** control what products are stocked, that is an operations task. However we do acknowledge the need to educate our Owners and shoppers and that Prop 37 is a valid issue that involves the concerns of the Co-op. As a solution, we will schedule a meeting of the Advocacy Committee to begin gathering facts and research about GMO's and Prop 37, to present to the Board with a proposal for action under the Advocacy Policy. We will also bring these concerns to the attention of the General Manager.*

In addition, concerns were raised about inappropriate staff response when Owners attempted to raise these concerns, especially about the responsibility of store to education.

Board Response – In addition to the previous response, the Board will request the General Manager to consider the papers she brought in and be in contact with Owner about customer service experience.

Visitors raised a few other minor operations-related questions, which should be forwarded as comments to the appropriate managers.

Good of the Order:

MAFCA – Meeting March 16th in Doylestown, PA (startup co-op) and Bethlehem co-op will be talking. The summer meeting will meet in mid-July at Greene Hill in Brooklyn, NY.

CAT survey – we got plenty of good data. We will have results at the April Meeting possibly the results from the Market Survey as well.

Annie – Stay tuned to news on Anna-purna's Kitchen for March. It was scheduled on St Patrick's Day, so it might be changing.

Annie moved to adjourn the meeting at 8:28

Notes taken by Kendra Varnon

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Board members present: Jim Hanna, John Beutler, Patton Allen, Jim Jenkins, David Cloutier, Margie Lance, Annie Marshall and Maria Acker

Staff member present: Sarah Lebherz, Kendra Varnon, Sue Surdez and Alexis Holland

The meeting was called to order at 6:01 pm, by David Cloutier, Board President. A quorum was present.

Consent Agenda

Consent agenda approved.

Jim J motioned to approve additional Owner Refund #5055 (moving out of area). John seconded and the motion passed unanimously.

Electronic Monitoring – D8 Board Recruitment, Development & Expenses

The Board discussed the comments on Board training and agreed that they are in fact compliant.
100% compliance

General Manager Monitoring – B1 Staff Relations

Sarah reported that everything was in compliance. She reviewed the livable wages in compared to The Common Market wages and may possibly include national grocery wages in the report next year. It was noted that the insurance rate increased 34%. Sarah also reviewed the new internal health benefits like lower rates for joining the gym and the local YMCA and highlighted the good employee survey results.

Margie moved to accept the report as submitted. Jim J seconded and the motion passed unanimously.

General Manager Monitoring – B8 Membership

Sarah reported on 100% compliance. There was a good increase in Owner growth, 465 growth in 2012 which, includes the 90 refunds.

Jim J motioned to accept the report as submitted. John second and the motion passed unanimously.

Education: case studies of multiple stores - discussion

Highlights:

- These articles showed that we are doing the same things that other stores have done in the past (we are in line by doing the surveys and education processes)
- Lots of stores were proactive, not reactive. There were a number of stories of co-ops taking over other stores.

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- Wheatsville has a really good vision, which they advertise and explain well. Their intention is clearly about having multi-stores, that's how they want to grow.
- We have to change the mentality that the co-op is not THE STORE, it is the community. We can be in more than one location.
- If you want to go fast, go alone. If you want to go far, go together.
- Wheatsville does positive things within the community by embracing growth and paring with credit unions and other co-ops.
- PCC got a lot of publicity out of doing "Green" stuff with the store. Wonder if we were to think about doing a green store if that would give the publicity we may need.
- To what extent is the growth of our customer growth based on people moving into the area that were already aware of health and co-ops and what percent is based on people realizing they should change how they eat.
- As health care costs go up and people realize food is a huge factor to health, the future of buying food is going to continually change. We need to focus on the people who shop here who are not Owners and turn them into Owners.
- Food co-ops are losing market share to other competitors because chains are opening store fronts more rapidly. – Why can they do that and not us? After you've opened a second store it's easier to open a 3rd, 4th or 5th store. When you have more stores, you have the performance and net income from the other stores to help with the new store. We don't have that type of access to capital.
- If we have 2 stores we are better able to shield from competition because of the experience and the present awareness.
- What was missing – it talked about the factual processes but not the thought processes along the way, what were the other things they considered before finalizing decisions?

