



CONCORD FOOD COOPERATIVE

BOARD OF DIRECTORS

BOARD MEETING MINUTES

Wednesday, November 11, 2011, 6:00 PM, Co-op Offices, Concord, NH

Nancy Girard, President, called the meeting of the Concord Food Cooperative Board of Directors to order at 6:01 PM. A quorum was present.

Attending: Nancy Girard, John Warner, Derek Owen, Krista Helmboldt, Patti Dann, Marie Colbath, Finis Williams, Anne Renner. **Staff:** Paula Harris (General Manager), Peter Deleault (Finance Manager), Joshua Bourassa (Customer Service Manager), Shane Smith (Outreach Coordinator) and Melanie Waldvogel (Board Administrator).

INTRODUCTIONS

Nancy Girard welcomed the new Board and began the meeting with introductions of Board and staff. Meeting guidelines were explained, and respect for others and differing opinions was requested. The Code of Conduct was signed by each member present and handed in to the Board Administrator.

October 19th, 2011 MINUTES APPROVAL

- **BOARD VOTE: Accept the October 19th, 2011 minutes as amended.**
(Motion by John Warner, seconded by Nancy Girard; approved unanimously).

BOARD TRAINING

Joshua Bourassa presented a slideshow presentation for the Board on Co-op 101.

Highlights included:

- Current facts about the Co-op, such as there are 5,202 members, 2 retail stores, exclusively natural, 60 employees, 6.3 million annually in sales, and a \$100 membership investment
- The Co-op Question game: "Who are you?" "What is your favorite product?" "Why do you shop at the Co-op?" and "Name one word that describes the Co-op?"
- Objective of presentation outlined: Understand the origins of the Co-op and the history behind it, understand the benefits of membership and understand the Co-op's mission
- Co-op principles were outlined
- Pop Quiz's with trivia and prizes!
- Co-op's in NH: The history of the Organizations and where they are today (including two in development in Manchester and Keene)
- NCGA defined
- The Concord Cooperative's history through photos (including an intensive on the previous expansion)
- Member equity shares, explained (in response to a question, it was explained that a second member of the household could get a voting share by purchasing an additional A share or by rolling over patronage refunds into a second share)
- Member, community and financial benefits were outlined
- The Mission statement: a re-write exercise would be a potential future exercise for the Board or as a Management retreat project
- Senior and Flower programs outlined
- Community Benefits explained: community partners, staff (Outreach Coordinator and Health and Wellness Coordinator), and events
- In closing, Board members got to view the video shown at the Annual member meeting

Josh has presented his program in Manchester, Boston, Colby Sawyer College and UNH, to name a few locations. He was commended by the Board for a fun and informative learning experience.

Shane Smith, Outreach Coordinator, explained his position to the Board and his work with youth groups. He had the Board members play a game called: Marketing 101. The objective was for each group to take 5 minutes to develop a marketing campaign to attract 100 new members for the Co-op in 3 months. Each group would have a budget of \$300 to work with, and 5 minutes to brainstorm a plan. After a brief presentation, each group would be judged.

Group A: Derek Own, Krista Helmboldt, Anne Renner and Patti Dann	Group B: Nancy Girard, John Warner, Finis Williams and Marie Colbath
The group would have 3-6 events, theme-based depending on vendors (such as ice cream, gluten-free, vegan, etc.), well-publicized. 3 memberships would either be raffled (one each month) or 5 memberships for ½ off each. Garnering support for the Co-op would be key. Judges scores: 7, 8, 8	This group would hold a member contest for a recruiting challenge; 10% of member interest could yield up to 500 new members! Free e-mail blasts and handmade signage would be used to advertise tiered member prizes of \$150, \$100, and \$50 in store credits. Judges score: 9, 10, 9

FINANCE COMMITTEE

Paula Harris reported that meetings with the builders, architect and electricians are now weekly. Negotiations are ongoing, with the project currently costing about 1.31 million without equipment (estimated to cost an additional \$300,000). 7 bids are currently out for equipment. Peter DeLeault noted that the CFNE note has been signed. All loans have been consolidated to two lenders, CFNE and Merrimack County Savings Bank. CFNE will be loaning \$725,000, and MCSB \$600,000 on a second mortgage, \$125,000 absorbing the CRDC loan and \$225,000 for new equipment. Rates have been reduced to 5%. The total on new monies lent is \$1,050,000. The Membership Loan Committee is headed up by Peter, and counts Nancy Girard, John Warner, Joshua Bourassa, Betsy Black, Cathy Minard, and Steve Hengen as members. Call and member lists have been confidentially distributed to the Committee only. The call process will be kept completely confidential. The Committee will stick to a strict script when making calls, written from the offering memorandum (the offering memorandum will be distributed to the Board). Members will be able to choose their terms and percentage with a minimum \$1,000 loan, with an overall goal of \$450,000. An easy chart for following the bank funds was requested by the Board and will be developed by Peter (tracking old versus new money).

