

**Littleton Consumer Cooperative Society
Board of Directors
Meeting Minutes: Regular Board Meeting, July 25, 2017**

Meeting convened at the Co-op Break Room @ 5:05 pm.

NEXT MEETING: September 18, 2017 @ 5:00 pm (No Meeting in August)

Members Present: Patricia O'Brien, Tom Southworth, Marcie Hornick, Luther Kinney,
Laura Walls, Charlie Wolcott, Marni Hoyle and Alyssa Sherburn

Staff Present: Ed King, Melissa Bridges, Minnie Cushing, and Kristina Zontini

Agenda Items

1. Housekeeping & Governance:

- a. The June minutes were approved as presented. Luther motioned, Laura seconded and the motion to approve passed unanimously.
- b. Melissa presented two membership requests to redeem shares. They were signed by Trish.
- c. Confirmation was made of the vote taken online that unanimously approved on 6/28 the decision to open a new bank account at Mascoma for improved asset protection and performance.
- d. Minnie has received the preliminary tax filing from Gallagher Flynn. Upon review, Trish will need to sign. Not due until October. No taxes due (all covered by loss carry forward from previous years).
- e. Marni finally signed this year's Conflict of Interest form.

2. Q2 Financial Condition – Additional Discussion (see Ed's report for full detail)

- a. Although sales growth is under budget for the year, Ed believes we can achieve 3 and 4Q performance in the 12% range in order to end the year in the black.
- b. Productivity numbers are impacted by the rise in sales of Prepared Food. Overall, now that staff is no longer dealing with the extra load of expansion work, more attention can be paid to keeping pace with extraordinary sales growth and management of the margin.
- c. Savings from the meat room remodel will be used for new kitchen equipment for prepared foods.
- d. A vote was taken to accept the Quarterly Financial Statements as presented. Luther motioned, Charlie seconded and the motion to approve passed unanimously.

3. General Manager's Monthly Report – Additional Discussion (see Ed's report for full detail)

- a. Aggressive pricing contributed to the second quarter margin underperformance. The store will narrow the aggressive pricing offers to just those products offered in newspaper ads going forward. The margin target will be a challenge for this year, but now that expansion work is largely done, staff will have more time for "smart buying".
- b. The final disbursement has been made to Trumball Nelson. There is roughly \$70k left over in two expansion-related accounts. Net, net – the expansion came in under budget!
- c. There was a workplace violence issue involving an employee on 7/25. No one was hurt and no weapons were involved. Ed is conducting a thorough review of the events and will make a recommendation about the employee involved once that review is complete.

- d. The Board expressed some concern about the Deli kitchen being used after hours for product packaging of honey by Janice Mercieri. Ed will monitor this closely.
 - e. The solar panels are on track to produce 3,000 kWhs in July, which is on track for annual projections.
 - f. The new 9:00 pm store closure hour is having a positive impact of \$5,000/week. Plan would be to keep these later hours from Memorial Day to Columbus Day.
- 4. Committee Reports**
- a. The Employee Appreciation Event (aka “the Party”) Committee will be sending out emails asking for confirmation of a date (expected to follow soon after the September Board Meeting) and participation from the Board.
- 5. Review of Governance Policies – C2/ Governance – The Board’s Job was reviewed.**
- a. The Board Calendar review was pushed to the next meeting.
- 6. New Business**
- a. Ed reviewed and the Board discussed the two market studies from G2G and NCG/UWRF.
 - b. Charlie asked about compostable stickers on produce. This is controlled up the food chain at the Growers, but Ed will research what is being done in that direction.
 - c. Minnie will be sending around information about a new discussion forum made available by CGN to all their cooperative members.
- 7. Old Business**
- a. The Board Retreat will be held at Marni’s house – 866 Old Franconia Rd.
 - b. The Scenarios to be explored will be numbers #1,5 10 and 12.
- 8. Preview Next Meeting, Tasks and Assignments**
- a. Next meeting will include a Retreat Recap, the Party final coordination, and an education presentation from Tom re the solar panels and related monitoring software.

Trish motioned and Laura seconded to adjourn the meeting at 6:54 pm. This motion passed unanimously. The Board then convened in Executive session.

Respectfully submitted by:

Alyssa Sherburn and Marni Hoyle