Sarah will email out a PDF of the articles for next month, email her if you would like a hard copy.

Discussion of NCGA Board survey on expansion

Sarah reviewed the joint responses of the expansion survey that was submitted to the NCGA.

Advocacy committee research report: GMO's

John reported on the committee meeting, 5 people were in attendance 3 Owners and 2 Board Members.

GMO labeling progress in the US: There is a GMO labeling initiative coming up in Washington state, a bill in Vermont and a bill in Pennsylvania. Whole Foods announced that they will have all GMO's labeled in their stores by 2018.

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The committee is thinking about working in two phases:

- 1st phase is an education phase. Maybe an Owner survey to get a gauge on knowledge of GMO labeling, articles in the newsletter, FAQ on the website etc.
- 2nd phase to work with other MD food co-ops and regional co-op organizations and any other partners that may have interest with a goal to develop/propose a model piece of legislation for MD. We propose that we find ways to facilitate ways to legislation in labeling GMOs.

Kendra reported on the Marketing Department's progress on putting out Education materials about labeling GMOs.

Pat moved that we advise the Advocacy Committee to research further possible actions in relationship to GMO label and report back at a later date. Margie seconded and the motion passed unanimously.

Odds and Ends

Sarah reviewed the GM report that was submitted.

MAFCA Report – the meeting in Doylestown went really well. The Bethlehem co-op talked about how well they are doing. The next meeting will be in Brooklyn, NY on Sunday the 21st. There is a new Board Member, David Walker of TPSS

CCMA plans – (Austin, TX June 6-9) Unable to attend: Maria, John, David, Margie, and Jim J
Attending: Annie, Pat, Jim H (Annette?)

Good of the Order:

Will Allen is coming to Frederick to speak on April 11th. There are 2 free sessions, one at FCC one at the Weinberg Center.

Margie: Yes Magazine – this month's feature was cooperatives (worker and producer). It talks about a broad range of models and how they've grown.

Pat: President Obama signed the Monsanto protection act.

Annie moved to adjourn the meeting at 8:35.

Notes taken by Kendra Varnon

**Frederick County Consumer's Cooperative
Board of Directors Meeting
April 25th, 2013
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Board members present: Jim Hanna, Patton Allen, Jim Jenkins, Annette Stefancic, David Cloutier, Annie Marshall and Maria Acker (arrived at 6:55pm during Education Case Studies discussion).

Board members absent: John Beutler and Margie Lance.

Staff member present: Sarah Lebherz and Sue Leveille.

The meeting was called to order at 6:01pm, by David Cloutier. A quorum was present.

Consent Agenda

Consent agenda was approved.

Sue reported about "Local Starts Here" Owner Drive with materials and signage.

Electronic Monitoring – C1 Unity of Control: Electronic Monitoring – C2 Accountability of GM

The board agreed that they are in fact compliant. 100% Compliance.

General Manager Monitoring – B3 Financial Condition

Sarah reported full compliance this quarter.

Jim J motioned to approve the monitoring report for B3 Financial Condition as submitted. Annie seconded the motion and it passed unanimously.

Education: case studies of multiple stores - discussion

Highlights:

The Board discussed the case studies of expansions including those of New Leaf, Seward and City Market.

Report on NCGA conference/GM meeting

David and Sarah reported on the recent NCGA conference in St. Paul. The conference was focused on growing Co-ops and Sarah and David attended sessions on multi-store co-ops.

Store tours included Valley Natural Foods which seemed most similar to our Co-op in size and site characteristics. Sarah will post pictures of the tour which includes a drive up smoothie/coffee station.

David suggested looking at the history of NCGA's development which started as different CGA's across the country then merged to form the existing national organizations. The article will be reviewed at a future meeting.

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Proposal of BOD 13-14 budget

Maria discussed the draft budget for Fiscal Year 2014 (July 1, 2013 to June 20,2014).

Maria created a conference category and allocated funds for 6 board members to attend CCMA in June 2014, as well as regional training. Modifications were made to the draft including an update to the January Board dinner. A final budget will be reviewed at the May Board meeting.

