

Fairbanks Community Cooperative Market dba “Co-op Market Grocery & Deli”
 Board of Directors Meeting Minutes
 Date: July 20, 2020

1. Call to Order/Roll Call
 - a. Board directors: Anduin McElroy called the Fairbanks Community Cooperative Market Board of Directors (Board) meeting to order at approximately 6:05 p.m. remotely via Zoom Meeting
 - b. Attendees: Anduin Hilary Shook – Chair, McElroy – Vice Chair, Art Gelvin – Secretary, Richard Seifert – Treasurer, Shaun Sims – Interim General Manager, Brian Kassof, Madeline Patterson-O'Dell (all in attendance via Zoom)
 - c. Absences: Chase Nelson
 - d. Visitors: Amber Hernandez, Tom Shleicher
 - e. Read Mission Statement: Anduin McElroy
2. Review and Adopt Agenda: Agenda approved and adopted
3. Owner Time: Diann Darnall sent positive feedback for the BLM statement that was sent out. June 24th. Janet Schichnes and Jerry Lipka, sent an email on June 24th, that they would like to bring up a concern that they would like to see a mandatory mask rule, they would like to see a mask requirement for the shoppers at the co-op. The email was sent to Hilary, responded to with a statement that the mask requirement was under consideration, and the mandatory mask rule that was then recently implemented.
4. June Minutes: Approved and adopted
5. Review June Action Items:

Board Decisions		
<ul style="list-style-type: none"> • Approved May minutes • Policy B3 Asset Protection – Table to July • Policy B8 Board Logistical Support – Approved to table report until 2021 • Budget for GM Search Committee, approve the Contract Services for Carolee Coulter – Not to exceed \$9,000 – Approved • Timeline for GM Search Committee – Approved 		
Date	Assignment Action Items with Timeline	Status
6/15/2020	Contact Hilary about GM contract for Shaun	Art – Completed
GM Action & Non-Compliance Monitoring Report Items		

6. GM Discussion:

a. FYI Report –

June Sales: \$398,364

Sales Growth: 13%

June Owner Equity: \$4,432, 63% over June 2019

Owner count on June 31, 2020: ~4,500

Average # of transactions: 271

Average basket size: \$45.78, up 37%

Owner sales - 74% Non-member sales – 26%

Lend a Hand Donations to - \$2,897 to Friends of Creamers

- b. 63% increase owner equity represents a larger number of owners making payments on their ownership and an increase of new owners signing up. This is due to the lower \$10 initial payment has allowed more people to become members.
- c. May was the first month for the Retail Financial Service (RFS) reported the financial statements for the co-op. RFS had discovered an error in the calculations with the Member Receivables and Equity, due to an error in the way member information was being recorded in the POS system. Equity and Receivables will be recorded in a combined category in order to reflect the true owner equity.
- d. Meeting with Mugrage Farms hasn't happened due to not having the staff resources in order to follow up with them.

7. Policy B3 Asset Protection – Quick Q & A

- a. B3.1 - Need to review this, in 2014 the store is \$2.4 million in sales, now we are at \$4.6 million.
- b. B3.2 – The Co-op's Employee Handbook details have not been followed consistently and has not been updated. With new team leaders, training hasn't been given, reaching out to NCG for help with developing a training process.
- c. B3.3 – Need to address several discrepancies' that pertain to this. Will work on creating a schedule to change passwords, safe combination, and how employees with access certain keys.
- d. B3.4 – Need to address a number of security issues of the premises and property,
- e. There are number of issues that need to be addressed by the incoming GM.
- f. B3.8 – As of 6/2019 to 6/2020, the number of new owners has increased by nearly 600 people.

8. Committee Reports

a. Board Development: Madeline –

- i. Discussed dates, board applications available August 1st, applications will be due by August 31st

- ii. To broaden applicant pool for a diverse applicant pool, completed reach out via phone message to NAACP for board to speak at meeting and promote nutrition interested candidates. Anduin may contact Food bank and Alaska Housing and Finance as well.
 - iii. July offering for Introduction to the board – preboard meeting via zoom – no participants, please share and promote the last meeting that is scheduled for August.
 - iv. Would the Finance Committee review threshold for board compensation? Suggest to contact Carolee to learn more about board compensation. This is something that might allow to introduce diversity with the board.
- b. Executive: Hilary – No Report
- c. Financial/Audit: Rich – Report submitted; some highlights are as follows:
- i. FYI report and noted that our sales growth was 13% although the Average number of transactions was down by 17%, indicating that there are fewer transactions but much greater basket sizes for each transaction, keeping with the pattern that has been continuing throughout the COVID-19 Pandemic.
 - ii. We were contacted by Russ Talvi with the Small Business Development Center requesting information about our current loans received and whether or not we would be interested in an additional SBA loan. The committee members decided that it was not interested in an additional loan.
 - iii. Shaun has cancelled the janitorial service which was \$5250/month to clean the floors and bathrooms five times a week. She determined it will be more cost effective to purchase a buffing machine and to hire someone to do the work.
 - iv. There is an \$6,808.57 balance owe to the IRS for a Payroll Liability issue dating from 2014, that Shaun and Amber are resolving the issue, will request RFS for additional help. Do we need a board resolution to send to the IRS?
- d. Board Governance: Art – Art has been looking into examples of board policy manuals, meeting packets, and minutes from other co-ops’ in order to start looking to update the current policy manual.
- e. Outreach and Planning: Hilary – Looking to figure out how to have the annual meeting held via zoom. Will be contact Briar Patch Co-op to see how they held their annual meeting.
- f. GM Search – Art – Develop the five GM characteristics/qualifications. Created a job announcement and description. The next step would be to have a letter to the membership and then focus on getting the GM announcement out. Kristin will be getting the word out. Amber and Kristin will be getting together to work on getting the job announcement out.

9. Board Decisions:

- a. Policy B3 Asset Protection – Approved as a quick Q & A, recognize there are many issues that will need to be addressed by the new GM.
- b. Tax Liability Issue – the board approved/authorized that the amount owed to the IRS (\$6808.57) be paid ASAP.

10. Closing:

- a. Review July Action Items (Decisions, Tasks/Assignments)

Board Decisions		
<ul style="list-style-type: none"> • Approved June minutes • Policy B3 Asset Protection – Approved as a quick Q & A • Tax Liability Issue – Approved the measure to get the liability to pay off tax owed. 		
Date	Assignment Action Items with Timeline	Status
7/20/2020	Look into Board Compensation	Finance Committee
7/20/2020	Suggest that Rich work with Amber and Shaun to determine what is needed to accomplish solving the owed taxes.	Rich Amber, Shaun
GM Action & Non-Compliance Monitoring Report Items		

- a. Review next meetings topics:
 - B1 Financial Condition 2Q
 - B5 Treatment of Customers – Q & A
- b. Absences: None
- c. The next meeting will be held Monday August 17, 2020 at 6:00 pm, location Zoom.
- d. The meeting was adjourned at approximately 7:15pm.

Respectfully submitted,

Arthur (Art) Gelvin
 Fairbanks Community Cooperative Market
 Board Secretary