POLICY GOVERNANCE

B4: FINANCIAL CONDITION - Paula Harris reported compliance with the report, except for B4.5 and B4.8, as the Kearsarge store fell below the projected budget. Paula noted that the store is now closed on Sundays and that the economy is a factor. While the staff cannot predict how sales will perform, they work hard to adjust any shortcomings. John Warner mentioned that looking at the larger context is more helpful, while Peter DeLeault said that negative growth has slowed down considerably. Losses are expected to be posted for at least the next three years due to the renovation project.

- **BOARD VOTE: Accept the B4: Financial Condition Report as submitted.**
(Motion by John Warner, seconded by Marie Colbath; approved unanimously).

GENERAL MANAGER'S REPORT

Paula Harris remarked that event costs are always documented and run roughly 2% of total sales in response to a question. The calendar for next year will be in development soon. A quieter next year is to be expected with ongoing construction.

BOARD ELECTIONS

- **BOARD VOTE: Nominate Nancy Girard as President and Steve Hengen as Vice-President.**
(Motion by John Warner, seconded by Finis Williams; approved unanimously).
- **BOARD VOTE: Nominate Finis Williams as Secretary.**
(Motion by Nancy Girard, seconded by Marie Colbath; approved unanimously).

➤ **BOARD VOTE: Nominate John Warner as Treasurer.**

(Motion by Nancy Girard, seconded by Finis Williams; approved unanimously).

2011-2012 SLATE OF OFFICERS: President: Nancy Girard, Vice-President: Steve Hengen, Treasurer: John Warner and Secretary: Finis Williams

NEWSLETTER

The Board is responsible for a 600 word article each month, which has currently been focusing on cooperative principles, community, and the renovation. Discussing New England experiences is also successful (such as maple sugaring), and Board opinions are an option for the future. The theme for December is holiday spirit, and hope and change for January. Paula Harris will send the Board the deadlines for the newsletter articles and newsletter themes. Co-op staff can conduct interviews as necessary and write the articles. Marie Colbath, Nancy Girard and Paula Harris will work together to develop an article for February.

MEMBER LINKAGE COMMITTEE

Nancy Girard emphasized the need to re-appoint this Committee and explained its function of improving communications between members and the Board. The Committee has big plans for the future, including a possible web-site redesign to make the site more interactive for members, new articles for the newsletter (such as a "my point of view," and more ways to have the Board be more visible to the membership. The Board noted the need to keep interactions with the membership as positive as possible, with no platform given using communication told to any one dissonant group or voice. Krista Helmboldt stated that member relations should always be proactive and preemptive, simple and visual. Simple signage in the store is especially key as 44% of shoppers are not members. Inconveniences will abound with the renovation, and easy visuals (along with e-blasts) could advertise free parking after 5pm, valet groceries to those that have to park farther away, etc.

EXECUTIVE SESSION

➤ **BOARD VOTE: The Board Votes to enter Executive Session at 8:34pm to discuss annual review.**

(Motion by John Warner, seconded by Finis Williams; approved unanimously)

➤ **BOARD VOTE: The Board Votes to end Executive Session at 8:38pm.**

(Motion by John Warner, seconded by Marie Colbath; approved unanimously).

OTHER BUSINESS

Agenda Planning: D Policy Governance: Governing Style will be reviewed, with no B Policies for December.

The Board is considering not renewing its contract with CBLD, due mainly to the high cost to participate in the program. While the Co-op is always willing to offer staff time and brainstorming to organizations, high participation costs have been trending across the co-op world and the Concord Co-op cannot afford these fees at this time. Possibilities for Policy Governance and Board training included members Betsy Black and Jim Ready. Nancy Girard will insure that the Board gets all of the training that it needs! Krista Helmboldt cautioned against burning any bridges in the Co-op world, and Nancy listed the organizations the Co-op is still in close contact with, including NECG, individual CBLD consultants, private consultants and working with other Co-ops (such as Hanover). The Co-op also maintains insurance for Board members.

Expectations for New Board Members: Come to the meetings prepared and having read the packet fully, and ready to think strategically (developing a list of important issues and topics to study will be a job for this Board). Go to events and interact with the membership! Nametags for new members will be distributed.

Member Comments: The mechanism to bring member feedback from the members to the General Manager is through the Board President. Krista Helmboldt noted that education around pricing will be needed.

ADJOURNMENT

➤ **BOARD VOTE: The Board votes to adjourn.**

(Motion by Derek Owen, seconded by Finis Williams; approved unanimously)

The Board orally evaluated the meeting. Comments included: loved the team training and projects, there was space for everyone to talk and ask questions, in the future, raise your hand and ask to be recognized so that everyone is heard, the atmosphere was great and this will be a powerful Board, this Board has a common goal and wants to work together, the staff is great, the Board should be invited to the next staff holiday party. The meeting adjourned at 9:04pm. The next meeting is scheduled for Wednesday, December 21, 2011.