Maria requested the Board begin developing a training plan beginning in the fall of this year to aid with writing the Board training budget for next year.

Social Media posting plan

Jim J reviewed the social media plan.

Maria moved to approve the plan as submitted. David seconded the motion and it passed unanimously.

Odds and Ends

Newark Co-op visit to the Common Market was a success. Sarah, Annie and Margie were present. 2 hour meeting included lots of questions regarding expansion and compliments to our store and back stock space.

CCMA plans – (Austin, TX June 6-9) Unable to attend: Maria, John, David, Margie, and Jim J
Attending: Annie, Pat, Jim H

Good of the Order:

Motion to adjourn by Jim J, David seconded the motion.

Notes taken by Sue Leveille

**Frederick County Consumer's Cooperative
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May 23rd, 2013
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Board members present: Jim Hanna, Patton Allen, Jim Jenkins, Annette Stefancic, David Cloutier, Annie Marshall, Maria Acker and John Beutler.

Staff member present: Sarah Lebherz and Sue Leveille (arrived after executive session at 6:45pm).

The meeting was called to order at 6:04PM, by David Cloutier. A quorum was present.

Additions to Agenda

Owner refund #1746 was added to the consent agenda: reason for refund was "married and will use husband's ownership".

Consent Agenda

Owner refunds #1378, 4959, 5237 and 3163 and the April Board Meeting minutes were approved by consent.

Executive Session – The Board convened an Executive Session with the General Manager, Sarah Lebherz, at 6:10pm.

Electronic Monitoring – D2 BOAD Job Description; D& Relationship to Member-Owners

John reported full compliance.

GM Monitoring – B6 Emergency Management Succession

Sarah reported full compliance. Jim J motioned to accept the report as submitted and John seconded the motion. Motion passed unanimously.

Approval of BOD 13-14 Budget

Maria submitted and reported on final Budget for 2013-2014.

John motioned to approve budget as submitted. Annie seconded the motion and it passed unanimously.

Finalize Call for Candidates/election info sessions

Jim Jenkins reviewed the Board Election Ballet. Some edits to formatting will be done internally. Jim will send edited version to Board, Sarah and Sue Leveille.

Call for candidate's information session leaders are David for June 26th and Annie Marshall for June 29th.

Sarah and Sue will set up for the information session.

Sue Leveille will contact Front End to inform them of the sessions and to encourage people to come in.

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Odds and ends

OAD planning

Sign-up sheet was passed around and given to Sue.

Finalize CCMA planning (Austin – June 6-9)

Annie, Kendra, Sue, Pat, Jim H and Sarah will be attending.

Margie suggested an auction item for CCMA. Sarah will put together a local gift basket in the amount of \$50.00 and Sarah L and Sue L will look for Taco T-shirt and/or hat.

Pat motioned to approve. Margie seconded the motion and it passed unanimously.

Good of the Order

John Beutler reported that the May 1st advocacy meeting was cancelled due to no one showing up. JP is dropping off the committee.

John -FNP wrote an article about supporting labeling of GMO's on May 10th.

Annette will email out an article about Wheatsville Co-op's annual meeting.

Sarah L reported on NCGA Marketing Matters – won an award for highest turn out for annual meeting.

John- Business School of Maryland is open to consult with us. Annette was helped by Frostburg for her business surveys.

Sue reported 68 new owners for Owner Drive and we are on track to reach our goal.

John B reported the MAFCA meeting will happen July 21st at Greenhill Co-op in Brooklyn NY. Speakers - NYC coalition against hunger and an anti fracking chef group.

Annie Marshall motioned to adjourn at 8:20pm.

Notes taken by Sarah Lebherz and Sue Leveille.

Frederick County Consumer's Cooperative
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June 27th, 2013
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Board members present: Jim Hanna, Patton Allen, Margie Lance, Jim Jenkins, David Cloutier, Annie Marshall, Maria Acker and John Beutler.

Annette Stefancic was not present. Maria Acker arrived at 6:20pm.

Staff members present: Sarah Lebherz and Sue Leveille.

The meeting was called to order at 6:06pm, by David Cloutier. A quorum was present.

