

CONTENTS

Board Meeting Packet January 24, 2018

ITEM	PAGE
AGENDA.....	2
BOARD OF DIRECTORS ANNUAL CALENDAR.....	4
MONTHLY CO-OP SHARE REDEMPTION REQUEST.....	6
GM MONTHLY UPDATE	8
MONITORING – EL 11 – <i>Tobacco</i>	20
APPENDIX A (<i>December 20, 2017 Draft mtg minutes</i>).....	21
APPENDIX B (<i>Election Committee report</i>).....	26
APPENDIX C (<i>Grocery & COOP Industry News and Trends</i>).....	27

AGENDA

Board of Directors Meeting

January 24, 2018

6:00 p.m., Hanover Board Room, Hanover store

Time	Agenda Topic
6:00	<p>Consent Agenda</p> <p>December 20, 2017 Minutes (Appendix A)</p> <p>Monthly Share Redemptions</p>
6:10	<p>Update & Monitoring</p> <p>General Manager Report</p> <p>EL 11 – Tobacco</p> <p>Engagement Project update (Amanda and Dana)</p>
6:40	<p>Member Comments</p>
6:50	<p>Committee Updates</p> <p>Election Committee report (Kevin) Appendix B</p>
7:00	<p>New Business/Action Items</p> <p>Strategic Financial Consulting</p>
	<p>Appendix C</p> <p>Grocery & Co-op Industry News & Trends</p>
7:30	<p>Adjournment</p>

2018 BOARD MEETING CALENDAR

February 28	Board of Directors Meeting, 6:00 p.m., Hanover Board Room
March 28	Board of Directors Meeting, 6:00 p.m., Hanover Board Room
April 25	Board of Directors Meeting, 6:00 p.m., Hanover Board Room
May 23	Board of Directors Meeting, 6:00 p.m., Hanover Board Room
June 27	Board of Directors Meeting, 6:00 p.m., Hanover Board Room
July 25	Board of Directors Meeting, 6:00 p.m., Hanover Board Room
August 22	Board of Directors Meeting, 6:00 p.m., Hanover Board Room
September 26	Board of Directors Meeting, 6:00 p.m., Hanover Board Room
October 24	Board of Directors Meeting, 6:00 p.m., Hanover Board Room
November 21	Board of Directors Meeting, 6:00 p.m., Hanover Board Room
December 19	Board of Directors Meeting, 6:00 p.m., Hanover Board Room

BOARD of DIRECTORS ANNUAL CALENDAR

January	Board	Annual Meeting Planning Details of Annual Meeting approved.
	Election Committee	Final call for Board candidates
	Outreach & Member Services	Call for nominees for King Award on website and social media and in stores
February	Election Committee	Finalize slate of Board Candidates Candidate statements and photos to Member Services Director for inclusion in Election Mailing and online voting website
	Board	Approve Auditor's Report at meeting Approve Patronage Refund Choose recipient of King Award Designate recipients of HCCF Funds Finalize wording of ballot materials to be mailed and posted online
	Board Administrator	Deadline for King Award Nominations (include in Board packet)
	Outreach & Member Services	Publish 30-day warning of voting, if applicable, through Election Mailing and website notice
	Board President or designee Board Treasurer or CFO	Board Annual Review of Year (Annual Report) Treasurer's Report (Annual Report)
March	Outreach & Member Services	Publish 10-day warning of voting, if applicable, through Election Mailing and website notice; Publish Annual Report in time for Annual Meeting
March -April	Board	Open voting period
April	Board	Annual Meeting within voting period
April - May	Board	Close voting period
	Election Committee	Count ballots Schedule new Board member orientation before May meeting
	Outreach & Member Services	Announce new Board members
May	Board	New Board members attend meeting Elect officers Choose Election Committee Chair, suggest committee members
	Accounting	Distribute Patronage Refund
	Outreach & Member Services	Begin drive for contribution of Patronage Refund to HCCF

June	Board / Bylaws Committee	Begin work on proposed bylaw changes (if any)
July	Election Committee	Convene Election Committee
August	Election Committee	Review & edit Board Candidate Information Packet
September	Election Committee	Solicit Board input for potential nominees; contact individuals re: interest
	Outreach & Member Services	Call for Board nominees on website and social media and on posters in stores
October	Election Committee	Invite potential candidates to attend Board meeting Choose date for Annual meeting and Voting Period
November	Board	Assign Annual Meeting Planning duties
	Election Committee	Invite potential candidates to attend Board meeting
	Outreach & Member Services	Second call for Board nominees on website and social media and on posters in stores
December	Election Committee	Invite potential candidates to attend Board meeting

SHARE REDEMPTION REQUESTS

January, 2018

For the period ending January 9th, 2018, 8 members have requested redemption of shares. This includes 277 A shares and 29 B shares held directly by the members, and \$13.96 in A share and \$14.57 in B share extra held by the Co-op on account. The total cost of redemption is \$1,558.53. The reasons for member redemptions are reflected on the attached list. The Co-op policy is when a member terminates his/her membership by redeeming his/her A shares any B shares and B share extra will be redeemed at the same time.

For the period ending January 9th, 2018, 14 members have requested share transfers. This includes 344 A shares held directly by the members and \$8.52 in A share extra held by the Co-op on account. The reasons for member transfers are reflected on the attached list.

For the period ending January 9th, 2018, 23 members have asked to exchange his/her old B share class for the new B share class. This includes 191 B shares held directly by the members and \$58.98 in B share held by the Co-op on account.

To date ending January 9th, 2018, 913 members have asked to exchange his/her old B share class for the new B share class. This includes 7,320 B shares held directly by the members and \$2,158.79 in B share held by the Co-op on account.

Redemption of these shares (\$1,558.53 in total) will not adversely affect the cash position or cash flow of the Co-op at this time.

Respectfully,

Mark S Langlois, CPA, CGMA
Director of Finance
Hanover Consumer Cooperative Society, Inc.

MONTHLY CO-OP SHARE REDEMPTION REQUEST

Reasons for redemption

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD	%
Moving	4												4	50%
Moved-Clean Up													0	0%
Deceased- Clean Up	2												2	25%
Tired Of Coop B/S													0	0%
Clean-Up													0	0%
None provided	1												1	13%
Wants Cash													0	0%
Had two accounts													0	0%
Don't use account													0	0%
Nursing Home													0	0%
Selling down to 10 shares	1												1	13%
Total	8	0	8	100%										

A Share Transfer	Carryover	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD	%
Re-is using in different name														0	0%
Transferring to new account														0	0%
Transfer to different account		3												3	21%
Name change		11												11	79%
Change Spelling of name														0	0%
Total		14	0	14	100%										

Exchange B shares	890	23												913	
--------------------------	------------	-----------	--	--	--	--	--	--	--	--	--	--	--	------------	--

GM Monthly Update: Communication and Counsel to the Board

Submitted by: Edward Fox January 11th 2018 **

COOP Board Meeting: January 24th 2018

Reporting Period: YTD December 2017

No action is required on this report.

❖ **Overview/Status:**

As we continue the process of closing out the FY2017, one of challenges and planning, we are poised to move into FY2018 with a sound, reasonable and very strong budget and business plan (approved by our board in December 2017). The plan was, again as stated, extremely reasonable, supported by a sound budget and most of all achievable building on collective input and lessons learned from 2017.

In our recently ended FY, our Lebanon store remains to be the single largest-contributor to consolidated sales being behind FY2017 projections. A significant decrease in the actual vs budgeted sales volume was realized in throughout the year. In addition, an extremely high costs for health care continues to be a driving factor as we close out 2017.

