

**Frederick County Consumer Cooperative**

**Board of Directors Meeting**

**June 25<sup>th</sup>, 2020**

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**Board members present:** Megan Schneebaum, Annie Marshall, Stephanie Walker, Evan Rosenberg, Melanie Ahern, John Clarke, Bob Wolpert, John Beutler

**Board members absent:** Sibylle Mangum

**Staff members present:** Sarah Lebherz, Max Smith, Ashley Pilahome

The meeting was called to order at 6:04pm Megan Schneebaum via Zoom.

**Approval of Agenda**

Agenda is approved.

**Consent Agenda**

One additional owner refund was added: #9080.

Minutes and refunds approved.

**Owner Comment Period**

Owners present: Katie Jackson and Chintimini Keith.

No owner comments.

**Electronic Monitoring**

D5 – BOD Member Code of Conduct: John C. is currently finding a way to collect all board member signatures and it will be completed.

**GM Search Update**

Huge step has been taken – the offer letter has been sent! There has been a verbal agreement with the candidate pending final screening. We hope to be able to make the announcement soon!

**Expansion update: pro forma and Capital Campaign**

We are 75% complete! A lot of movement in construction and equipment in the last month. We are about 50% in with construction building and payments and 87% in with equipment. With the services and equipment from SuperValu and UNFI – a lot is prepayment. A ton of refrigeration is on site! Remaining monthly expenses and interest are starting to come through. Some larger items left are \$1.5 million in construction and inventory. Our primary vendor is UNFI; along with our department managers, UNFI is working on planograms for the store. We have paid for two stages of the project with NCG and still have two more coming; these payments will not come out until the next fiscal year. NCG's support staff will come on site for the store opening in addition to pre-store opening meetings that they will be having with our team. Capital Campaign – we have \$1.57million in c-shares; \$6k raised since the last email we sent out. Sarah wanted to give a quick nod to the timeline - we are still looking on track for September 16<sup>th</sup>!

**Audit Date Change?**

In a normal time we would be closing the books and ready by the meeting in August however with everything pushed a little back Sarah would like to propose the audit date change to September 10<sup>th</sup> with final approval on October 22<sup>nd</sup> which then will be ready for the November Meeting. Annie moves to accept, Bob seconds, all are in approval. In

addition to the Audit Date change, the Board Meeting for September will be moved to the 10<sup>th</sup> to align with the audit. John C. will update the calendar.

### **PPP Loan**

We were approved for the PPP loan! Just a few more steps and then will be sending it off within the next day. Sarah also reached out to Merry at Shulman/Rogers for some advisement on setting us up in the right path for the forgiveness loan process and she provided us with some great information! We will be maintaining a close eye on all pertinent information throughout the 24 weeks.

### **GM Monitoring: B5 – Communications and Counsel to the Board**

“With our current unique situation, that, The Common Market is in with a GM transition as well as the pandemic crisis. The traditional avenues in which B5 regarding Communication and Counsel between the General Manager and Board of Directors as it takes place is not feasible in its current form. As to adapt, but to maintain as much communication and counsel between the Board, and current IGM, (Max Smith) the following forms of communication have taken place to ensure as proper monitoring reporting as possible.

- Weekly video meetings to communicate changes/updates of operations as well as expansion process during this time.
- Constant open communication through email, phone calls, text messages, etc....
- Impromptu video meetings to address concerns or issues in all forms, but not limited to owner concerns, board concerns, staff concerns, etc.....

During this uncertain but pivotal time, the open communication between the Board, IGM, and Management team has been vital to maintain proper reporting for B5 Communication and Counsel. It is in my opinion that through these adaptive techniques used for the monitoring of B5 has been fulfilled in its best respects as possible due to current situation.”

Statement prepared by Max Smith. Board accepts the statement regarding B5 – Communications and Counsel to the Board.

### **Sales Updates**

We are starting to see a negative trend around 10% the last couple of weeks; this would be in trend with the drop the nation is experiencing too. We are currently hovering over 9.5% down ytd and curbside sales have started to go down over the last month. The supply chains are starting to catch up but there remains some key out of stock items not available. The customer’s shopping habits are now transitioning back to smaller buys. We are trying to look at ways to merchandise for the changing normal. The one-way enter/exit of aisles is causing small issues and people are trying to get in and out quickly, so you need to catch their attention.

### **Honor Our Own Month**

It went great! The staff appreciated all the kind comments and words of support that our owners and customers are sharing during this time! We keep them posted throughout the employee breakroom for employees to read! If you would like to read about all about our Honor Our Own Month, you can at: <https://www.commonmarket.coop/just-a-spoonful/honoring-our-own/>

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**BOD Elections**

Troy and Mike will be researching some other online voting options after feeling that last year's voting portal was not as user friendly as hoped for. We had 4 attendees at the last info session and two are on the call tonight! Unfortunately, there was a storm that night as well so we are going to have another meeting Monday 6/29 at 6:30pm. The deadline for returning applications is July 10<sup>th</sup>.

**Odds & Ends**

- CCMA – several board members signed up for this – overall, many thought it was good! Nothing like meeting in real person but under the circumstances the information provided was nice.
- Board Bio Page – continuing to work on updating the board site!
- Annual Meeting Date
- Good of the Order
- Follow up work/next steps

The meeting was adjourned at 7:18pm.