Board Minutes

Margie stated 2 corrections for the May Board Meeting Minutes to include correcting the spelling of NAFKA to MAFCA and correct the attendees for CCMA to Sarah, Sue, Kendra, Pat, Jim H and Annie.

Margie moved to approve the minutes with corrections, John seconded and it passed unanimously.

Consent Agenda

Owner Refunds for #3447 & #5392 were added to the consent agenda.

Jim motioned to approve all added items including Consent Agenda listed below, Margie seconded and it passed unanimously.

Owner refunds #5127, 4796, 5190, 2132, 3557, 2172, 2528, 5392 & 3447 and the May Board Meeting minutes were approved along with Additions to Agenda listed above.

Electronic Monitoring – D5 BOD Member Code of Conduct

David reported full compliance with the policy. Jim motioned to drop the “by” in Policy D5 Section 3B to read “Members’ interactions with the public, the press, or other entities must recognize the same limitation and the inability of any Board Member to speak for the Board except to represent explicitly stated Board decisions”. The motion passed unanimously.

GM Monitoring – B5 Communication and Counsel to the Board

Sarah reported full compliance.

John motioned to approve, Margie seconded and it passed unanimously.

Education: Food house/commissary kitchen case studies

Commissary kitchen would allow more opportunity to connect to the community and further our reach along with the benefits for the store. There was a brief discussion regarding the distinction between being a food processor (FDA) vs. food retailer (State Health department) and who each answers to.

CCMA Report

Annie reported that the majority of the people have boards that approve and select/deny candidates. She raised the question of whether or not this is a democratic process. David will ask Michael to review this at the retreat.

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Pat Allen reported on an "elevator speech" to clearly express your co-op's point of view to impact the public but specifically to affect legislation.

Future of food coop development 1.5 million members and their aim is to have 10 million by 2020.

Jim Hanna reported on his experience at Book People/Waterloo Records that they have blocked big box stores and keeping dollars within the community.

Sarah reported Wheatsville's ability to creatively display values and goals throughout the store.

Sue will email notes and pictures from the Member Engagement Session to the Board.

Social Media Committee posting plan

David volunteered to post Jan 28th for an article.

Social Media committee will meet and bring suggestions for connecting Common Market's Facebook to Board's Facebook page and the goal of social media.

Pat moves to approve, Margie seconds and it passes unanimously.

Odds and ends:

Pat suggested that Board Days be bagging as well as going around the store engaging customers/owners.

A bill regarding HR2437- Creating jobs through Cooperatives (capital approach and not just food co-ops)

Advocacy team is still talking about GMO labeling and they will end up meeting again.

John will be attending MAFCA on July 21st in Brooklyn, NY.

David will let Maria know about Treasury related trainings in the future.

Good of the Order-

Sarah reported lots of thunderstorms that caused power to go out 2 separate times including internet outages for a day.

The applications for board nominations are due on July 17th.

Sue is doing an email blast tomorrow.

Margie motioned to adjourn at 8:10pm.

Notes taken by Sue Leveille.

Frederick County Consumer's Cooperative
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July 25, 2013
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Board members present: Jim Hanna, Patton Allen, Margie Lance, Jim Jenkins, David Cloutier, Annie Marshall, Maria Acker, Annette Stefancic and John Beutler.

Staff members present: Sarah Lebherz and Sue Leveille.

The meeting was called to order at 6:03pm, by David Cloutier. A quorum was present.

Changes to the Agenda

David moved the Executive Session to after Odds and ends.

Consent Agenda

Owner refunds for #1910, #5038, #1274 and #4236 were added to the consent agenda.

Jim motioned to approve the consent agenda with the addition of the equity refunds, John seconded and the motion passed unanimously.

Electronic Monitoring – D4 Officer's Roles

David reported full compliance was indicated by the self-ratings provided by the Board. David did clarify that an Executive Committee does exist and includes the Board Officers, but they haven't needed to meet. David let the Board Members know if they feel a meeting is needed to contact David.