Given this we have modeled possible outcomes for the current fiscal year. ** As noted in a prior email correspondence to the board, financial information will be available on Wednesday January 17th given that month end closing for December will be completed on this date. Considering this this we will be in a more accurate position to update the information contained in the following paragraph:

The month of November produced a small SBT income, our scenario results have changed slightly from the prior month. Best case scenario is a surplus in the range of \$150,000 to \$175,000 (in line with December reporting) This scenario assumes two positive activities– actual savings before tax (SBT) hits the budgeted amount and health care costs have no further negative impact on our P&L. The worst case is a loss in the range of \$425,000 to \$475,000 (in line with December reporting). This scenario assumes two negative activities – actual SBT is zero for the remainder of the year and our health care costs continue to reduce the P&L by approximately \$45,000 a month. From our assessment, we currently expect the more likely scenario to produce a loss in the range of \$160,000 to \$200,000 (a slight reduction from December reporting) for FY2017.

2017	Best Case	Worse Case	Projected	Notes
Jan				
Feb				
Mar				
Apr				Reporting on Leb Sales under Budget
May				Reporting on Leb Sales under Budget
June				Reporting on Health Care costs
July	\$ 60,000.00	\$ (600,000.00)	\$ (275,000.00)	
Aug	\$ 75,000.00	\$ (525,000.00)	\$ (240,000.00)	

Sept	\$ 70,000.00	\$ (550,000.00)	\$ (240,000.00)	
Oct	\$ 150,000.00	\$ (400,000.00)	\$ (180,000.00)	Health Care: \$265,000 over Budget & Member Monthly Discount \$350,000
Nov	\$ 150,000.00	\$ (425,000.00)	\$ (150,000.00)	Health Care: \$265,000 over Budget & Member Monthly Discount \$360,000
Dec	\$ 150,000.00	\$ 425,000.00	\$ 180,000.00	Health Care: \$280,000 over Budget & Member Monthly Discount \$416,000

Sales Trends & Store Updates

Data Through December 2017	Consolidated					Service Center	Gas	Repairs
	Food Stores	Hanover	Lebanon	CCM	WRJ			
Actual Sales: % Change Current Month to 12 Months ago	0.48%	1.57%	-2.70%	7.31%	7.14%	-0.08%	-2.94%	12.79%
Actual Sales: % Change YTD through Current Month to YTD 12 Months ago	0.77%	4.22%	-3.16%	1.07%	5.33%	0.56%	-0.04%	3.01%
Actual YTD Sales	\$68,462,862	\$24,031,881	\$31,371,126	\$2,097,584	\$10,962,270	\$3,594,225	\$2,948,824	\$645,401
Actual YTD Budgeted Sales	\$69,449,495	\$23,559,201	\$33,243,137	\$2,188,428	\$10,458,729	\$3,658,000	\$2,951,000	\$707,000
Actual Variance in sales	(\$986,634)	\$472,680	(\$1,872,011)	(\$90,844)	\$503,541	(\$63,775)	(\$2,176)	(\$61,599)
Potential Margin Impact	(\$329,446)	\$152,487	(\$608,404)	(\$32,195)	\$158,666	(\$37,045)	(\$86)	(\$36,959)

Week Ending 12/30/17	Consolidated			Hanover			Lebanon			CCM			WRJ			YTD		
	YTD Sales	YTD Budget	variance	YTD Sales	YTD Budget	variance	YTD Sales	YTD Budget	variance	YTD Sales	YTD Budget	variance	YTD Sales	YTD Budget	variance	YTD Sales	YTD Budget	variance
Bakery	\$3,303,975	\$3,377,286	(\$73,311)	\$1,148,853	\$1,176,495	(\$27,642)	\$1,449,244	\$1,503,542	(\$54,298)	\$94,955	\$97,519	(\$2,564)	\$610,923	\$599,730	\$11,193	\$599,730	\$11,193	\$11,193
Beer	\$1,869,920	\$1,759,544	\$110,377	\$481,601	\$507,500	(\$25,899)	\$686,461	\$764,121	(\$77,660)	\$113,435	\$112,686	\$749	\$588,424	\$375,237	\$213,187	\$588,424	\$375,237	\$213,187
Beverage	\$1,795,829	\$1,835,384	(\$39,555)	\$558,669	\$550,025	\$8,644	\$742,548	\$792,200	(\$49,652)	\$140,363	\$157,128	(\$16,765)	\$354,249	\$336,031	\$18,218	\$354,249	\$336,031	\$18,218
Bin Bulk	\$3,546,412	\$3,668,871	(\$122,459)	\$1,311,348	\$1,301,550	\$9,798	\$1,860,686	\$2,017,335	(\$156,648)	\$80,298	\$77,932	\$2,366	\$294,079	\$272,054	\$22,025	\$294,079	\$272,054	\$22,025
Cheese	\$1,943,476	\$1,982,803	(\$39,327)	\$800,149	\$793,250	\$6,899	\$936,475	\$990,570	(\$54,095)	\$23,467	\$18,745	\$4,722	\$183,385	\$180,238	\$3,147	\$183,385	\$180,238	\$3,147
Dairy	\$6,930,985	\$6,892,854	\$38,131	\$2,477,148	\$2,429,750	\$47,398	\$2,953,458	\$3,002,807	(\$49,349)	\$208,588	\$215,047	(\$6,459)	\$1,291,791	\$1,245,250	\$46,541	\$1,291,791	\$1,245,250	\$46,541
Deli	\$1,479,720	\$1,552,454	(\$72,733)	\$472,373	\$505,390	(\$33,017)	\$677,500	\$716,499	(\$38,999)	\$23,519	\$18,954	\$4,565	\$306,329	\$311,611	(\$5,282)	\$306,329	\$311,611	(\$5,282)
Floral	\$1,450,854	\$1,386,489	\$64,365	\$600,135	\$554,300	\$45,835	\$701,571	\$698,805	\$2,766	\$21,442	\$18,114	\$3,328	\$127,705	\$115,270	\$12,435	\$127,705	\$115,270	\$12,435
Frozen	\$2,817,588	\$2,776,491	\$41,098	\$932,595	\$901,000	\$31,595	\$1,186,314	\$1,197,124	(\$10,809)	\$91,040	\$86,991	\$4,049	\$607,639	\$591,376	\$16,263	\$607,639	\$591,376	\$16,263
Grocery	\$14,918,220	\$15,377,670	(\$459,450)	\$4,596,192	\$4,466,100	\$130,092	\$7,194,921	\$7,819,714	(\$624,793)	\$349,892	\$365,856	(\$15,964)	\$2,777,215	\$2,726,000	\$51,215	\$2,777,215	\$2,726,000	\$51,215
HABA	\$2,141,293	\$2,167,014	(\$25,721)	\$822,951	\$718,000	\$104,951	\$1,166,194	\$1,323,050	(\$156,856)	\$8,198	\$9,269	(\$1,071)	\$143,949	\$116,695	\$27,254	\$143,949	\$116,695	\$27,254
Kitchenware	\$265,607	\$214,270	\$51,337	\$122,614	\$63,650	\$58,964	\$120,377	\$126,199	(\$5,822)	\$793	\$0	\$793	\$21,823	\$24,421	(\$2,598)	\$21,823	\$24,421	(\$2,598)
Meat	\$5,852,921	\$5,998,642	(\$145,721)	\$2,025,641	\$1,977,065	\$48,576	\$2,699,395	\$2,866,104	(\$166,709)	\$64,916	\$69,088	(\$4,172)	\$1,062,970	\$1,086,385	(\$23,415)	\$1,062,970	\$1,086,385	(\$23,415)
PFD	\$4,758,370	\$4,892,270	(\$133,900)	\$1,415,488	\$1,453,200	(\$37,712)	\$2,146,127	\$2,230,653	(\$84,526)	\$564,009	\$618,631	(\$54,622)	\$632,746	\$589,786	\$42,960	\$632,746	\$589,786	\$42,960
Produce	\$10,033,215	\$10,171,050	(\$137,835)	\$4,157,768	\$4,106,775	\$50,993	\$4,484,065	\$4,698,723	(\$214,658)	\$162,123	\$180,293	(\$18,170)	\$1,229,259	\$1,185,259	\$44,000	\$1,229,259	\$1,185,259	\$44,000
Seafood	\$2,051,028	\$2,100,392	(\$49,365)	\$821,065	\$809,526	\$11,539	\$990,485	\$1,041,942	(\$51,458)	\$4,329	\$4,424	(\$95)	\$235,149	\$244,500	(\$9,351)	\$235,149	\$244,500	(\$9,351)
Sushi	\$874,790	\$905,916	(\$31,126)	\$227,545	\$230,000	(\$2,455)	\$544,717	\$568,940	(\$24,223)	\$35,710	\$35,387	\$323	\$66,817	\$71,589	(\$4,772)	\$66,817	\$71,589	(\$4,772)
Wine	\$2,302,159	\$2,390,095	(\$87,936)	\$998,583	\$1,015,625	(\$17,042)	\$789,225	\$884,809	(\$95,584)	\$108,712	\$102,364	\$6,348	\$405,639	\$387,297	\$18,342	\$405,639	\$387,297	\$18,342
TOTAL	\$68,336,365	\$69,449,495	(\$1,113,131)	\$23,970,718	\$23,559,201	\$411,517	\$31,329,765	\$33,243,137	(\$1,913,372)	\$2,095,789	\$2,188,428	(\$92,639)	\$10,940,093	\$10,458,729	\$481,364	\$10,940,093	\$10,458,729	\$481,364

