

Littleton Consumer Cooperative Society
Board of Directors
Meeting Minutes: Regular Board Meeting
August 19, 2019

Meeting convened at the Co-op Breakroom @ 05:05 pm.

Members Present: Wayne Ruggles, Dani Shaw, Luther Kinney, Deb Sullivan, Stephannie Bournival, Angela McShane, Marcie Hornick and Alyssa Sherburn.

Staff Present: Ed King, Chris Whiton, Minnie Cushing, Becky Colpitts, Annie Stuart, Anatasia Maher and Charise Baker.

Agenda Items:

1. Housekeeping & Governance:

- a. Luther motioned, Marcie seconded and the board voted unanimously to accept Ed's compliance with section B1 of the Governance Policy.
- b. Alyssa motioned, Angela seconded and the board voted unanimously to accept the July minutes as presented.
- c. Marcie motioned, Alyssa seconded and the board voted unanimously to consent to a share transfer presented by Becky.
- d. Dani motioned, Deb seconded and the board voted unanimously for Ed to have a new Market Study conducted.

2. General Manager's Report:

- a. Ed informed the board about the increase of transportation costs to us from our distributors. These cost increases are not reflected in the cost of goods. It will be necessary to do some price increases to offset these costs. Discussion included concerns of the image that our prices are already higher than our competitors. Ed stated that these increases would not be applied to core items such as milk and eggs.
- b. Ed thanked the board for their recent employee appreciation event. Discussion for next year's planning included the possibility of closing the store early so all employees could attend without the worries of work.
- c. Second quarter financials (outlined in the B1 compliance report) show that both sales and net income were below budget. Key variances were labor (over budget), margins (below budget) and higher than anticipated estimated taxes.
- d. July sales were up 7.6% and August is up more than 6% so far, both above budget. Work is being done on pricing in key departments to help with margin performance.
- e. Littleton W&L is willing to work with us on the Level 3 car chargers. They think the current transformer should handle the job, which will help with the cost of the project. No word on whether Chargepoint won the bid, but Ed will inform the board once he hears when that happens.
- f. The Cottage Street sidewalk improvements have been delayed further. The hope is to start the project next summer but no guarantees. The state needs to approve the project, and they haven't done so. Once the project is approved, the Co-op will be responsible for providing handicap access from Cottage Street.
- g. Ed discussed having a Market Study done by Columinate. One hasn't been done since we opened. The estimated cost of the study is \$8k and will focus on customer base and demographics and will provide a strategy on reaching new customers. Discussion included asking for input on future competition and suggestions on locations for possible future secondary locations. The time frame for the Market Study would be this fall.
- h. Columinate recently conducted a Market Study for AFC in Berlin. The board asked how AFC was doing and Ed stated that they were coming along. The market study indicated that their planned 10K square foot building could do \$5.1 million in sales.
- i. The Board Chair of NCG resigned last month from both his position on the board and his position at the Wheatsville Co-op in Texas. The Board VP has been elevated to that position.
- j. Eat Local NH month has gone very well. (See below for comments from Becky).
- k. A Health Department inspection on 8/12 found only a few minor issues that were easily and quickly resolved. These issues included a missing poster, shellfish tag logs and raw over cooked product.
- l. Thanks to Luther and Deb and any other board members for attending our all staff meetings.

- m. Please sign up for the October 19th Co-op Cafe event scheduled for October 19th in Greenfield if you want to attend. All attendees will meet at the Co-op to carpool to the event.
- n. Ed stated he will be attending an NCG National Meeting in Minneapolis in September.

3. Board Issues:

- a. The Board reviewed sections C7 of the Governance Policy. The board will review section C8 for September.
- b. The board reviewed a handout of what the Customer Service Experience reporting looked like. This report now allows us to compare current with past performance in two month increments. Sunday and Wednesday continue to show room for improvement in several areas to include checkout and product availability. Currently, only about 50% of coupons issued are redeemed.
- c. Alyssa's education piece on Food Waste was very informative. Deb suggested that everyone watch the movie "Waste It" available on Amazon Prime. Dani will do the board educational piece for August.
- d. Ed distributed an outline of the five year plan that will be needed for the retreat in October. He also provided a five year financial pro forma.
- e. The board asked about when the patronage rebates would be dispersed. The patronage rebate is planned for September.

4. Other Topics:

- a. Charise informed the board about a current contest sponsored by Organic Valley. Three stores with the largest increase of sales (as a percentage) during the promotional period will win a Farm to School Network garden for the local school. All members were encouraged to purchase Organic Valley items by September 3rd.
- b. Minnie had the final two Conflicts of Interest forms signed. Luther signed the quarterly financial reports and Wayne will sign the 2018 tax forms.
- c. Becky updated the board about the recent and upcoming events for August. Both the movie and the community dinner were well attended. The POM fair is Tuesday August 20th. A change in voting was implemented this year with only members voting (one member/one vote). Voting is open until August 27th. Twenty four vendors are trying for nine spots.
- d. Future dates are:
 - 1. Fair Trade Educational Event: September 12th.
 - 2. Annual Board Retreat: October 12th
 - 3. October Board Meeting: October 21st.
 - 4. November/December combined meeting date: December 2nd.

Marcie motioned, Dani seconded and the board voted unanimously to adjourn the meeting at 6:20 pm

The Board convened an Executive Session at 6:20 pm

The next scheduled meeting is September 16th at the Coop breakroom to begin at 5:00 pm.

Respectfully submitted by:

Charise Baker