GM Monitoring – B3 Financial Condition

Sarah reported full compliance. The financial benchmarks were discussed and whether or not they would need adjustments based on current trends. Sarah will provide updated benchmarks at a later date. Jim motioned to accept the reported as submitted, Margie seconded and it passed unanimously.

The Board discussed the process and eligibility requirements for Patronage Rebates. David motioned to request a report on the number of Owner's not in good standing at the time of creating the next patronage rebate distribution file. Maria seconded it and the motion carried with 7 for, 1 opposed and 1 abstention.

Education: Capital and preferred shares

John proposed a question about how much an expansion would cost. Along with stating the numbers of our past expansions, Sarah will ask Wheatsville Co-op how much their new store cost just as a reference. David, Margie and Annie stated they were interested in finding out more about preferred shares. Sarah suggested more research on preferred shares is needed and maybe reach out to see if someone will do a presentation.

For expansion, it is recommended that Owner's equity which includes cash on hand and Owner loans represent at least 50% of the project costs.

Sarah will post an electronic version of a resource on capital and cooperatives that was provided by NCBA. David will get some expansion policy documents from other co-ops for August's meeting.

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Election update/discussion

We received 1 application for the 3 open Board seats. Sarah presented the language for the ballot reflecting that there is only one nominee and a statement quoting the by-laws regarding appointing after the elections. The Board election ballot language is approved.

The Board discussed processes for filling the two seats that will remain vacant after the Board elections. Margie motioned that potential candidates fill out an application after elections, receive an interview and the Board renders an appointment. Maria and Annie seconded and it passed unanimously.

Margie motioned that after the Annual meeting, the Board will publicize the availability of vacancies and the ability to apply within a specific time frame, John seconded and the motion passed with 6 votes for and 3 votes against.

David and Annie will draft an application based on the current election application and confirm the time frame.

Initial discussion of BOD training plan – *this agenda item was tabled*

MAFCA report

John reported on the independent business, How Good, which rates everything for a specific product or vendor. There are 3 levels of "grade" good, better and best which is based on nutrition, GMO, sustainability and social justice. According to John, they are moving towards more clarity on definitions.

Odds and ends

Saturday October 5th at 10:00am there is a teach-in for Co-ops in Catonsville, MD. Annie, Margie, John and Maria expressed interest. Sarah and Sue will let the organizers know at least a couple of people will attend.

Executive session: Annual GM Evaluation

Sue and Sarah left for the Executive session at 8:35pm.

Notes taken by Sue Leveille.

Frederick County Consumer's Cooperative
Board of Directors Meeting
August 21, 2013
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Board members present: Jim Hanna, Patton Allen, Margie Lance, Jim Jenkins, David Cloutier, Annie Marshall and John Beutler. *Annette Stefancic arrived at 6:15am.* Maria Acker arrived at 6:40pm.
Staff members present: Sarah Lebherz and Sue Leveille.
The meeting was called to order at 6:04pm, by David Cloutier. A quorum was present.

Additions to Agenda

Added Owner refund for #1196.

Consent Agenda

Owner refunds #1196 was added to the consent agenda. Jim motioned to approve, Margie seconded and it passed unanimously.

Electronic Monitoring – D1 Governing Style ??

GM Monitoring – B2 Financial Planning; B7 Customer Service

Sarah reported compliance. Sarah is looking to pay off National loan early (next month) which will save us \$31,000 in interest and will essentially leave us debt free and audit will not need to be yearly.
Jim J moves to accept paying off National loan, Jim H seconds and it passed unanimously.
Sarah reviewed Manager list and position re-organization. Store manager oversees grocery, meat, produce and café. Assistant Manager oversees the entire Front End and Customer Service Desk. Third Key will help support MOD shifts and help with repairs and maintenance. Merchandizing manager will be a new position and eventually it's own department. Addition Administrative Staff will be explored. Capital budgeted out a fair amount to revamp the Café service line. Detailed plan is being worked on.
Jim J motions to approve report, Annie seconds and it passed unanimously.

Audit Presentation

_____ & _____ arrived at 6:35pm to present Audit for fiscal year 2012-2013. Clean opinion was received. Improvement from last year in that we fixed items from previous year. We received the best opinion available.