Week Ending	Location	YTD Sales	YTD Budget	YTD % Variance	YTD Variance	Gross Margin Impact	Weekly Sales	\$ Change prior week	% Change prior week	YTD Customers	Customer Count	Change prior week	% Change prior week	YTD Avg Basket	Basket Size	\$ Change prior week	% Change prior week
12/30/17	Consolidated Stores	\$68,462,862	\$69,449,495	-1.42%	(\$986,634)	(\$329,446)	\$1,250,984	(\$626,493)	-33.37%	1,818,695	25,564	(10,382)	-28.88%	\$37.64	\$48.94	(\$3.30)	-6.31%
	Hanover	\$24,031,881	\$23,559,201	2.01%	\$472,680	\$152,487	\$446,128	(\$195,748)	-30.50%	556,193	7,623	(2,919)	-27.69%	\$43.21	\$58.52	(\$2.36)	-3.88%
	Lebanon	\$31,371,126	\$33,243,137	-5.63%	(\$1,872,011)	(\$608,404)	\$576,533	(\$347,772)	-37.63%	680,413	9,934	(4,469)	-31.03%	\$46.11	\$58.04	(\$6.14)	-9.56%
	CCM	\$2,097,584	\$2,188,428	-4.15%	(\$90,844)	(\$32,195)	\$22,413	(\$14,855)	-39.86%	193,699	1,845	(1,154)	-38.48%	\$10.83	\$12.15	(\$0.28)	-2.24%
	WRJ	\$10,962,270	\$10,458,729	4.81%	\$503,541	\$158,666	\$205,909	(\$68,118)	-24.86%	388,390	6,162	(1,840)	-22.99%	\$28.22	\$33.42	(\$0.83)	-2.42%
12/30/17	Park Street	\$3,594,225	\$3,657,000	-1.72%	(\$62,775)	(\$36,445)	\$61,002	(\$13,174)	-17.76%								
	Gas	\$2,948,824	\$2,951,000	-0.07%	(\$2,176)	(\$86)	\$50,403	(\$7,193)	-12.49%								
	Gallons Pumped	1,199,613					19,115	(2,723)	-12.47%								
	Average Price	\$2.46					\$2.64	(\$0.00)	-0.02%								
	Labor	\$303,797					\$4,554	(\$3,089)	-40.42%								
	Parts	\$341,604					\$6,045	(\$2,892)	-32.36%								
	Total repairs	\$645,401	\$706,000	-8.58%	(\$60,599)	(\$36,359)	\$10,599	(\$5,981)	-36.08%								
	Stores & Park Street	\$72,057,087	\$73,106,495	-1.44%	(\$1,049,409)	(\$365,891)	\$1,311,986	(\$639,667)	-32.78%								

FY2017 Updated per Quarter

Hanover	2013	2014	2015	2016	FY 2017 Q1	FY 2017 Q2	FY 2017 Q3	FY 2017 Q4
SALES	\$25,902,622	\$25,750,309	\$20,018,423	\$23,059,220	\$5,757,964	\$6,104,217	\$5,977,553	\$6,192,522
<i>change from prior year</i>		<i>(\$152,313)</i>	<i>(\$5,731,886)</i>	<i>\$3,040,797</i>	<i>\$257,965</i>	<i>\$302,913</i>	<i>\$265,013</i>	<i>\$146,771</i>
CUSTOMER COUNT	575,588	562,726	479,855	545,215	136,441	145,510	137,934	136,324
<i>change from prior year</i>		<i>(12,862)</i>	<i>(82,871)</i>	<i>65,360</i>	<i>6,945</i>	<i>4,759</i>	<i>16</i>	<i>4,761</i>
TOTAL ITEMS IN BASKET	6,899,487	6,677,391	4,978,131	5,803,428	1,522,354	1,561,113	1,510,486	1,570,941
<i>change from prior year</i>		<i>(222,096)</i>	<i>(1,699,260)</i>	<i>825,297</i>				
BASKET SIZE	\$ 45.00	\$ 45.76	\$ 41.72	\$ 42.29	\$ 42.20	\$ 41.95	\$ 43.34	\$ 45.43
AVG ITEMS PER TRANSACTION	11.99	11.87	10.37	10.64	11.16	10.73	10.95	11.52
AVG COST PER ITEM		\$ 3.86	\$ 4.02	\$ 3.97	\$ 3.78	\$ 3.91	\$ 3.96	\$ 3.94

Lebanon	2013	2014	2015	2016	FY 2017 Q1	FY 2017 Q2	FY 2017 Q3	FY 2017 Q4
SALES	\$31,601,776	\$32,029,624	\$34,377,217	\$32,396,410	\$7,381,927	\$7,741,145	\$7,661,420	\$8,551,781
<i>change from prior year</i>		<i>\$427,849</i>	<i>\$2,347,592</i>	<i>(\$1,980,807)</i>	<i>(\$438,083)</i>	<i>(\$306,598)</i>	<i>(\$434,606)</i>	<i>\$154,002</i>
CUSTOMER COUNT	717,729	727,149	757,367	726,294	166,039	173,471	170,995	169,923
<i>change from prior year</i>		<i>9,420</i>	<i>30,218</i>	<i>(31,073)</i>	<i>(13,848)</i>	<i>(11,357)</i>	<i>(11,808)</i>	<i>(11,355)</i>
TOTAL ITEMS IN BASKET	7,981,154	7,827,633	8,083,355	7,924,328	1,897,165	1,943,096	1,943,370	2,115,574
<i>change from prior year</i>		<i>(153,521)</i>	<i>255,722</i>	<i>(159,027)</i>				
BASKET SIZE	\$ 44.03	\$ 44.05	\$ 45.39	\$ 44.61	\$ 44.46	\$ 44.63	\$ 44.80	\$ 50.33
AVG ITEMS PER TRANSACTION	11.12	10.76	10.67	10.91	11.43	11.20	11.37	12.45
AVG COST PER ITEM	\$ 3.96	\$ 4.09	\$ 4.25	\$ 4.09	\$ 3.89	\$ 3.98	\$ 3.94	\$ 4.04

