



Board of Directors Meeting Minutes

Tuesday, May 12, 2020 (5:00pm - 8:00pm ET)
Virtual Conference call via RingCentral

Minutes unanimously approved via email on May 22, 2020

Board Members in Attendance: CE Pugh, Dave Blackburn, Erik Davis, Nancy Muller, Rosemary Mahoney, Zoila Rivera

Others in Attendance: Mark Regni (CEO), Benjamin Goldberg (CFO), Dawn Rowney (Board Admin)

The Meeting was called to order at 5:00pm ET

Agenda Review – There were no changes to the agenda

Member Questions

The Board addressed member questions received prior to the meeting and discussed appropriate responses. Responses were delegated to either the Board or CCM management, and the BOD president will respond to all emails with an answer or let them know that management will be responding to them soon.

CEO Reporting

Mark Regni provided the Board with a monthly update report, as well as quarter and year to date financial reports. The Board had a discussion of Covid-19's impact on the financial results. Also discussed was the allocation of the investor member's equity deposit as part of the original asset purchase. The Board requested that management include a financial summary along with the detailed reports in the future for streamlined reporting and a better understanding of key financial indicators and trends.

Paycheck Protection Program (PPP) Loan

The Board discussed the proposed resolution to authorize management to secure an SBA guaranteed Paycheck Protection Program loan from Capital City Bank. The board asked that management ensure that systems are in place to meet the requirements for loan repayment forgiveness.

Nancy Muller moved to accept the resolution as written. Rosemary Mahoney seconded, passed unanimously

CEO Monitoring Reports

Prior to discussion and approval of monitoring reports, the Board reviewed a Policy Decision Making guide to reach alignment on how the Board will consider and make decisions on whether or not to accept management's monitoring reports.

B1 Financial Conditions

After discussion, the Board accepted the report with the following conditions: the B1 report next meeting should include a revised global interpretation, areas of non-compliance should include a plan to achieve compliance, request for the co-op's third party auditor to review financial policies & interpretations, and to include a quarterly comparison spreadsheet which outlines any changes.

Nancy Muller moved to accept the report, with conditions. Erik Davis seconded, passed unanimously

B2 Planning & Financial Budgeting

After discussion, the Board accepted the report with the following condition: the B2 report next meeting should include a summary of any proposed changes to the annual plan and budget.

Nancy Muller moved to accept the report, with conditions. Zoila Rivera seconded, passed unanimously

B3 Asset Protection

After discussion, the Board accepted the report with the following conditions: the next B3 report should include a cyber security audit as an external monitoring report (similar to a financial audit). The board asked management to expand its interpretation of the purchasing conflict of interest policy to include purchases from staff and their family members when addressing potential vendor conflicts of interest.

Dave Blackburn moved to accept the report, with conditions. Rosemary Mahoney seconded, passed unanimously

B9 Emergency CEO Succession

After discussion, the board accepted the report as written. Appreciation for management extending the succession plan down to the departmental level.

Rosemary Mahoney moved to accept the report. Nancy Muller seconded, passed unanimously

Board Policy Review

There was a discussion encompassing the duties of board members, how board meetings should be conducted, proper board conduct, and officer roles. It was unanimously decided that the job titles in these policies should match those in the bylaws. The possible separation of the Secretary and Treasury roles will be addressed along with term lengths once all board seats have been filled. It was also noted that standing executive sessions should be added to the end of future board meetings.

Policies Reviewed

C2 The Board's Job

C4 Board Meetings

C5 Board Code of Conduct

C6 Officer Roles

Board Education

Board members will share and review educational resources related to board governance, the food industry, and food co-ops for discussion at future meetings. Aside from the topics above, educational material pertaining specifically to the National Co+op Grocers (NCG) system was requested.

Closing

It was unanimously agreed that future board meeting agendas and minutes be posted to the co-op's website for easy member access. All who were present felt that the meeting was productive and expressed enthusiasm for future meetings to come. Should additional meetings be held virtually, the board will discuss prior to the meeting how to facilitate a virtual meeting open to members.

The meeting adjourned at 8:00pm ET