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AGENDA

Board of Directors Meeting

May 23, 2018

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

Time	Agenda Topic
5:15	Dinner
6:00	Welcome newly elected Board Members Election of Officers – President, Vice President, Secretary and Treasurer
6:30	Consent Agenda April 25, 2018 Minutes (sent separately via email) Monthly Share Redemptions p. 6
6:40	Update & Monitoring General Manager Report p. 8 EL 9 – Cooperative Giving Program p. 25 GP Global – Governance Process Commitment (survey) GP 1 – Governing Style (survey) GP 8 – Cooperative Giving Program (survey)
7:20	Member Comments
7:30	Board/Member Interactions
7:40	Committee Updates Appoint Committee Chairs and members EL 5 Committee
8:00	New Business/Action Items Memo - Proposed Global Ends Policy 8 - Kevin Birdsey (Appendix B) p. 32
8:10	Adjournment

2018 BOARD MEETING CALENDAR

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

May, 2018

For the period ending May 7th, 2018, 15 members have requested redemption of shares. This includes 266 A shares and 23 B shares held directly by the members, and \$17.46 in A share and \$13.65 in B share extra held by the Co-op on account. The total cost of redemption is \$1,476.11. 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 May 7th, 2018, 9 members have requested share transfers. This includes 170 A shares held directly by the members and \$18.05 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 May 7th, 2018, 9 members have asked to exchange his/her old B share class for the new B share class. This includes 69 B shares held directly by the members and \$25.44 in B share extra held by the Co-op on account.

To date ending May 7th, 2018, 971 members have asked to exchange his/her old B share class for the new B share class. This includes 7,750 B shares held directly by the members and \$2,323.05. in B share extra held by the Co-op on account. This represents approximately 11.2% of originally issued B Shares.

Redemption of these shares (\$1,476.11 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	7	6	4	12								33	62%
Moved-Clean Up													0	0%
Deceased- Clean Up	2	3	2	2	2								11	21%
Tired Of Coop B/S													0	0%
Clean-Up													0	0%
None provided	1			1	1								3	6%
Wants Cash													0	0%
Had two accounts													0	0%
Don't use account		1	1										2	4%
Nursing Home													0	0%
Selling down to 10 shares	1	2	1										4	8%
Total	8	13	10	7	15	0	0	0	0	0	0	0	53	100%

A Share Transfer	Carryover	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD	%
Re-issuing in different name														0	0%
Transferring to new account														0	0%
Transfer to different account		3	3		2									8	18%
Name change		11	9	2	5	9								36	82%
Change Spelling of name														0	0%
Total		14	12	2	7	9	0	0	0	0	0	0	0	44	100%
Exchange B shares	890	23	23	13	13	9								971	

GM Monthly Update: Communication and Counsel to the Board
Communication and Counsel to the Board

Submitted by: Edward Fox May 11, 2018

Co-op Board Meeting: May 23, 2018

Reporting Period: YTD May2018

No action is required in this report.

OVERVIEW

Each day, thousands of people come to our stores seeking not just a source of food, but a sense of community. Entering the second quarter of the fiscal year, our cooperative community continues to thrive in many different areas of the business, guided by our Ends, values, and principles.

Look for more detail in the functional reporting below. This includes specific challenges and opportunities throughout the organization.

Status Update

To date, actual sales remain greater than the forecasted budget. This is true across all food-store locations and at the Co-op Service Center:

<ul style="list-style-type: none"> • Food 	<table border="0"> <tr> <td style="padding-left: 20px;">FY2018:</td> <td style="text-align: right;">+\$566,256</td> <td style="text-align: right;">+2.66%</td> </tr> <tr> <td style="padding-left: 20px;">FY2017:</td> <td style="text-align: right;">-\$567,200</td> <td style="text-align: right;">-2.60%</td> </tr> </table>	FY2018:	+\$566,256	+2.66%	FY2017:	-\$567,200	-2.60%	<p>Stores</p>
FY2018:	+\$566,256	+2.66%						
FY2017:	-\$567,200	-2.60%						
<ul style="list-style-type: none"> • Service 	<table border="0"> <tr> <td style="padding-left: 20px;">FY2018:</td> <td style="text-align: right;">+\$6,899</td> <td style="text-align: right;">+.58%</td> </tr> <tr> <td style="padding-left: 20px;">FY2017</td> <td style="text-align: right;">-54,000</td> <td style="text-align: right;">-4.50%</td> </tr> </table>	FY2018:	+\$6,899	+.58%	FY2017	-54,000	-4.50%	<p>Center</p>
FY2018:	+\$6,899	+.58%						
FY2017	-54,000	-4.50%						

Expenses across all locations are within or below budget, resulting in a YTD savings of: **\$100,000.00**. Projected/budgeted loss for January-April FY2018: **-\$547,000.00**. Actual: **-\$447,000.00**.

We have concluded our annual Board of Directors election, and we are thrilled to welcome Rosemary Fifield, Victoria Fullerton, Don Kreis, and Jessica Saturley-Hall to the Board. We look forward to the spirit and energy each of these innovative, dedicated cooperators will bring to our team of directors.

Our customer-focused technology suite—ECSR/Catapult—continues to be phased in on schedule. We are making progress toward perpetual inventory, and have completed the final stages of dropping HQ, our older IT platform. Specials continue to be live on the website as we work on automating information from Catapult.