CCM	2013	2014	2015	2016	FY 2017 Q1	FY 2017 Q2	FY 2017 Q3	FY 2017 Q4
SALES	\$1,985,164	\$2,051,492	\$2,063,631	\$2,075,339	\$473,799	\$563,358	\$556,703	\$503,752
<i>change from prior year</i>		<i>\$66,328</i>	<i>\$12,139</i>	<i>\$11,709</i>	<i>\$29</i>	<i>(\$11,701)</i>	<i>(\$548)</i>	<i>\$34,464</i>
CUSTOMER COUNT	190,047	195,398	193,209	197,552	43,829	53,636	51,730	44,539
<i>change from prior year</i>		<i>5,351</i>	<i>(2,189)</i>	<i>4,343</i>	<i>196</i>	<i>(2,096)</i>	<i>(2,634)</i>	<i>(2,094)</i>
TOTAL ITEMS IN BASKET	652,248	617,493	599,418	674,906	164,146	196,684	194,032	167,626
<i>change from prior year</i>		<i>(34,755)</i>	<i>(18,075)</i>	<i>75,488</i>				
BASKET SIZE	\$ 10.45	\$ 10.50	\$ 10.68	\$ 10.51	\$ 10.81	\$ 10.50	\$ 10.76	\$ 11.31
AVG ITEMS PER TRANSACTION	3.43	3.16	3.10	3.42	3.75	3.67	3.75	3.76
AVG COST PER ITEM	\$ 3.04	\$ 3.32	\$ 3.44	\$ 3.08	\$ 2.89	\$ 2.86	\$ 2.87	\$ 3.01

WRJ	2013	2014	2015	2016	FY 2017 Q1	FY 2017 Q2	FY 2017 Q3	FY 2017 Q4
SALES	\$9,440,741	\$9,727,611	\$10,150,100	\$10,408,005	\$2,567,283	\$2,760,151	\$2,755,208	\$2,879,629
<i>change from prior year</i>		\$286,870	\$422,490	\$257,905	\$29,014	\$155,633	\$196,836	\$172,781
CUSTOMER COUNT	361,468	362,253	368,627	386,590	92,670	99,578	98,539	97,633
<i>change from prior year</i>		785	6,374	17,963	(197)	1,592	359	1,594
TOTAL ITEMS IN BASKET	2,855,596	2,871,959	2,942,426	3,064,418	786,578	825,511	816,274	828,606
<i>change from prior year</i>		16,363	70,467	121,992				
BASKET SIZE	\$ 26.12	\$ 26.85	\$ 27.53	\$ 26.92	\$ 27.70	\$ 27.72	\$ 27.96	\$ 29.49
AVG ITEMS PER TRANSACTION	7.90	7.93	7.98	7.93	8.49	8.29	8.28	8.49
AVG COST PER ITEM	\$ 3.31	\$ 3.39	\$ 3.45	\$ 3.40	\$ 3.26	\$ 3.34	\$ 3.38	\$ 3.48

❖ Finance and IT:

- **December's Financial Results** - Month end and year-end financial results are unavailable at the current time, due to the preparation for our annual audit and our reconciliation of the inventory valuation. *This data is subject to change.*
- **Customer Count and Basket Size** - Through December, consolidated customer count was down 27,305 versus the same period in 2016, but basket size was higher by \$1.03 to an average of \$37.64. Lebanon bears the brunt of the customer count decline being down 45,881 from the same period last year. However, Lebanon's basket size is up \$1.50 for an average basket size of \$46.11, Hanover's customer count is up 10,978 and basket size is up \$.91 to an average of \$43.21.
- **ECRS Update** - The front end and receiving departments in all stores are now running on our new Catapult POS software. Throughout December, the ECRS steering committee has completed a plan to get the ECRS system to a point where the previous system (Retailix HQ) can be turned off, thereby, freeing up resources with the Co-op. At the end of December, there is one lingering issue that need to be addressed to get the Co-op fully off the (Retailix HQ) system, we are working diligently with ECRS to get these issues resolved as quickly as possible. As expected with a systems transition of this size, complexity and magnitude, there have been some glitches. However, the teams from the stores and Buck Road have done an amazing job of remaining focused and working through the challenges.

❖ Lebanon Store Update

- Build department walk and cleaning checklists
- Set new 2018 expectations for all departments
- Analyze departmental promotions and movements for 2018
- Fill Meat/Seafood, Produce/Floral, HABA, Beer/Wine, and PFD positions
- Clean up holiday decorations and product
- Focus on ECRS on hand quantities to get ready for Auto ordering
- Revamp area 51 for after holiday impulse selling
- Focus on shrink through ECRS to building a foundation for budgeting
- Cross train an inventory control backup

- Continued focus on Lebanon remodel
- Getting Meat and Seafood employees FishWise trained
- Working with department Managers to identify key staff for promotion and development

❖ Hanover Store Update

- Working on Valentine's Day plans to support high volume sales.
- Cross-training of additional staff for Floral Department[s].

❖ White River Store Update

- Early spring cleaning and spiffing up after the busy holiday season is underway.
- Planning/creating ends and displays to capture 'GAME DAY' (A.K.A. Super Bowl) has begun
- We continue to look for qualified staff to fill the remaining vacancies in our Food Service department.
- Meat/Seafood staff will be taking the on-line Fish Wise certification course, which is to be completed by January 31.
- We await next steps in our ECRS/Catapult adventure!

❖ Coop Kitchen Update

- Bread program update: brand and vendor have been determined, samples have been ordered
- January focus for Production manager and Program manager is the re-organization of the Kitchen structure to include:
 - Production schedules, staffing and space.
- The Co-op Kitchen timeline sales growth highlights for the first quarter include a more user-friendly, attractive package for our green salads, cored pineapple, bread program, "hot case" support items.
- A first look at Kitchen sales to Prepared Foods (as reported through ChefTec) shows an increase in sales for December 2017 of \$42,046. (\$199,809) when compared to December 2016 (\$157,763).

❖ Community Market Update

- We will be trying out a new brunch program starting at the end of the month. The plan is to start slowly through the winter and then ramp up heading into spring and summer when we are a bit busier.
- Plan to drive business to our dinner program on Friday nights trying theme nights to see if we can hit on some things that customers really enjoy.
- Continue to work with the merchandising team to update our product selection and to better merchandise the products we do have in store.

