



CONCORD FOOD COOPERATIVE

BOARD OF DIRECTORS

BOARD MEETING MINUTES

Wednesday, February 20, 2019, 5:30 PM, New England College, Concord, NH

Cathy Menard, President, called the meeting of the Concord Food Cooperative Board of Directors to order at 5:29 PM.

Attending: Cathy Menard, Jim McConaha, Tracie Sponenberg, Pete Engel, Gary Janinda and Finis Williams. Staff: Chris Gilbert (General Manager), Peter DeLeault (Comptroller) and Melanie Waldvogel (Board Administrator).

POLICY GOVERNANCE B1: FINANCIAL CONDITION

Peter DeLeault presented a very positive report for the Board, with total sales up for the Co-op, and a cash positive prediction for the end of the year. So far the numbers are ahead of last year, due to higher sales and customer counts. A strong sales start to the beginning of the year has been predicted. The Finance Committee has been meeting to discuss financials, and good management practices, including having a certain number of month costs in reserve. This upward trend is continuing in the right direction, and it looks very positive. Chris Gilbert reported on a great margin, ratios trending upwards and sales above the NCG average. Sales are continuing to grow. The Board was very encouraged by this report!

BOARD VOTE: Accept Policy B1: Financial Condition as amended (to reflect 1.4 in compliance).

(Motion by Finis Williams, seconded by Gary Janinda, all in favor).

COOPERATIVE GROCER ARTICLE

The Board discussed the article: "Setting a Process for General Management Compensation" by Mark Goehring and Carolee Coulter. The article outlined a process for the General Manager to submit a Request for Proposal (RFP), to cover a specific time period (usually 2-4 years). The RFP would consist of an agreement of accomplishments, to be met or exceeded by the General Manager in that time period. This proposal would be revisited every two years or with Board turnover, so that each proposal reflects the values of that Board. Tracie Sponenberg, an expert in Human Resources, felt that a process more collaborative is inherently better. Chris Gilbert is familiar and comfortable with the RFP process as outlined in the article. The Board's general consensus around General Manager goals outlined in an RFP as a collaborative process is positive.

GENERAL MANAGER'S REPORT

Financial highlights for the month of December 2018:

1. Sales growth of 8% compared to last year for both Concord & New London stores
2. Customer growth of 12.5% versus prior year for Concord
3. Customer growth of 6% versus prior year for New London

4. Customer count of 6,559 in Concord for week ended 12/22/18 was highest weekly count for 3 years.
5. Average Basket size of \$30.32 in New London for week ended 12/29/18 was second highest in 3 years.

Both stores have better internet and better cellular internet connection backup.

The Co-op will participate in Concord's new Winterfest event prior to the Black Ice Hockey Tournament and "Dancing with the Stars" at NHTI.

NOMINATING COMMITTEE

The board was pleased to welcome its newest junior associate, Willow Gilboy, as a non-voting member at the January meeting.

Members are needed to join the Nominating Committee which is led by Jim McConaha.

One of our goals for the year ahead is to hold robust and contested elections for open seats on the Co-op board, which requires more candidates than open seats. Several new recruitment ideas were suggested:

- Board members can plan extra time to chat with potential board members in our stores and wear a nametag when shopping.
- A board member photo shoot for use in outreach to members
- Highlighting board members on social media
- Being a Board member could be marketed to millennials by emphasizing community involvement, networking and skill building opportunities.

POLICY GOVERNANCE: B7: Communication to the Board

Chris Gilbert reported that the only areas of current non-compliance in the evaluation of monitoring reports are quick, current and debt-to-equity ratios. Debt-to-equity is running slightly over the target level of less than 3.0 and compliance is within sight. Current and quick ratios are low compared to goals but steadily improving as we rebuild working capital.

BOARD VOTE: Accept Policy B7: Communication to the Board as submitted.

(Motion by Finis Williams, seconded by Krista Helmboldt, all in favor).

POLICY GOVERNANCE: B10: Environment

Chris Gilbert reported that the City of Concord has altered its recycling dumpster so that only cardboard is readily accepted. The LED lighting update has resulted in huge savings of 20,425 kilowatt hours. Proposed single-use plastic legislation was discussed, as well as using compostable or washable utensils in the store.

BOARD VOTE: Accept Policy B10: Environment as submitted.

(Motion by Finis Williams, seconded by Krista Helmboldt, all in favor).

CBLD TRAINING

Chuck Gilboy and Gary Janinda attended the recent CBLD 101 Board training in Keene and both felt it was well worth their time. Chuck commented on having a better understanding of policy governance, and Gary cited the good discussions and networking opportunities.

BOARD VOTE: Approve the November 14, 2018 minutes as amended.

(Motion by Finis Williams, seconded by Tracie Sponenberg; approved unanimously).

EXECUTIVE SESSION

BOARD VOTE: Enter Executive Session at 7:32pm.

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

BOARD VOTE: Approve the November 14, 2018 minutes as submitted.

(Motion by Finis Williams, seconded by Tracie Sponenberg; approved unanimously).

BOARD VOTE: Exit Executive Session at 7:33pm.

(Motion by Finis Williams, seconded by Gary Janinda; approved unanimously).

BOARD VOTE: Motion to Adjourn at 7:33PM.

(Motion by Finis Williams, seconded by Gary Janinda; approved unanimously).

The meeting adjourned at 7:33PM. The next meeting is scheduled for February 20, 2019, 5:30PM at New England College in Concord.

TO DO

- Tracie Sponenberg offered help around a GM RFP process as needed
- **MARCH AGENDA:** No B Policies, take up RFP-based GM compensation discussion,