

## MINUTES FROM THE LEXINGTON CO-OPERATIVE BOARD MEETING

October 1<sup>st</sup> 2018 at Lafayette Lofts

**Attendance:** Elizabeth Robinson, Alison Wilcox, Peter Cimino, Hope Hoetzer-Cook, Marissa Pace, Heather Lazickas, Marty Knauss (7:05PM), Matt Caldiero, Derek Bateman **Staff Members:** Tim Bartlett, Tom Vrabel, Jessica Carroll

**Owners:** Andrew Marconi, Brent Rollins

**Alison Wilcox called the meeting to order at 07:00 PM and reviewed the agenda.**

Agenda Item	Discussion/Documents Reviewed	Board Action
<b>Review Agenda</b>	<b>Board reviewed the following document: 10.1.2018 Agenda</b>	
<b>Owner Observers</b>	Owner Brent Rollins was present and made a comment about a former employee at the co-op regarding sexual harassment. Tim said he can't comment on specific employee cases due to confidentiality but that whenever a report comes up that the co-op takes it seriously and conducts an investigation and that the co-op condemns any acts of sexual harassment. Tim said he would look into this matter and contact the former employee. The board thanked him for bringing these concerns forward. Owner Andrew Marconi was present but had no comments.	
<b>BOD Calendar</b>	<p><b>The Board reviewed the BOD calendar</b></p> <ul style="list-style-type: none"> <li>- Meet the Candidate Sessions: <ul style="list-style-type: none"> <li>- 10/4 4pm-7pm No Buffalo Farmers Mkt      10/6 9am - 12pm Bidwell Farmers Mkt</li> <li>- 10/9 5pm - 7pm Elmwood Store              10/13 5pm – 7pm Hertel Store</li> </ul> </li> <li>- Annual Meeting is October 24<sup>th</sup> at Nichol's School at 6PM – 8:30PM</li> <li>- Next Board meeting on Monday November 5<sup>th</sup></li> </ul>	
<b>August Minutes</b>	<b>The Board accepted the September Minutes as written.</b> Motion to accept the Sept Minutes. Motion: Derek, Second: Elizabeth. Vote: 9-0, Motion Passed.	
<b>GM Reports</b>	<p><b>B4: Annual Financial Conditions</b> Motion to accept the Annual B4 Report. Motion: Heather, Second: Marissa, Vote: 7-0. Absent for Vote: Marissa and Elizabeth. Motion Passed. Reasonable Interpretations?: Yes, Data Provided?: Yes, Compliance?: Yes, Comments: None.</p> <p><b>Motion to accept the Bi-Annual Safety Plan</b> Motion: Hope, Second: Elizabeth. Vote: 9-0, Motion Passed.</p>	
<b>Auditor's Report</b>	<p><b>Presentation on Audited Annual Financials from Fiscal Yr 2017-18 by Bruce Mayer of Wegner CPAs</b></p> <ul style="list-style-type: none"> <li>• Financial Statements Audit: <ul style="list-style-type: none"> <li>○ Cash is strong and there is plenty of liquidity to pay all necessary bills.</li> <li>○ Gross margin has dropped due to new hiring and inefficiencies – this is normal.</li> <li>○ Key measure is sales: watch how sales compare to the budget.</li> <li>○ The rest of the financial statement does not have red flags to point out.</li> </ul> </li> <li>• Suggestions from Management Letter: <ul style="list-style-type: none"> <li>○ Strengthen POS Controls: You should always know who is on a register at any given point. No one should know anyone's password. The management is considering this.</li> <li>○ Strengthen New Vendor Set-Up and Approval Process</li> <li>○ IT Personnel should have a back-up plan</li> <li>○ Maintain controls with multiple locations</li> <li>○ Conform to the upcoming FASB Accounting Standards updates</li> <li>○ It's good that you now have an outside consultant who works in the accounting procedures. This creates more oversight of the financial reporting process</li> <li>○ Increase controls over inventory receiving</li> <li>○ Improve supporting documentation and reconciliation of gift cards payable</li> </ul> </li> </ul> <p><b>Motion to accept audited financials.</b> Motion: Matt, Second: Heather, Vote: 9-0, Motion Passed.</p>	
<b>D Survey</b>	The Board moved this discussion until the next D Survey discussion.	
<b>Member Linkage Committee Update</b>	<b>Hope updated the board on the Member-Linkage Committee Progress</b> Hope presented the Committee Charter and Draft Communications Plan. Hope will work with Tim on the communication plan moving forward.	
<b>Adjournment</b>	<b>Meeting was adjourned at 8:58 PM.</b>	