

**Littleton Consumer Cooperative Society**  
**Board of Directors**  
**Meeting Minutes: Regular Board Meeting, July 18, 2016**

**Meeting convened at the AHEAD Conference Room @ 4:04 pm.**

**Members Present:** Patricia O'Brien, Marni Hoyle, Charlie Wolcott, Mark Hollenbach, Luther Kinney and Charise Baker.

**Staff Present:** Ed King, Chris Whiton, Minnie Cushing, Melissa Bridges, Mikaela Allen, and Kristina Zontini

**Guests Present:** Tom Southworth

**Agenda Items**

**1. Housekeeping & Governance:**

- a. The July minutes contained an error on the date of the Board Retreat. The date was corrected to August 6<sup>th</sup>. Luther motioned and Marni seconded to accept the July minutes as amended. The amended July minutes were accepted with a unanimous vote.
- b. Chad Proulx submitted a letter of resignation to Trish, citing personal reasons, effective immediately. It was with regret that Charise motioned, Marni seconded and the Board voted unanimously to accept Chad's resignation.
- c. Tom Southworth agreed to an interim position that opened with Chad's resignation. Charise motioned, Marni seconded and the Board voted unanimously to appoint Tom as interim Board Member.
- d. Luther agreed to fill the empty Vice President position. Charise motioned, Mark seconded and the Board voted unanimously to appoint Luther as Vice President.
- e. Minnie will begin with the removal of Chad from all check signing duties. All persons with check signing duties must now stop by the banks and fill out new signage cards. Minnie will notify those persons when the cards are ready.

**2. General Manager's Report:**

- a. Neil Cannon called in with an update on the NMTC. A hand out of the newest flow chart was provided. There was a meeting recently with the lenders, lawyers and accountants involved with the NMTC. There are currently three partner lenders, as NCIC is no longer involved. The accountants will receive proformas from Neil and Minnie, and it is expected that approval will be received shortly thereafter. Mascoma Savings Bank is meeting and anticipated to approve the loan on July 25<sup>th</sup>.

The Board made multiple votes concerning the NMTC and Expansion Project:

- 1, Charise motioned, Luther seconded and the Board voted unanimously to approve the expansion loan of \$3.3 million from Mascoma Savings Bank.
2. Charise motioned, Luther seconded and the Board voted unanimously to approve a \$1 million expansion Sub-debt Loan from NHCLF, GREDC and NHCF.
3. Charise motioned, Marni seconded and the Board voted unanimously to authorize Craig Miskovich to establish a Non-POB (Expansion LLC) for the Expansion project and NMTC.
4. Charise motioned, Luther seconded and the Board voted unanimously to authorize Ed to sign the construction contract with Trumbull Nelson on July 26<sup>th</sup> provided a positive loan vote is received from Mascoma Savings Bank.

- b. Ed stated that once the construction contract is signed, there is a three day period for bonding. It is anticipated that fences will be up around the site by the end of that week and the sidewalk closure will begin on July 28<sup>th</sup>.
- c. Ed provided the Board with compliance paperwork on Executive Limitations B1-Financial Conditions and Activities. The highlights of this report include YTD sales growth of 3.9%, YTD net income of \$125k, cash levels of \$829k and YTD membership growth of 307. Ed reports compliance in all aspects of Executive Limitations B1. Luther motioned, Charise seconded and the Board voted unanimously to accept this compliance as presented.
- d. Ed stated that the recent Employee Appreciation event hosted by the Board was well received and appreciated by the staff. All felt that the music was nice, and the menu included enough vegetarian options. Any outstanding invoices should be submitted to Minnie for payment.
- e. The new deli and produce managers are working out well.
- f. All department management evaluations and raises have been completed.
- g. The Board was informed about UNFI merging with Haddon House.
- h. NCG has adopted its new standards for 2017. One standard includes quarterly grocery inventory. It is anticipated that the Coop will ask for an exception to this policy, requesting to do grocery inventory only twice per year. NCG has delayed its Shopper Survey standard.

### **3. Board Issues:**

- a. Luther motioned, Charise seconded and the Board voted unanimously to accept Second Quarter Financials as presented.
- b. Minnie provided the Board with an update on Member Loans. Member Loans totaled \$576k, just shy of the \$600k goal. This was well over the \$490k required for the NMTC. Minnie stated that there is a reserve cash fund that will be used to fill gaps of some obligations for construction costs. The monies from the Member Loans is currently in Woodsville Guarantee Bank but will be moved to Mascoma Savings Bank. The Coop will continue to have an operating account with the Woodsville Bank.
- c. Minnie distributed Confidentiality and Conflict of Interest Policy and Disclosure Forms to Board members that have not yet filled them out for the current year. All Board members who need to fill out these forms should bring the completed forms to the Board retreat. It was recommended that this form be completed every May, just after the Annual Meeting.
- d. Old business included an update on the Online Voting Policy. Luther and Marcie are still working on this project. It was noted that Michael Healy had written an article on this topic and that article could be viewed on the CDS website in the library section.
- e. The Board reviewed C-6: Officers as part of the 2016 BOD Calendar monitoring.
- f. The Board reviewed the Strategic Leadership portion of the Four Pillars of Cooperative Governance as the July Board Education. Another Pillar will be the educational piece for the next meeting. The current issue of the Cooperative Grocer magazine had an article about Strategic Board Leadership. It was recommended that all Board members read this article in preparation of the Board retreat.
- g. The Board reviewed current committees and charters. It was noted that opportunities existed to fill committee spots left open with Chad's departure. Conversation included the necessity of keeping Board committees focused on the Board responsibilities and kept separate from store operations. It was also felt that new committees could include education and strategic leadership, implementing ideas that come from the Board retreat. Marni suggested that the

purpose and goals of a strategic leadership committee meld with the marketing of the new expanded store. Charise offered to write up official charters with input from committee chairs.

- h.** Minnie presented the Board with a petition requesting business signatures in support of burying the Northern Pass. Charise motioned, Mark seconded to vote on signing this petition. The vote was one Aye and 5 Nays. The Board will not add the Littleton Coop to the list of businesses on this petition.
- i.** The Board Retreat is scheduled for Saturday August 6<sup>th</sup> at 11:00 am. Location is Ed's house. Ed has arranged for lunch to be delivered, but encourages all to bring beverages. Michael Healy has sent out an agenda for the meeting along with attachment article about strategic leadership. The Board has been tasked with reading this article and the Cooperative Grocer article in preparation for the retreat. The agenda was reviewed, and it was felt that too much time was dedicated to the past and present and not enough time was dedicated to the future. Ed will reach out to Michael to have the agenda adjusted.

#### **4. Marketing Update and Upcoming Dates:**

- a.** The recent Marketing meeting concerning the content for the next addition of The Radish was very positive.
- b.** Lobsterpalooza is scheduled for Saturday July 23<sup>rd</sup>.
- c.** August 13<sup>th</sup> is the date for the Eat Local event. There will be in-store sampling at this event.
- d.** The Eat Local pot luck dinner hosted by ACT and held at the Dow Strip has been scheduled for August 27<sup>th</sup>. More details to come.
- e.** Future dates include:
  - 1.** Annual Board Retreat 8/6, 11:00 am
  - 2.** Eat Local store event 8/13
  - 3.** Eat Local Pot Luck 8/27

Charise motioned, Marni seconded and the Board voted unanimously to adjourn the meeting. The meeting adjourned at 6:26 pm.

**The next scheduled meeting is August 22nd at the AHEAD conference room to begin at 4:00 pm.**

Respectfully submitted by:  
Charise Baker, Secretary