❖ **Service Station**

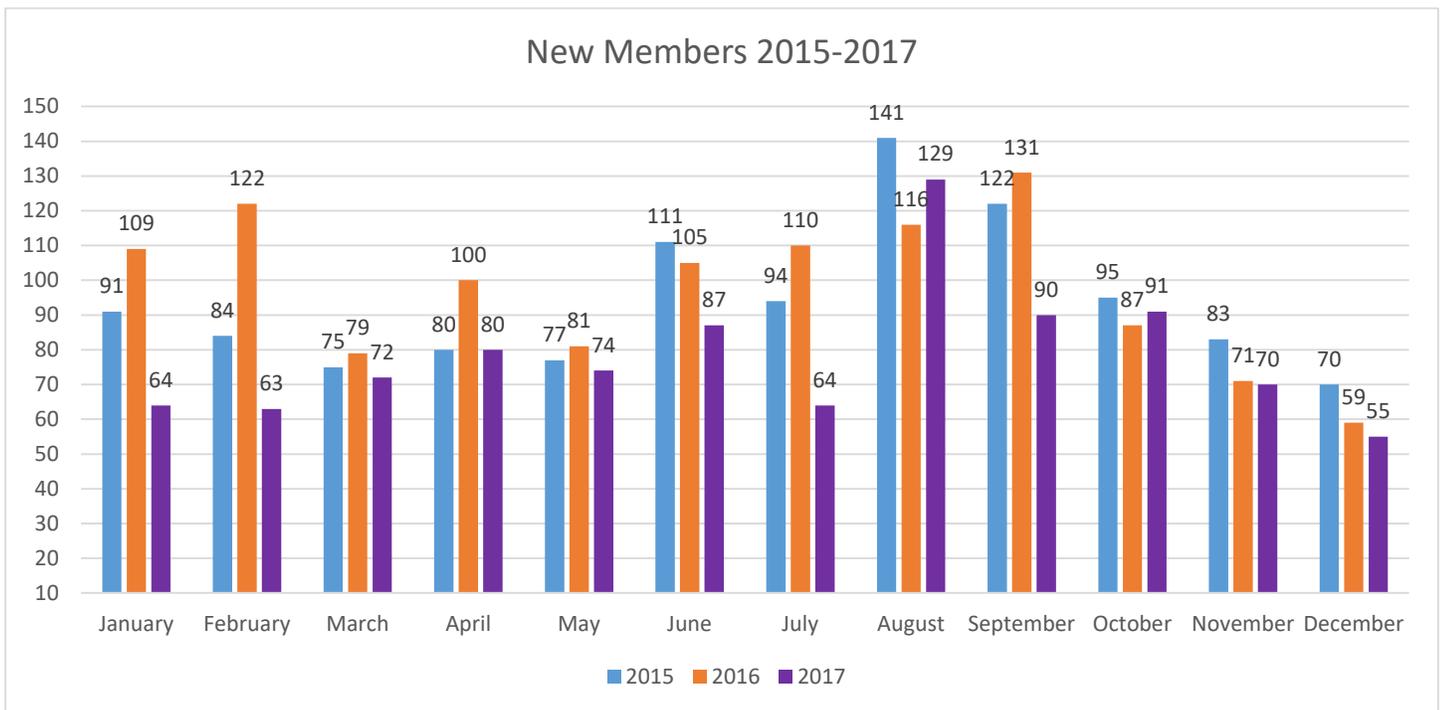
- Continuing work on paperless work order system, goal is to be up and running in March
- Oil change program is now in place, purchase 4 oil changes get 5th one Free.
- Maximizing efficiency during the times of employees' unused vacation to continue to achieve budget goals.
- Cold weather has brought many complications with fuel delivery and vehicle break downs. We are working our best to prioritize the vehicles needs and get them done in a timely manner.
 - Actuals Verses Prior FY/YTD Reporting Period:
 - Sales: Gasoline +0.15%
 - Gallons -9.75%
 - Price/Gallon: +10.83%
 - Sales: Repair +3.50%

❖ **Merchandising**

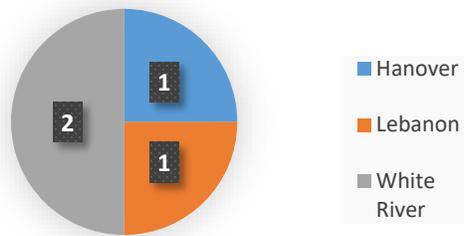
- We are ready for January and 2018, with a new department structure and workflow will go into place right after New Year's. With the implementation of ECRS, as well as staffing changes on the team, we are refocusing and reorganizing roles and responsibilities to fit the needs of the business.
- During the first week of January (starting on the 4th), we are running our annual Citrus Case Lot Sale. This promotion is held in honor of the Co-op's roots, which started with the very first Co-op members buying citrus products together. This year, due to hurricanes and wildfires in Florida and California, pricing and product availability is a challenge. However, we will still be able to offer our members and shoppers competitive prices on popular citrus products and look forward to a successful sale.
- Our merchandisers are now working solely out of the ECRS Catapult system and Briefcase, though occasionally digging into the old system to gather sales history. With the new system comes new processes and procedures. The team has been working well together to encourage and teach one another as we dig into our new work patterns. We expect 2018 a challenging year for the team, but at the same time a year of moving forward to how ECRS can benefit the Co-op as a business.

❖ Membership:
❖ 2017 January through December

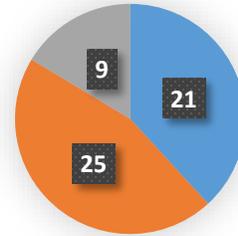
	<i>New Members</i>	<i>Cancellations</i>	<i>Net Change in Memberships</i>
January	64	10	54
February	63	13	50
March	72	4	68
April	80	15	65
May	74	10	64
June	87	30	57
July	64	22	42
August	129	15	114
September	90	15	75
October	91	13	78
November	70	4	66
December	55	12	43
YTD	939	163	776
2016 YTD	1170	154	1016



**New Subscribers by Location
December**



**New Members by Location
December**



Pennies for Change:

Total Member Donations Since June 2016:
\$387,573.28

Total Collected December 2017: \$22,578.48

November Food Access Recipients

Total to Recipients 2017

Listen - \$4,515.70
Haven - \$4,515.70
Willing Hands - \$ 4,515.70

Listen - \$ 49,994.76
Haven - \$ 49,994.76
Willing Hands - \$ 49,994.73

December Community Partners

Headrest \$6,773.54
Twin Pines Housing Trust \$2,257.85

❖ **HR:**

- HR 101 continues into 2018 with the first quarterly session scheduled for February 7th.
- A Workforce Plan and Compensation Pool Report has been developed and delivered to all location managers as well as department managers at Buck Road.
- In conjunction with the JLMC, an AED/CPR class is scheduled for January 12th.
- Work continues on the Pathways Program by our Learning and Development Team. In conjunction with this, the L&D Team has been hard at work updating the job descriptions for each position. We have started working with the retail managers to gather this information as that is where most of our employees work.

- We are working with a new vendor to perform our employee satisfaction survey which is tentatively scheduled to occur in the March-April timeframe.

❖ Public Relations:

- Attended webinar on sustainability advocacy. Update on policy work and NH legislative report. Event offered and coordinated by New Hampshire Businesses for Social Responsibility (NHBSR) and New Hampshire Sustainable Energy Association (NHSEA.org) as a business briefing on the current clean energy policy landscape as lawmakers plan to return to Concord for the 2018 legislative session. Briefed on clean energy policy outcomes from the 2017 session, the current state of energy policy across New Hampshire, and anticipated actions for the upcoming session. Panelists will also discuss how businesses can leverage their unique perspective to influence the policy debate in Concord.
- Extensive phone interview with Stephanie Parker, freelance writer working on story about cooperatives for Civil Eats. Hanover Co-op one of a number of food co-ops she interviewed. Angle for Hanover is how we manage to ‘hold our own’ in turbulent marketplace. Put her in touch with Erbin Crowell for deeper dive into cooperatives of the northeast and his view from standpoint of NCBA.
- Assistance with promotion of *Celebration of Seed Diversity*, a film showing and lecture offered by the Hanover Garden Club. Hanover Co-op was a prime sponsor of this event (planned for 1/8 and 1/9).
- Details for Point to Point bike tour to raise funds for Vermont Food Bank taking shape. Signed on as mid-level sponsor with upper-level benefits. All-day event set for Saturday, August 11.
- Meeting with Governor Sununu now on schedule. Ed Fox and Allan Reetz to meet with Governor later this month.
- Committed to serve on New Hampshire Food Alliance’s Process Team. The NH Food Alliance is a growing network of people working together to build a food system that is good for people, businesses, communities, and the environment. Its primary initiative focuses on strengthening farm, fish, and food enterprises New Hampshire.
- Established contact with Stacey Mitchell and Olivia LaVecchia of northeast office of the Institute for Local Self-Reliance. ([Institute for Local Self-Reliance](#)) Planning follow-up conversation with institute co-director Mitchell.
- Lebanon Co-op store tour planned with Lindsay DesLauriers, state chair of Vermont’s Main Street Alliance. Reetz joining steering committee of MSA. Will attend organization’s annual meeting later this month.
- Setting first quarter round of Coffee with Ed meetings. These are informal meetings with Ed and local/regional community leaders.
- Various press release and community outreach on topics including:
 - Support for New Hampshire’s Clean Energy Principles
 - Milestone for the Hanover Cooperative Community Fund
 - Support for Celebration of Seed Diversity
 - Threats to organic standards
 - Hanover Co-op’s triple bottom line