Income taxes will be updated once the return is done. Unredeemed patronage rebates are still an issue and we need to write off those balances.

Within 2 week turn-around time for Final Audit take after patronage rebate approvals happen.

Audit concluded at 7:05pm.

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Education: Expansion Policies

David will ask Blooming Foods about their expansion policies and Sarah will set up a plan for GM and Board.

Expansion policy will be started next year, in line with other policies, depending on retreat decisions. Annie requested assistance in writing the policy and that will be explored after retreat.

Patronage rebate proposal

Sarah presented the rebate proposal.

Margie motions to allocate 100% of our net income, Jim seconds and it passed unanimously.

Jim motions to allocate 21% of net income to owners, Annie seconds and it passed unanimously.

Jim motions to use the same method of distribution with the same minimum of 2.00, John B seconds the motion and it passed unanimously.

Election planning – ballot counting Sept 24

Sue will pre-sort ballots to be counted on September 24th. David and Annie will provide help with ballots and Jim volunteered.

On the horizon: Ownerfest September 28

Strategic Seminar – Nov.2nd in Philladelphia, PA. MAFKA meeting is offering a discount for members. The meeting will focus on strategies from local and national expansions. John will be going. Jim H & Annie expressed interest in going.

Retreat Location

Jim J motions for the location of retreat to be at the Mount, Maria seconds and it passes unanimously.

Good of the Order

Sue will tell Dave & Fritzie to add a website for the Share our Strength poster.

Executive Session: finalize GM evaluation and compensation.

Sue Leveille and Sarah Lebherz left at 8:40pm for the Board to proceed with Executive Session.
Notes taken by Sue Leveille.

Frederick County Consumer's Cooperative
Board of Directors Meeting
September 26, 2013
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Board members present: Jim Hanna, Patton Allen, Margie Lance, Jim Jenkins, David Cloutier, Annie Marshall, John Beutler, Annette Stefancic. Maria Acker arrived at 6:25pm.

Owner present: Mike Sincevich

Staff members present: Sarah Lebherz and Sue Leveille.

The meeting was called to order at 6:10pm, by David Cloutier. A quorum was present.

Additions to Agenda

Jim motioned to approve Owner #1869, Margie seconded and it passed unanimously.

Consent Agenda

Additional Owner refund was added and approved by consent.

Electronic Monitoring – C9 BOD Advocacy on public issues

David reported that the Board was in compliance including notes from John Beutler, Annie Marshall and Margie Lance. David proposed the possibility that the Board schedule a regular check-in for the committee.

Annie Marshall proposed we should remove the word "written" from report C9 section 2B. Jim motioned to remove the word "written", Pat seconded and it passed unanimously.

GM Monitoring – A End Policies (first response)

Sarah reported we have a good monitoring system in place so the report includes similar metrics from the previous year. Michael Healy reviewed the report and recognized the challenges with determining compliance of "Consumers are educated". Michael is doing research on tools other co-ops use for measuring this. Sarah will include a Customer Service Survey report regarding staff knowledge in the next Ends report. Approval of this report will happen formally next month.

Education: Failures and Dangers

In looking at cases of failed or difficult expansions, the Board discussed the topics of demographics, working capital, sales projections and proper balancing of staff as being essential to the success of an expansion. The Common Market is in a great position in regards to the essential ingredients needed in a successful expansion.

BOD Training Plan

David talked to Mike Healy regarding facilitating a training for more one on one time with new Directors on Sunday, November 10th from 9am – 12 noon. The Board preferred the event to take place in the Community Room. John B has offered Michael Healy lodging.

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Audit Approval

The only changes in the Audit report was to Patronage Rebates which was anticipated. Jim motioned to approve the Audit Report provided by LSWG, CPAs, John B seconded and it passed unanimously. Sarah presented both the adjusted Patronage Rebate numbers and the snapshot of Owner's not in good standing as per Board's request. According to this snapshot 59 owners who were overdue (1 or more payment overdue) would receive a patronage rebate voucher. The Board and staff discussed ways to reach out to those Owner's to encourage payment of their equity share.

