



CONCORD FOOD COOPERATIVE

BOARD OF DIRECTORS BOARD MEETING MINUTES,

Wednesday, October 20th, 2021, 4:30PM

Hybrid Meeting: The Hotel Concord, Concord, NH and Remote

Katherine Leswing, President, called the meeting of the Concord Food Cooperative Board of Directors to order at 4:32 PM. **Attending in person:** Katherine Leswing, Cathy Menard, Pete Engel, Krista Helmboldt, Erin Waters, Jaran Blessing, Eric Rowley (auditor), Chris Gilbert (General Manager), and Melanie Waldvogel (Board Administrator). **Attending remotely:** Tracie Sponenberg, Chuck Gilboy and Vicki Bennett (Finance Manager). Board quorum is met. Welcome to new Board member Jaran Blessing!

AUDITOR'S REPORT

Auditor Eric Rowley of Rowley & Associates attended the meeting to explain the 2020-2021 audit report, and commend the co-op for their transparency, access and ease of information flow. The auditor issued a clean opinion on the Co-op's financial statements, indicating that there are no modifications necessary to conform with generally accepted accounting principles. Financial highlights:

1. **Inventory** – Inventory levels were stable; Days Sales Outstanding (DSO) was 30 days compared to 27 days for prior year end.
2. **Liquidity** - Working capital, or current assets less current liabilities, improved to \$392,118 from \$336,246 at prior year end.
3. **Operating Loss** – Results from operations for the year were a loss of (\$56,697).
4. **Net Income** – Co-op management resourcefully determined that the Co-op qualified for pandemic relief funds, turning an operating loss into Net Income of \$426,339, primarily due to Paycheck Protection Program loan forgiveness of \$382,900 and Employee Retention Credits of \$171,854.

The auditor recommended disclosing the forthcoming employee retention credits as a footnote to this year's audit, and continuing to record the funds as they are received. The board agreed with this assessment.

BOARD VOTE: Accept the Fiscal Year 2020-2021 Auditor's Report, as submitted.

(Motion by Cathy Menard, seconded by Pete Engel; accepted unanimously).

POLICY GOVERNANCE B6: STAFF TREATMENT AND COMPENSATION

The board has been working for several months to improve its B6 policy and potential add language about a living wage for employees. Per the Board vote, Chris will send the updated B6 Policy to the Board.

BOARD VOTE: Accept the updated Columinate B6 Policy with Chris Gilbert's additions, as submitted.

(Motion by Krista Helmboldt, seconded by Cathy Menard; approved unanimously).

BOARD VOTE: Accept the following language to the updated B6 report: "The GM must not fail to plan for and demonstrate reasonable progress towards a living wage standard."

(Motion by Krista Helmboldt, seconded by Cathy Menard; approved unanimously).

GENERAL MANAGER'S REPORT

The Co-op anticipates receiving a second payment of the employee retention credit in the near future. Online grocery orders have leveled out to about 12-14 orders a week, but Chris expects this may increase as winter approaches. Online ordering can be done through the Co-op's new app, which will launch in a month!

Supply chain shortages is the biggest issue the Co-op currently faces. A sizeable percentage of orders are being “smoothed,” and not delivered. Many holiday items have been pre-ordered in anticipation of shortages, but a leaner season product-wise is expected. Turkey orders are on par with 2019’s excellent season. Jury box sales are being pushed by the University to keep the store open. The recent merchandising and marketing efforts were praised by the Board.

D4 CONVERSATION WITH GM

This is a bi-monthly time for the GM to report to the Board on professional goals, which include positive staff communication, sustainable staffing structures and Co-op profitability. Chris reported that hiring new help remains a challenge, and current staff have been filling in where needed. The Co-op is now offering sick time to part-time employees (1 hour for every 30 hours worked). The National Cooperative Grocers (NCG) trends report was reviewed, and UNFI (major food supplier) will hold a town hall meeting for general managers. Paylocity performance and self-appraisals pulse surveys will be forthcoming.

CBLD RENEWAL

The CBLD contract is the Board’s largest budget item at \$7,400. The Board felt value added by a CBLD contract, including monthly teleconference planning meetings, trainings, webinars and access to the CBLD library, was worth it. Krista Helmboldt emphasized that the contract grounds us within the co-op community.

BOARD VOTE: Renew the CBLD contract through Columinate, provided the Co-op can retain Michael Healy as facilitator.

(Motion by Cathy Menard, seconded by Krista Helmboldt; approved unanimously).

BOARD UPDATES

- Cathy Menard will send a google poll for Round it Up candidates that align with the co-op mission to the Board.
- Chuck Gilboy will be stepping down as Treasurer and Cathy Menard will fill this role
- The Board will draft a letter to member. Topics will include: a financial narrative, Thanksgiving and seasonal wishes, the impact of the supply chain on the upcoming holiday season.
- The Board is encouraged to help bag and deliver groceries to cars the week of Thanksgiving, which is appreciated by the staff and customers!

BOARD VOTE: Enter Executive session at 6:02pm.

BOARD VOTE: Exit Executive session at 6:55pm.

BOARD VOTE: Approve the August 18, 2021 minutes, as submitted.

(Motion by Cathy Menard, seconded by Krista Helmboldt; approved unanimously).

The Board adjourned at 6:55PM. The next meeting will be a hybrid Board meeting Wednesday, November 18th at the Hotel Concord, 4:30pm.