



Board of Directors Meeting Minutes

Tuesday, January 11, 2022 (5:00pm – 8:00pm ET)
Virtual Conference call via RingCentral

Minutes unanimously approved on February 8, 2022

Board Members in Attendance: CE Pugh, Dave Blackburn, Rosemary Mahoney, Nancy Muller, Kip Ritchey, Amber Hall

Board Members Absent: Zoila Rivera, Wis Benoit

Others in Attendance: Benjamin Goldberg (IGM/CFO), Dawn Rowney (Board Admin)

Members in Attendance: Patrick Malone, Lynn Masimore, Tom Strazulla, Felicia Coleman

The Meeting was called to order at 5:04pm ET

Agenda Review – There were no changes to the agenda. The August 10, 2021 meeting minutes were unanimously previously approved via email.

Open Member Time/ Member Questions

The Board reviewed and discussed questions and feedback from 3 members received prior to the meeting. Nancy Muller welcomed Felicia Coleman and Patrick Malone to the meeting, thanking them for their Board Candidate applications.

CEO Reporting

Monthly Update Report/ Quarter and Y-t-D Financials

Ben gave the Board his operational update as well as 3Q & 4Q financials. 3Q saw a margin improvement of 3% over 2Q and was close to break-even on EBITDA. 4Q saw reduced admin costs due to not having anyone in the GM or HR positions, had sales growth over the previous year and consistent customer count, kept labor in line, executed a successful mailer, and the staff seemed in good spirits during the Holidays. When asked about how he feels about going into 2022, Ben expressed excitement at the opportunity to continue investing in the store and staff. Ben then explained the ERC (Employee Retention Credit) and EIDL (Economic Injury Disaster Loan) are two financial opportunities that will enable these investments and strengthen cash flow. The ERC is awaiting further CPA filing and could result in a cash injection of around \$100k. The EIDL through SBA is awaiting a signed resolution from the Board. The board asked Ben to contact SBA to address concerns around the language regarding the personal guarantee and collateral agreement. Ben hopes to secure a EIDL loan to at least cover the current Shared Capital loan.

HR Support Proposal

Due to the retirement of CCM's HR Manager, HR duties have been delegated to department managers and the Finance Department. As such, the Board requested that Ben either hire a new HR Manager or contract with a 3rd party HR firm (often called a

PEO) to alleviate administrative and legal burdens on CCM. Ben and Dawn (Finance Department) researched several PEO options and have decided on Applied Business Solutions. The Board wishes to be kept informed of the transition process, which will hopefully be completed by February.

CEO Monitoring Reports

B7 BOD Communication

After discussion, it was noted that the majority of the reporting period was with the previous GM. As such, the agreed that they would accept partial compliance as they did not occur during Ben's time of being the GM.

Nancy Muller moved to accept this report with the acknowledgement that the report has sections created by the previous GM. Rosemary Mahoney seconded, passed unanimously.

B2 Plan & Budget

Ben provided the Board with a 6-month Operational and Capital Expenditure Budget draft. The 6-month Budget was challenging, as the pandemic has made data comparison very difficult, but Ben was able to use trends such as previous sales growth, customer counts, and basket totals to find a sales growth number that made sense for 2022. While the Budget is conservative, should the predicted sales levels not be met there is a plan in place to revisit staffing levels, supply costs, and other controllable expenses. The Board has not yet provided Ben with their GM Search Budget, but this is to be included in the Budget once finalized, and priorities 2 and 3 on the Op/CapEx Budget should be reflected in the Budget as well. It was also decided that Ben should provide a 2022 Plan and Budget that spans the whole year, not just 6 months, and it should reflect actual vs. budget for the same quarter of the previous year.

Rosemary Mahoney moved to accept these drafts, with conditions. Nancy Muller seconded, passed unanimously.

Board Committee Updates

Nominating & Governance Committee

There are three patron seats open on the Board and three interested candidates, two of whom have applied – Felicia Coleman and Patrick Malone. There are plans to send out more emails, which were how the two applicants heard about the openings, as well as plans to use social media. The Committee plans to bring a recommended candidate slate to the February Board Meeting for review and a decision by the full board.

Board Policy Review

Policies Reviewed

C7 – Board Committee Principles

The Board reviewed the policy and feels it is doing a good job of compliance.

C8 – Governance Investment

The Board discussed budgetary items needing to be decided upon, such as the GM Search, education and training for the board, Board outreach and member engagement, and planning an annual Board retreat. The Nominating and Governance Committee has been tasked with providing a proposal to the Board for the annual retreat, with an aim to

have it take place after the annual meeting to consider membership issues but before management starts focusing on next year reports.

Ends Policy

The Ends Policy was approved via email prior to the meeting. The Board revised the Ends to reflect a more local vision since CCM is currently just one store. It was decided that Ben should provide a 2022 full year Business Plan and Budget for the February meeting that does not conflict with the Ends. Once we hire a new GM, that person will be asked to interpret the new Ends Policy.

[Nancy Muller moved to accept these policies. Dave Blackburn seconded, passed unanimously.](#)

Closings

Review Decisions, Tasks, and Assignments

Ben to reach out to SBA about EIDL resolution;

Nominating and Governance Committee to plan annual retreat and Board education.

Annual Board retreat will be added into the calendar once it has been approved

Review Board Calendar & Next Meeting Topics

February 8th Meeting: The revised B2 Plan & Budget Report will be included, B8 Board Support and B6 Staff Treatment will be moved to a future meeting. The Board's D Policies will also be moved to a future meeting.

The meeting adjourned at 7:41pm ET

Executive Session followed for Board members only