

Minutes of GCC's Board of Directors' Meeting
July 29, 2020
Board Approved

Attending via Zoom: Bill Jones, Donna Peterson, Joe Timer, Amy Drew; Barbara Ford; Linda Ivy;
Dan Gillotte

Meeting was called to order at 7:06 PM

1.Approval of the Agenda: Motion: To approve the July agenda.as modified.
Passed unanimously.

2. Approval of minutes for the meeting of June 24, 2020: Motion (Timer/Peterson) to approve the minutes as modified via email exchange. Passed unanimously.

3. Managers Report

Dan Gillotte reported that sales are going well, with a trend showing 14% growth.

Co-op has had no CVID 19 cases among staff, but two workers were sent home pending testing. One had contact with a person testing positive and the other had cold/flu-like symptoms. They are being paid sick pay. Deliveries are erratic and unpredictable, but Co-op is OK. Co-op is getting deliveries of flour, but deliveries of soda are tough. Co-op did a voluntary recall of certain sanitizers.

Gillotte stated that Co-op's cash position is excellent. Co-op has applied for forgiveness on its PPE loan. Jones said that Co-op is working on the final details with NCB. The State' grant funds are pending and both tenants have paid their rent.

4. Financial Report

Timer reported that sales for FY20 to date totaled \$12.5 million. Even without the last six days of FY20, total sales for FY20 are higher than the previous five fiscal years and will likely finish as the 3rd highest, behind FY 12 (\$13.01 million) and FY13 (\$12.8 million). Timer projects FY20's total sales at \$12.7 million.

5. New Business

- a) Discussion ensued regarding reconsideration of interest of 1.5% on normal member acct's

Motion (Jones/ Drew) to rescind the motion at the meeting of June 24,2020 paying an interest rate of 1.5% for normal member capital accounts starting immediately. Passed unanimously.

Motion (Jones/ Timer) that Co-op pay an annual interest rate of 1.0% for normal member capital accounts effective immediately. Passed unanimously.

- b) Assigning a task force to consider bylaw changes.

Discussion ensued regarding forming a taskforce to revise GCC's bylaws. Changes will likely include: payment of patronage refunds; creating "sustaining dividends", which earn no interest and which will not return to members; and establishing a timetable for subscriber members to move to full membership. Directors concurred with the need for a taskforce to work out the details and outline options. All agreed that educating and explaining these changes to the membership was critical. Any changes to the bylaws would be presented to the Board for approval.

Bill Jones recommended that the taskforce include; Bill Jones, Kim Kash, Richard Bates and Wayne Williams.

c) Business Plan for FY2021

Dan Gillotte discussed the business plan that he shared earlier with the Board. It includes eliminating monthly Patron Appreciation Days and eliminating monthly drawings. Patron Appreciation Days are, in effect, a marketing program and monthly drawings are a form of casino loyalty.

His goal is to make membership more valuable and give others a reason to join by creating a better membership package. Gillotte said he won't eliminate anything until he has a loyalty/rewards program to implement.

The business plan included a proposed budget for FY21. Gillotte stated he believed it was reasonable, conservative and based on the FY20 experience. It did include lower gross margins for produce.

Motion (Timer/Ivy) to approve the proposed budget for FY21. Approved unanimously.

Linda Ivy noted that Co-op sells gift cards, available in the sales office. She said that more members would buy these cards if they knew they were available. Dan said he will address that.

d.) Consideration of making Appreciation Pay (\$3/hour) permanent; 401(k)?

Gillotte said that the Co-op can handle this \$3.00/hour increase. Staff focuses on what they are being paid. This also allows management to increase expectations regarding job performance. If Co-op encounters problems, he would first reduce hours and then reduce pay. He does not foresee the Co-op paying patronage dividends for the next few years. His goal is to have a well-paid staff and \$3.00 above the County's minimum wage is a good target.

Bill Jones suggested the need for a policy with pay ranges for staff, similar to that at GHI. Board members favored continuing as we have previously

Gillotte stated that the business plan for FY21 focuses on wages, while the plan for FY22 will emphasize benefits/retirement. Discussion of a 401(k) plan was tabled for discussion in the future.

E) Other

Dan mentioned that he's developing safety protocols that involve floor decals, plexiglass and arrows. Cashiers had concerns about customers being too close.

Dan also commented that the Co-op's systems were outdated and inefficient. He plans to address these technology deficiencies gradually overtime.

e.g. Dave Brinks needs to go to M&T Bank twice a week to get printouts.
Co-op should have on-line access to this info.

Joe Timer indicated that the City of Greenbelt has yet to provide a certificate of appreciation for Bob Davis. In mid-April, the City indicated that this would happen.

Timer will contact the City Manager about this.

Motion (Timer/ Ivy) to adjourn: Approved unanimously

The next meeting is August 26, 2020

Meeting adjourned at 8:47 PM.

Respectfully submitted by Joe Timer