❖ GM:

- Attended Coop Service Center team huddle: December 1st
- Participated in Webinar “What’s in Store 2018”: December 7th

- Met with Ann Sargent, board member: December 8th
- Attended Orientation lunch with new employees: December 11th
- Participated in reviewing applications and selection of HCCF funding recipients: December 12th & 13th
- Met with Bill Craig, board chair: December 13th
- Attended/participated in board Strategic Planning Committee meeting: December 14th
- Attended Listen Board of Directors meeting: December 15th
- Attended Listen Annual meeting: December 15th
- Participated in Coop Business Unit's financial reviews: December 16th & 17th
- Presented FY2018 Business Plan and Budget to Board: December 20th
- Disseminated FY2018 Business Plan to all staff: December 21st
- Attended Lebanon store huddle: December 21st
- Attended/participated in NCG relationship board committee meeting: December 27th

❖ Member Services:

- Online event registration built and launched for education programs including the CLC. This new platform is more efficient, user friendly, integrates with social media and allows for payments online. Members have responded positively to the change so far.
- December was strongest month of 2017 for participation in CLC programs.
- Family programming was very successful during the holidays- we had over 70 kids participate!
- HolidayFest pilot was successful. We will try a variation of it for 2018.
- Preparing to launch member compost program to all Co-op customers for January.
- Redesign of product promotions (primarily the flier) has begun.
- Preparing a Co-op guide for in-store signage.
- Member Engagement Project: plan and recruitment for interviews is underway.

Home

January 2018

« Prev Next »

Sun	Mon	Tue	Wed	Thu	Fri	Sat
31	1	2	3	4	5	6
				Annual Citrus Sale!		
				Store Tour: New to the Co-op 10:15 am to 11:00 am		
7	8	9	10	11	12	13
Annual Citrus Sale!				Store Tour: Reading Labels (Lebanon) 2:30 pm to 3:30 pm Simply in Season: Winter Squash Class 5:30 pm to 8:00 pm		
14	15	16	17	18	19	20
Do It Yourself: Herbal Medicine Chest Class 12:00 pm to 3:00 pm	Member Appreciation Day 7:00 am	Member Appreciation Day 7:00 am Lunch 'n' Learn: Easy Chicken and Dumplings Class 11:30 am to 12:30 pm	Lunch 'n' Learn: Soft Pretzels and Beer Cheese 11:30 am to 12:30 pm	Dig Into Nutrition: Dinner with Diabetes Class 4:00 pm to 6:00 pm	Cooking Basics for Everyone: The Fabulous Five Class 5:30 pm to 8:00 pm	Co-op Kids: Read It 'n' Eat It Class 10:30 am to 11:30 am Family Cook Night: Chinese Take-out Class 5:00 pm to 7:30 pm
21	22	23	24	25	26	27
	Meatless Mondays Class 5:30 pm to 7:30 pm	Store Tour: New to the Co-op 5:15 pm to 6:00 pm	Cooking Basics for Everyone: From The Sea Class 5:30 pm to 7:30 pm	Claude Monet's Winter Table Class 6:00 pm to 8:00 pm	Do It Yourself: Mexican Street Food Class 5:00 pm to 8:00 pm	
28	29	30	31	1	2	3
		Store Tour: Reading Labels (Hanover) 10:15 am to 11:00 am Co-op Dinner Club: Cassoulet Class 5:00 pm to 8:00 pm	Lunch 'n' Learn: Bill Smith's Atlantic Beach Pie 11:30 am to 12:30 pm			

❖ **Community Service:**

Community Service 2017 Y/E Report		Participation & Hours Cumulative to the end of December	
Goals			
800 hours of Service	100 % Staff Participation	# Participation by Location	Staff: Community Service Hours
		Yearly Hour Goal	
		Store/Location	
		Admin Buck Road	21 315.5
		Community Market	0 0
		Co-op Kitchen	3 34
		Hanover	3 6.5
Total Cumulative Hours	% Staff Participation*		

695.5	11.80%	Lebanon	9	106							
Hours Surpassing Goal	* based on 373 employees	Service Center	0	0							
		WRJ	8	233.5							
			Staff		Hours						
		Totals for Year:	44	695.5	800						
-104.5											
		<table border="1"> <tr> <td colspan="2">Hour totals by type</td> </tr> <tr> <td>Co-op Driven:</td> <td>Other:</td> </tr> <tr> <td>335</td> <td>360.5</td> </tr> </table>				Hour totals by type		Co-op Driven:	Other:	335	360.5
Hour totals by type											
Co-op Driven:	Other:										
335	360.5										
<table border="1"> <tr> <td>% Goal Hours Completed</td> </tr> <tr> <td>86.94%</td> </tr> </table>		% Goal Hours Completed	86.94%								
% Goal Hours Completed											
86.94%											

Monitoring Report EL 11 Tobacco

Submitted by Edward Fox 01-24-2018

Executive Limitation 11 states: Because of the Co-op's ends, values, and mission and the serious health hazards of tobacco products, the GM shall not promote their use.

Interpretation: This policy is sufficiently clear and may be taken at face value.

Accordingly, EL 11.1: The GM shall not cause or allow the sale of tobacco products at the Co-op on or after January 1, 2009.

Operational Definition / Interpretation: This policy is sufficiently clear and may be taken at face value.

Data: All tobacco products were removed from sale at all of the Co-op's retail locations as of January 1, 2009.

Compliance: I report compliance.

APPENDIX A

DRAFT MINUTES, December 20, 2017

- Present:** William Craig, Kevin Birdsey, Harrison Drinkwater, Ed Howes, Benoit Roisin, Dana Cook Grossman, Victoria Fullerton, Don Kreis, Ann Shriver Sargent, Thomas Battles
- Absent:** Anthony Roisman, Elizabeth Blum
- Staff:** Ed Fox (General Manager), Mark Langlois (Director of Finance), April Harkness (Board Administrator), Paul Lambe (Employee Learning & Development Manager), Lori Hildbrand (Director of Human Resources), Cathy Moloney (Store Manager, White River Junction), Allan Reetz (Director of Public Relations), W. Steve Miller (Store Manager, Hanover), Joi Purrell (Production Manager), Amanda Charland (Director of Member Services & Outreach), Caitlin Woodbury (Store Manager, Community Market), Samantha Estes (Prepared Foods Program Manager)
- Members:** Terry Appleby

Bill Craig called the meeting to order at 6:00 p.m. in the Board Room of the Hanover, NH, store.

Consent Agenda: November 15, 2017, Meeting Minutes (Appendix A) and November 2017 Share Redemption Requests

MOTION: Tom Battles moved to accept the Consent Agenda, which included the November 15, 2017, meeting minutes and November Share Redemption Requests.

Ann Shriver Sargent seconded the motion.

VOTED: 10 in favor, 0 opposed. The motion passed.

General Manager Report

With no questions on the General Manager Report, the Board moved into the Policy Monitoring discussion.

Policy Monitoring

Monitoring Report: EL 1 – Planning

Ed Fox presented the 2018 Business Plan and Budget to the Board. He gave an overview of the process for building the Plan and Budget, which included looking at the 2017 Plan, establishing a vision for 2018, then the development of plans for 2018 by each business unit. Next, the team worked on the budget by building the expense side first and then building the sales plan. Store Managers and Department Managers, Operations personnel, and Merchandisers were among those included in the process. The goal was for the expense budget to be supported by the sales plan. In 2018, the Co-op is projecting .65% growth in sales.

