



Board of Directors Meeting Minutes

Tuesday, August 10, 2021 (5:00pm – 8:00pm ET)
Virtual Conference call via RingCentral

Minutes unanimously approved by all members present via email on August 27, 2021.

Board Members in Attendance: CE Pugh, Dave Blackburn, Rosemary Mahoney, Nancy Muller, Kip Ritchey, Zoila Rivera, Wis Benoit

Board Members Absent: Amber Hall

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

The Meeting was called to order at 5:02pm ET

Agenda Review – There were no changes to the agenda. The May 11, 2021 and May 15, 2021 meeting minutes were unanimously approved via email.

Open Member Time/ Member Questions

The Board reviewed and discussed questions and feedback from 1 member received prior to the meeting. Pertaining to the mask policy, the Board affirmed that it is Management's decision how best to keep staff and shoppers safe.

CEO Reporting

Mark Regni provided the Board with a monthly update report.

P.11: Sales and Labor Update – Due to CCM being a new store and Covid impacts, Management wasn't expecting the usual "summer slump" the previous co-op experienced every summer. However, this trend has continued in 2021. Management was encouraged by the Board to budget for it in the future.

P.12: Financial Update – The Board would like for Management to provide a monthly financial updates rather than reference the quarterly B1 report – demonstrating how monthly P&L summaries are provided to the Board, as well as provide comments pertaining to the B1 report.

P.12: Membership Update – The Board would like a rolling monthly chart of memberships to access growth patterns, their relation to sales, as well as a zip code map to access future opportunities for sales growth.

P.12: CX Survey – The Board would like a monthly chart to show CX Survey trends to see how the comment examples relate to overall results.

CEO Monitoring Reports

B1 Financial Conditions

After discussion, the Board did not accept this report. It was noted that B1.1 was reported as being out of compliance. Management has been asked to change B1 to report non-compliance and has until August 31st to resubmit the report with a plan to meet compliance for Board approval. For this and future reports, any areas of non-compliance should include a plan to meet compliance to be accepted by the Board.

Nancy Muller moved to not accept this report, noting areas of noncompliance reported. Rosemary Mahoney seconded. Passed unanimously.

B Global Constraints

After discussion, the Board has decided to move this topic to the November meeting. The Board would like to rewrite the language of this report and have Management redefine its interpretation.

Nancy Muller moved to reschedule this report. Zoila Rivera seconded, passed unanimously.

B4 Member Rights

After discussion, the Board accepted the report.

Dave Blackburn moved to accept this report. Nancy Muller seconded, passed unanimously.

B5 Customer Treatment

After discussion, the Board accepted the report with conditions. The CX Survey report in the future should include a chart, with comments, and a summary of the results.

Wis Benoit moved to accept this report with conditions. Kip Ritchey seconded, passed unanimously.

B6 Staff Treatment

This report was not delivered to the Board. Management has until September 30th to deliver the updated B6 report, which is to include the results of a new staff survey to be conducted by a third party of managements choosing.

Board Committee Updates

Nominating & Governance Committee

Zoila Rivera reviewed the Election Procedures and Timeline document and provided a revised N&G Charter for Board member review. Zoila and Dave Blackburn are both stepping down from the N&G Committee, and Rosemary Mahoney and Kip Ritchey are filling their chairs. Talethia Edwards has stepped down from the Board, and the N&G Committee is to suggest a replacement for the Board to vote on.

The Board unanimously accepted the revised N&G Committee Charter as presented in the packet.

Audit Committee

Dave Blackburn reviewed the Audit Committee Charter and explained the roles of committee members. Wis Benoit has agreed to join Dave and CE Pugh on this committee.

Rosemary Mahoney moved to accept this charter. Zoila Rivera seconded, passed unanimously.

Board Policy Review

Policy Revision Proposals

B2 – Planning and Financial Budgeting

After discussion, the Board accepted a proposal for modification of this policy to include policy B2.3 stating that “the CEO must not fail to update the Board quarterly on the implementation of the Business Plan.”

Nancy Muller moved to adopt policy B2.3. Kip Ritchey seconded, passed unanimously.

Policies Reviewed

C – Global Governance

C1 – Governing Style

C3 – Agenda Planning

After discussion, the Board accepted compliance of these policies unanimously, while noting that they would like to see more member participation in future meetings.

Rosemary Mahoney moved to accept these policies. Zoila Rivera seconded, passed unanimously.

Board Strategic Discussion

Review of Ends Policy and 3-Year Planning Assumptions

After discussion, The Board agreed to revise the Ends Policy to focus on what is to be achieved over the next three years. Following Board acceptance of the revised policy, Management is expected to revise their interpretation of the policy and that all terms be accompanied by definitions. The Board will agree on a new Ends policy no later than the November 2021 Board Meeting.

Board Education

CE led a discussion on Co-op Financial Literacy. Covered in this session were an explanation of margin dollars and how they pay for the Co-op's total expenses; departmental gross margins; and a review of CCM's balance sheet.

Closings

Review Board Calendar & Next Meeting Topics

The November meeting will include the revised Ends and Business Plan for 2022.

The meeting adjourned at 8:28pm ET

Executive Session followed for Board members only