



CONCORD FOOD COOPERATIVE

BOARD OF DIRECTORS

BOARD MEETING MINUTES

Wednesday, March 21, 2018, 5:30 PM, The Concord Co-op, Concord, NH

Cathy Menard, President, called the meeting of the Concord Food Cooperative Board of Directors to order at 5:30 PM. A quorum was present.

Attending: Cathy Menard, Pete Engel, Derek Owen, David Marshall, Krista Helmboldt, Tracie Sponenberg, Tedd Evans and Finis Williams. **Guests:** Matt (Derek's grandson) and Gary Janinda. **Staff:** Chris Gilbert (General Manager), Keith McCormack (Executive Chef) and Melanie Waldvogel (Board Administrator). **Absent:** Jim McConaha

PREPARED FOODS

Executive Chef Keith McCormack acknowledged his talented team including Nick Muzzey, Sous Chef, and went on to describe growth in the Co-op's catering business, primarily driven by word of mouth:

- We have seen an increase in catering for weddings, birthdays and business meetings. Chris Gilbert noted that catering has increased by 200% since Chef Keith came on board (about 1 ½ years ago).
- Boxed sandwiches for Canterbury Shaker Village were a roaring success last year and are now offered in store. The Bread Shed in Keene supplies the bread.
- Chef Keith teaches classes such as this week's "March Maple Madness".
- Café sales increases are also in the double digits for the same 18-month period.
- Chef Keith plans to bring back themed Thursdays for the hot bar.

POINT OF SALE (POS) SYSTEM

Handout: POS system Return on Investment

Chris Gilbert outlined a proposal to purchase a new Point of Sale (POS) system, noting significant service issues with the old, outdated system. A year of research has been put into this decision.

- 1) Total cost of the 5-year equipment financing agreement is under \$163k which is expected to be fully realized in savings during the first year of operation:
 - a) Correct pricing and margin through automated price changes
 - b) Sales increase and cash flow improvement due to better inventory management - reduction of "out of stocks" and dead stock
 - c) Labor savings through efficiencies in POS and bookkeeping
- 2) The system will be EMV smart payment card compliant (accepts chip cards) and will have a direct connection to the Credit Card processor, eliminating reliance on NCR "middle man."
- 3) Full onsite support 24/7/365 including licenses and software updates. Service techs are local and available within four hours.
- 4) Membership is automated at the registers.

5) Data exports directly to the Co-op's accounting system with greater reporting capability.

BOARD VOTE: Support General Manager Chris Gilbert's implementation of a new POS system.

(Motion by Krista Helmboldt, seconded Finis Williams; approved unanimously).

Genetically Modified Organisms (GMO's)

David Marshall referenced the Co-op's ENDS policy and pointed out that the sale of genetically modified foods is inconsistent with our ENDS policy. He articulated the agreed Board position that it is in the best interest of the Co-op's member owners, customers and community to:

- provide education, information and customer choice related to the consumption of genetically modified foods and products, and
- to focus the Co-op's offering of food and other products on non-genetically modified foods and products, consistent with our ENDS policy

The Board has requested that the General Manager investigate the practical and financial impacts of implementing this approach.

COMMUNICATION WITH OWNER LENDERS

Member loans will be paid off in their entirety in June. A letter drafted by Finis Williams will go out to thank owner lenders and communicate the scheduled payoff date. In addition, lenders will be offered the option to donate their loan balance or convert it to equity shares in the Co-op. If a lender chooses to donate or convert their loan, the Co-op's lawyers will prepare the appropriate documents.

BOARD VOTE: Owner lenders will be given the option of donating or converting their loan to equity.

(Motion by Finis Williams, seconded by Derek Owen; 5 members for, 2 opposed, the motion passes).

GENERAL MANAGER'S REPORT

- 1) Chris reported that he was recently contacted by Unitil, who would like to partner with the Co-op and use them as a case study for a clean energy conversion. Unitil will pay 50% of the \$30k bill to fund the project and loan the co-op the funds to pay off the remaining \$15k at 0% interest. This will save the Co-op approximately \$7k in energy costs per year.
- 2) The Customer Satisfaction survey is going well with a higher response rate than last year. To date, most responses show an increased willingness to recommend the Co-op to others.
- 3) The New London store is thriving under Shane Smith's leadership. February sales growth for New London was ranked in the top 20 stores nationally.

BOARD VOTE: Approve the February 21, 2018 minutes as amended.

(Motion by David Marshall, seconded by Tedd Evans; approved unanimously).

EXECUTIVE SESSION

BOARD VOTE: Enter Executive session at 7:08pm.

(Motion by David Marshall, seconded by Derek Owen; approved unanimously).

BOARD VOTE: Exit Executive session at 7:21pm.

(Motion by David Marshall, seconded by Derek Owen; approved unanimously).

ADJOURNMENT

BOARD VOTE: Motion to Adjourn at 7:22PM.

(Motion by Derek Owen, seconded by Pete Engel; approved unanimously).

The meeting adjourned at 7:22PM. The next meeting is scheduled for Wednesday, April 18, 2018, 5:30PM at New England College in Concord.