The Plan was built around conservative sales and a loaded budget, with the goal of strategically adding new positions and making investments in non-capital facility needs. The Board had follow-up questions on the staff compensation pool and wanted to be sure the Employee Pathways Plan (which increases pay for staff based on performance and evaluation in completing specific tasks) was funded for 2018.

The Board expressed appreciation for this very conservative approach to sales, despite showing a potential loss in sales compared to the Consumer Price Index and food inflation costs, indicating that it is consistent with the direction they had encouraged the General Manager to pursue.

Follow-up questions on progress toward achieving the vision laid out in the Plan and the Budget included a request to keep the Board apprised of benchmarks in an anecdotal way, not necessarily just as to specific tactics and strategies.

Much of this review of fiscal projections will be done in the context of the quarterly review of *EL 2 – Financial Condition*.

MOTION: Don Kreis moved to accept *EL 1 – Planning* as in compliance.

Kevin Birdsey seconded the motion.

VOTED: 10 in favor, 0 opposed. The motion passed.

Member Comments - No member comments.

Discussion: The Board discussed the possibility of bringing ad hoc member comments to the full Board during the member comment period. This would allow for any feedback received by individual board members to be conveyed to the full board. It was agreed this is a good idea.

In addition, the Board would like to discuss all incoming correspondence addressed to the full Board as a regular item on the monthly agenda. This issue will be discussed at the January meeting.

Auditor's Planning Session

Steve Austin from Gallagher Flynn & Co., LLP, described the process for the FY 2017 audit, which is already under way. He reviewed what an audit covers and what it does not cover. The Board had several questions on specific items they would like to see addressed, some of which can be done under the scope of the current contract with the firm.

Executive Session

MOTION: Don Kreis moved to go into executive session at 7:56 p.m. to discuss confidential aspects of the 2017 audit and to include the employee members of the board but not any non-board employees.

Dana Grossman seconded the motion.

VOTED: 10 in favor, 0 opposed. The motion passed.

MOTION: Kevin Birdsey moved to come out of executive session at 8:45 p.m.

Benoit Roisin seconded the motion.

VOTED: 10 in favor, 0 opposed. The motion passed.

Committee and Task Force Updates

Annual Meeting Task Force

Ann Shriver Sargent, chair of the Annual Meeting Task Force, noted that HR Director Lori Hildbrand has joined the committee and made some very good suggestions on the committee's proposal which are reflected in the latest draft plan (see Appendix D). A key addition to the plan is to make the Co-op's assets very visible by highlighting singularly exemplary employees in a short video. The HR and communications departments will collaborate on putting together the video, and it will be simulcast in all four stores on the day of the annual meeting.

Allen and Nan King Award Task Force

After brief discussion about the most efficient way to administer the King Award this year, it was decided to assign the project to one person, who will coordinate the effort with the Annual Meeting Committee.

MOTION: Kevin Birdsey moved that Harrison Drinkwater administer the King Award process for 2018.

Ann Shriver Sargent seconded the motion.

VOTED: 10 in favor, 0 opposed.

Election Committee

Kevin Birdsey, chair of the Election Committee, informed the Board that there is one declared candidate. He noted that recruitment tables were staffed at the Taste of Tradition events, and he expects to plan for more recruitment tables in coming weeks. He will let the rest of the Board know what he arranges so they can sign up to aid in the recruitment process. All Board members were also encouraged to continue one-on-one recruitment efforts. There was brief discussion of possibly extending the announced January 8 deadline for declarations, if not enough candidates have filed by then. Since the date has been widely promulgated, it was decided not to do so at this time but to consider that option if it seems necessary at a future date.

Finance Committee

Benoit Roisin provided a brief overview of the FY2018 Board budget (see Appendix F). He explained that some line items contain placeholder dollar amounts, based on the best information currently available. There was some discussion of whether the cost of the annual audit properly falls in the Board budget or whether it would be more appropriate to include it in the Operations budget. It was decided for the time being to leave it in the Board budget.

MOTION: Ed Howes moved to approve the Board Budget, with the understanding that there be flexibility in some line items, and even in the bottom line, as further information becomes available; that if any

additional expenditures are proposed beyond those currently listed, they be approved at a later date; and that care be taken to keep the bottom line below 0.2% of sales.

Benoit Roisin seconded the motion.

VOTED: 8 in favor, 2 opposed. The motion passed.

HCCF Advisory Committee

Benoit Roisin explained that the Board had deferred to this meeting action on a final change in the wording of EL 9.2 – Co-op Giving Programs — that is, the deletion of “discriminate (based on race and other federally designated groups)” and the substitution of “discriminate on the basis of race, creed, gender, national origin, age, sexual orientation, or physical disability.”

MOVED: Ed Howes moved that the new language be approved.

Dana Grossman seconded the motion.

VOTED: 10 in favor, 0 opposed.

Harrison Drinkwater presented the results of the committee’s ranking of the 13 applicants for Community Project Grants and the 2 applicants for the Gerstenberger Scholarship Award (see Appendix G). He noted that this is the inaugural year for the Gerstenberger Award, and he feels that the Gerstenberger family will be pleased with that selection.

MOVED: Tom Battles moved that funds be disbursed for the grants and scholarship award as presented by the committee.

Benoit Roisin seconded the motion.

VOTED: 10 in favor, 0 opposed.

New Business/Action Items

New Board Process for Agenda and Meetings

It was the consensus of the Board to conduct future business under the processes proposed during the Board’s fall retreat (see Appendix H).

Future Board Meeting Location

It was the sense of the Board that all meetings for the foreseeable future should be held in the Board Room at the Hanover store.

Ed Howes asked about the status of the Strategic Planning Committee. Bill Craig explained that the group has met twice; the members have discussed what the priorities of the strategic planning process should be and have assigned various action items, mostly information-gathering, to the various members of the committee.

MOTION: Tom Battles moved to adjourn at 9:30 p.m.

Harrison Drinkwater seconded the motion.

VOTED: 10 in favor, 0 opposed.

Respectfully submitted,

April Harkness
Board Administrator

Dana Cook Grossman
Board Secretary

APPENDIX B

Election Committee update Kevin Birdsey, Chair January 2018

Our months of thinking, planning, and preparing have led us to a total of ten declared candidates. It is a well-rounded group of candidates with diverse backgrounds and interests. The full list will be announced at the January Board meeting, with a more official announcement to come in February.

The committee will meet shortly before the January meeting. Our next steps are to plan our candidate informational session, begin discussing “Get out the vote” measures, and generally review the candidates’ declarations and statements (again, not for selection, but for the purpose of assisting the candidates). I hope to have details from that meeting in person at our full Board meeting. That informational session will take place soon after the January Board meeting.

Election Committee- Kevin Birdsey, chair; Bill Craig; Brendan D’Angelo; Tricia Groff; April Harkness; Ann Shriver-Sargent

Timeline for next five months:

Prospective candidate info sessions

January 8th- Deadline to declare candidacy

January- hold candidate informational session; discuss/implement mailing of election postcard and other ways to get the vote out

January-March- invite declared candidates to attend Board meetings

February 9th- assure candidate photos and statements are submitted in time for election postcard

February Board meeting- present slate of candidates to Board

March- finalize plans to get vote out; hold member forum with candidates; plan new director orientation

April 1-30- Voting

April 7- Annual Meeting- candidates invited to speak and mingle

May- observe vote count; implement orientation for newly elected directors.

APPENDIX C

Grocery & COOP Industry News and Trends**Seven Years Later, Hinesburg Group Still Battling Supermarket Plan**

By AMY KOLB NOYES • DEC 1, 2017

VPR News

For seven years a citizen's group has been fighting a proposed supermarket in the Chittenden County town of Hinesburg. The battle went all the way to the Vermont Supreme Court and it's still not settled.