Election announcement & Ownerfest final planning

Board is to arrive at 10ish. David will welcome all guests, Annie will do election results, and Maria will present the treasurer's report. Raffle prizes will be announced by Jim and Pat.

Ballot counts

There were 391 votes returned, 40 invalid & 351 valid votes. Official results will be announced at Ownerfest on Saturday, September 28th.

Odds and Ends

Co-op Loan Fund –Sarah presented a potential investment for The Common Market. Sarah proposed a smaller group of the Board have a conference call to discuss further. Collaborative funds will allow us to grow the funds for future NCGA member expansion projects. Sarah will come back with a proposal on the loan with numbers.

Catonsville Teach in – John B is attending October 5th , Margie is in. John B is the point person.

MAFCA The theme for the conference is Expansion on November 2nd which will be Friday to Saturday with travel. The Brasman Center is available for housing, it's \$45 to register with no deadline and October 11th is the Board's deadline to express interest in going. Jim H is going and David is a maybe.

CBLD Program renewal

The Board discussed renewal of the CBLD Program. David will forward Maria the actual amount via email. There were no objections to renewing. John B motioned to approve the annual renewal of the CBLD program, Annie seconded and it passed with 8 votes for the motion and 1 abstention.

Retreat planning

This will be discussed in more detail next month.

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Good of the Order

Food for Change – documentary about cooperatives. Margie suggested that we contribute to be a premier sponsor. This would be something operational that Sarah and Co-op can look into.

David motioned to adjourn at 8:10pm, John B seconded and it passed unanimously.
Notes taken by Sue Leveille.

**Frederick County Consumer's Cooperative
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October 24, 2013
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Board members present: Jim Hanna, Patton Allen, David Cloutier, Annie Marshall and John Beutler. Maria Acker arrived at 6:04pm. Mike Sincevich arrived at 6:07pm. Annie Marshall arrived at 6:09pm. Staff members present: Sarah Lebherz and Sue Leveille. The meeting was called to order at 6:00 pm, by David Cloutier. A quorum was present.

Consent Agenda accepted.

Additions to Agenda

John motioned to approve Owner refund #4915, Jim seconded and it passes unanimously.

Board appointment interviews

The Board conducted three interviews of candidates for open Board seats. The candidates were selected by an electronic process after Board review of the pool of thirteen applications.

Discussion of candidates –

The Board discussed the interviews. After discussion, David moves to appoint Lisa Williams to a Board seat, Jim seconded and it passed unanimously. John moves to appoint Kate Moss to a Board seat, Jim seconded and it passed unanimously.

GM Monitoring - B3 Financial Condition –

Sarah reports full compliance. Term debt total is zero and we paid it off 2 years early. Cash position and net income is very healthy. Incentive pay out was given to employees. Labor expense has increased but we are investing in the future and she is hopeful that it will stay within budget. Pat motions to accept report, Annie seconded and it passes unanimously.

Retreat & Training plans/Ends follow-up –

Retreat has been confirmed at the Mount for November 9th. John B. is going to take care of accommodations for Mike Healy. Retreat starts at 9am but gathering at 8:30am at the Mount and it ends at 4/4:30pm. David will send directions regarding parking and building directions. A training session will be held on Sunday at 9am to noon in the Common Market Community Room. David edited the Education plan and reposted it.

Sunday training attendees will be Annie M., Mike S, Maria, David, Pat Allen, and Jim H, as well as the new Board appointees.

Sarah reported on additions to Ends report from previous Board meeting. 500 attended the annual meeting which is up from last year. Board elections were down a little at 11.5% from 13.8% last year.

Annie moves to approve the Ends report, John seconded it and it passes unanimously.

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Odds and Ends -

Ownerfest – Will look into improving the registration station. Overall it was a success.

Catonsville report- John B reported that Catonsville is starting as a buying club and have 80 members. It seems to be a great place for a potential co-op. John spoke about being a part of a successful Co-op and David did a Co-op 101.

OAD – Oct 24-26th Board days were mentioned and Board will be stopping in to help.

Strategic Seminar – Nov 2 Jim and John are going.