Responsible Growth Hinesburg says it will keep on fighting, and it hopes other towns can learn from its experience.

The group formed back in 2010, when Hannaford applied for a local zoning permit to build a 36,000 square foot supermarket in Hinesburg. Last month the state supreme court effectively revoked that permit as part of a complicated ruling on multiple appeals to the project's local site-plan approval and its state Act 250 permit.

Alex Weinhagen is Hinesburg's director of planning and zoning. He says the town is waiting on Hannaford to make the next move.

"I think the important thing to note is that we don't know if Hannaford is going to pursue this project anymore, based on this ruling," says Weinhagen. "And they're still weighing their options."

The town has been a relatively neutral party in the proceedings. And Weinhagen says residents' opinions on the project are divided.

"The community was split back in 2010 and during 2011-12, during our review process, and seems to still be split," he says.

But the residents who oppose the project have been vocal and active. They say their long legal slog could provide a valuable lesson for other towns confronting growth.

The Hannaford Supermarket is proposed to be built in the field on the other side of this footbridge. The bridge is part of a walking path that runs beside an historical canal. The Vermont Supreme Court ruled the current site-plan did not adhere to a required setback from the canal.

The opponents argue the proposed store is too big for the lot, which is roughly four-and-a-half acres and includes a wetland. They also say the store will make an already bad traffic situation on Route 116 worse.

Catherine Goldsmith has been with Responsible Growth Hinesburg since the group formed. She says they're prepared to keep on fighting, should Hannaford choose to proceed.

"So we have no idea, but we're going to keep doing the same thing that we're doing, because we can't give up now," says Goldsmith.

A Hannaford spokesperson indicated that the company won't make any public comments on the matter for the time being. In an email Michael Norton wrote: "The court has remanded certain

questions in the case to regulatory boards. We respect that process. We will not be making additional public comments outside those forums while the review moves forward."

The state Supreme Court sent the project's Act 250 permit back to a lower court to reconsider two issues: traffic impacts and drainage measures. Meanwhile, Responsible Growth Hinesburg has also appealed a stormwater permit issued by the state Agency of Natural Resources.

However, Hannaford's first step may be to go back to the town for a new zoning permit, according to zoning official Weinhagen.



The lot in question is part of a commercial subdivision known as the Hinesburg Commerce Park.

In a parking lot near the entrance to the Hinesburg Commerce Park, where the Hannaford lot is located, Goldsmith says Responsible Growth Hinesburg was hoping for something more definitive out of the Supreme Court. But, she says, her group still sees it as a win.

"We feel that it's definitely a big victory for us," she says. "Again, the exact way it will play out is kind of unknown."

But in the meantime, Goldsmith says her group has learned that local residents need to advocate on their own for their communities.

"That the process should be open and transparent, not only at the town level but at the state level," she says. "That the people in a town have more to lose and know their town better and have more at stake. And so we shouldn't just say, 'Oh, the state will take care of that.'"

Goldsmith hopes that by sharing its story, Responsible Growth Hinesburg can inspire other Vermonters to take action.

"We see this as one example of something that's happening across Vermont," she says. "And the fact that we've been able to hang in here for seven years, we hope at some point will be an example to other people in other towns who feel like the ability to decide what happens in their town is being taken away from them – or maybe was taken away a long time ago, but needs to be taken back."

Whatever happens with this particular project, Goldsmith says she hopes Responsible Growth Hinesburg has shown that local citizens can and should have a voice in both the state and local permitting process.

Co-op and Industry News NCG Eastern Corridor Update December 6, 2017



Congrats to Middlebury Natural Foods Co-op! On the Saturday following Thanksgiving (Nov 25), Middlebury that included eight months of construction. The project had been in the works for over three years and resulted in t The renovation allowed the co-op to widen all grocery aisles, double its produce offerings, and greatly expand prep op’s cash, along with almost \$1M in member loans and a \$2M bank loan. The store remained open through the ent Thanksgiving and the next day when the store remained closed, all product was covered, and then the floor was gr Congrats to Glenn and everyone who contributed to all the work involved in this great retail upgrade!

MyWebGrocer Lays Off 18 Vermont Employees WCAX

POSTED BY MARK DAVIS ON MON, DEC 11, 2017 AT 7:00 PM



MyWebGrocer, the Winooski-based online shopping and marketing firm, said it has laid off 18 employees in Verm market.

The employees were offered severance packages, and the Vermont Department of Labor has been asked to help th

"The world of digital grocery is moving faster now than at any time during the last 17 years," said Barry Clogan, p
important we align our teams and capabilities to support our customers and evolve our successful e-commerce and

The company, which also had layoffs in October 2016, declined further comment.

MyWebGrocer provides online support for grocery companies. It currently employs 315 people in the U.S., Canad

California private equity firm HGGC owns MyWebGrocer.



The Village Market is one of five independent stores owned by Mike Comeau that will be bought by Associated G

Local stores sold to cooperative

- [By Kayla Collier | Waterbury Record December 21 2017](#)
-

The Village Market is one of five independent stores owned by Mike Comeau that will be bought by Associated G

In the last 13 years, Mike Comeau has built a personal empire, piece by piece, establishing five independent grocery stores: Market, Richmond Market & Beverage, and Jericho Market.

But he's decided it's time to quit while he's ahead, selling off the lot for the benefit of his employees — and his own.

“I'm not saying that my wife and I won't be sad to be out of the business — we've loved running the stores — but we always planned to sell them. I never planned to run them forever, and like most things in life, you can't always choose the time.”

The sale price has not been disclosed.

This year, the stars aligned just right for Comeau to take that leap.

Interest rates are low, he still has long leases on all of his stores that a buyer could take over, and he could never have a better time to sell.

“What if we waited, and in five years, they're not able to buy,” Comeau said.

As one of Vermont's largest independent retail grocery chains, Comeau's markets not only serve the needs of local communities but also provide a valuable service to the region.

Associated Grocers of New England Inc. is set to close the deal on Comeau's stores on Jan. 18. The co-op was formed to provide a better distribution network. It has grown into an organization whose 300-plus employees service more than 600 stores across the state.

The sale won't change the local feel that communities have supported, and the associates with whom residents have built relationships.

“My employees were a big reason for the sale,” Comeau said. “I've reached a pivot point where I have a good growth opportunity like better health insurance than I can currently offer, better 401K plans and benefits, and chances to advance in the company.”

Financially, Comeau just couldn't provide his employees more than he already does without selling, and he feared that the sale would hurt them.

Comeau feels the weight of his employees' rent and car payments every day, and wanted his stores to continue to provide a service to the community.

“We think this is a wonderful thing for our employees,” said Jessica Perrault, human resources manager for MAC.

“Our heart is in our stores, and while we will no longer be involved in operations after the closing, we will continue to support the community.”

Comeau's markets have been members of Associated Grocers of New England for years and will continue to be members. It's 300 people just like him, who built their own independent chains for their communities.

The Associated Grocers niche has always remained in small grocery chains, and with 25 percent of its market situated in rural areas, it's a natural fit.

The president and CEO of Associated Grocers backed him up on this claim.

“Locally owned, independent grocery stores are the backbone of our company. It is rare to have the opportunity to have stores,” Mike Violette said.

The plan is to retain all current employees and the upper management team Comeau has assembled. The team will carry on the tradition of offering local products such as Boyden Farm Beef in Johnson and produce from the corporation.

“We are thrilled to continue with the successful formula that has fueled the success of Mike Comeau’s five stores. We don’t fix it.”

Violette traveled to Vermont on Tuesday to get to know the associates at each location.

Comeau sits on the Associated Grocers board of directors, and his term runs until June, but after the sale of his stores, he will have discussions around the five locations.

He will be available until June if Associated Grocers has any questions. After that, Comeau plans to take some time off, figuring out his next steps.