Good of the Order - Patronage rebate vouchers will be going out November 8th. John B reported that the Silver Spring store of TPSS Co-op is closing on November 1st. Annie reported, in accord with Board policy, that she is teaching a class on gifts in December.

John B motioned to adjourn at 8:45pm, Annie seconded and it passed unanimously.
Notes taken by Sue Leveille.

November Meeting Canceled.

**Frederick County Consumer's Cooperative
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December 12, 2013
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Board members present: Jim Hanna, Patton Allen, David Cloutier, Annie Marshall, John Beutler, Lisa Williams, Kate Moss and Mike Sincevich.

Board members absent: Maria Acker

Staff members present: Sarah Lebherz and Sue Leveille.

The meeting was called to order at 6:05 pm, by David Cloutier. A quorum was present.

Consent Agenda accepted.

Electronic Monitoring – D10 Social Media; C4 Monitoring GM Performance

C4 Monitoring GM Performance - 100% Compliance. According to section C.5.1 of the Policy Register the "Board may engage in a summary evaluation at any time, however it will normally conduct an annual summary including all monitoring, scheduled from July through August." The time range from July to August read August to July in the C4 Monitoring GM performance survey. John Beutler will correct this to ensure accuracy.

D10 Social media – Out of compliance. Board will continue discussion regarding Facebook page as well as Owner linkage in general at January's meeting.

Retreat follow-up: BOD Strategic Plan Revisions

Board will continue to review and edit the Multi-year Strategic Plan, make changes as needed and develop an education packet based on the plan.

Sarah recommended a discussion in January-June, regarding the fiscal year end audit. A decision needs to be made (preferably before April), by the Board, whether to do a full audit yearly, every other year or periodic reviews so Sarah can include/exclude it in the 2014/2015 Fiscal year budget. Sarah summarized the financial condition policy section B3.3 and suggested they review this policy and make changes based on their decision.

John and Sarah will coordinate another training session with Michael Healy of CDS Consulting Co-op most likely in December 2014.

Board Days – discussion, dates and ideas

At this time, the Board decided Board Days will be on Owner Appreciation Days only. They will also discuss more opportunities to connect with Owners.

David presented the Pyramid of Member Participation which goes from bottom (widest) to top; Customers, Shopping Owners, Social Participants, Owners and Board with all layers being interconnected.

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MAFCA/Philadelphia seminar report

November 2nd Cooperative Café meeting highlights reported by John.

- Well attended by east coast cooperatives.
- Weaver Street Co-op presentation by GM Ruffin Slater: They have incredible goals for 1,5 and 10 years. The GM is very compelling.
- Member involvement presentation: Tell coop stories, packaging reduction, local food feedback numbers, reward individuals for ends behavior, financial participation, figuring out how to avoid credit card fees.
- MAFCA's focus is to figure out a way to provide consulting program for new startup cooperatives locally. Philly is doing a lot more Co-op food alliance projects. Videos regarding this are up on the CDS website.

Next MAFCA meeting is on April 15th at Greenbelt Co-op which goes back to the 1930's.

Elect 2014 BOD Officers

David Cloutier, President/ acclamation, all in favor

Annie Marshall, Vice-President / acclamation, all in favor

John Beutler, Secretary / acclamation, all in favor

Maria Acker, Treasurer/ acclamation, all in favor

Odds and Ends

CBLD 101 & Leadership training: July 12, Philadelphia – details to be discussed at a later date.

CCMA June 12-15 Madison, WI – details to be discussed at a later date.

Post-holiday dinner meeting – January 23rd Board meeting will be held at 6pm in the Community Room and dinner at 7:15pm at Ayse Mezze, in Shab Row. Sarah will make the dinner reservations.

Good of the Order

John B reported on his trip to Seattle where he did cooperative tours/visits including PCC. He will provide us with the link to photos via email. He noted that PCC's teaching kitchens were amazing.

Sue reported that 64.88% of total Patronage Rebate distributions have been redeemed and discussed preparations for Board phone calls to non-redeeming Owners.

Annie will be teaching a class next week for the Common Market and will receive compensation.

Annie motioned to adjourn at 8:05pm, Jim seconded and it passed unanimously.

Notes taken by Sue Leveille.