Enhancements to our Co-op Kitchen are moving forward on or ahead of schedule. We are already seeing the benefits of an added shift, new product offerings, and enhanced quantity and quality of product. Our goal is to continue differentiating our Co-op, making it a destination for the best prepared foods in the Upper Valley.

We are laying the groundwork for Double Up Food Bucks, a progressive program that provides a discount on produce for shoppers using SNAP benefits. We are grateful to our friends at Fair Food Network—a nonprofit that supports farmers, local economies, and access to healthy food in underserved communities—for providing our Co-op with generous financial assistance in support of this program.

Our strategy for engaging deeper with members continues to move forward. We have developed two new “personas,” giving our Education, Outreach, and Marketing teams a wide variety of highly detailed, member-focused data. The ultimate goal is an enhanced customer experience, both in-store and online, and a more strategic approach to decision-making.

Our Merchandising, Facilities, and Marketing teams are working throughout the organization with department managers and staff to plan for the future of all departments at the Co-op. This is particularly true at our Lebanon store, where work continues toward the store remodel. Representatives from Banwell Architects, of Lebanon, NH (banwellarchitects.com/), have met with each department to get a sense of what works and what doesn't, and to think about the store experience from a customer perspective. Next steps are to narrow the scope of the project.

The Co-op Learning Center (CLC) is more popular than ever, filled with classes and activities for children, teens, and adults. As always, we encourage you to participate, as these are high-quality programs that offer opportunities for education and engagement with our members and shoppers. Please see the calendar in the Member Services section for dates and times or visit online at <http://coopfoodstore.coop/classes>.

Finally, we continue to build relationships with regional and national partners in the business, non-profit, and government sectors. In particular, we are concerned about workforce and housing challenges in the Upper Valley, and how these challenges affect our stores and the communities we serve.

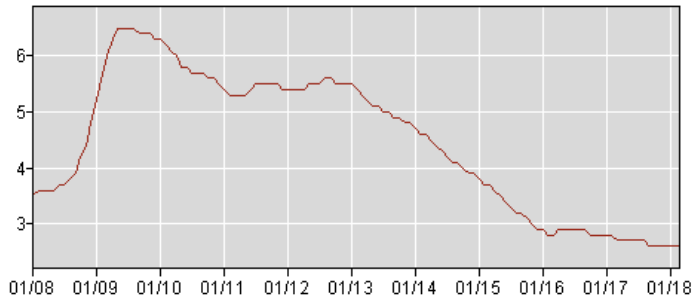
Staffing, Housing, and the Upper Valley Workforce

Employment/staffing levels throughout the Co-op—particularly in Meat, Seafood, and Prepared Foods—are both a challenge and an area of opportunity. Multiple positions remain unfilled. We recently launched an aggressive, multifaceted strategy for recruiting candidates and continue to research partnerships with staffing firms and employment programs.

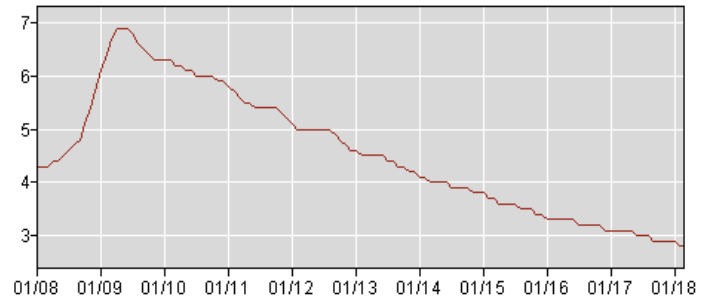
A recent conversation with Rob Taylor, Executive Director for the Lebanon Area Chamber of Commerce, helped to put our situation in perspective. According to Rob, the Upper Valley is experiencing a “workforce shortage,” a record-low level of unemployment that hovers around 1.7 percent. The Upper Valley also has a shortage of affordable housing, making it difficult for area employers to attract potential applicants from outside the region.

The U.S. Bureau of Labor Statistics reports that New Hampshire and Vermont have some of the lowest unemployment rates in the United States.

NEW HAMPSHIRE UNEMPLOYMENT RATE



VERMONT UNEMPLOYMENT RATE



SOURCE: U.S. BUREAU OF LABOR STATISTICS

Rob rightly suggests that businesses can help by working together to be part of the solution rather than part of the problem. Strategies include being creative in recruitment efforts, offering flexible schedules and competitive benefits, and working together to brainstorm ways to address housing concerns. To quote Rob, “The days of just being an observer to this situation are behind us. Everyone has to have a more active role.”

SALES TRENDS

Month Ending	Location	YTD Sales	YTD Budget	YTD % Variance	YTD Variance	Gross Margin Impact	2018 YTD Transactions	2017 YTD Transactions	Change prior year	% Change prior year	2018 YTD Avg Basket	2017 YTD Avg Basket	Change prior year	% Change prior year
4/28/18	Consolidated Stores	\$21,818,003	\$21,251,747	2.66%	\$566,256	\$181,082	572,502	579,603	(7,101)	-1.23%	\$38.11	\$36.66	\$1.45	3.96%
	Hanover	\$7,676,425	\$7,563,057	1.50%	\$113,368	\$36,573	174,054	179,925	(5,871)	-3.26%	\$44.10	\$42.03	\$2.07	4.93%
	Lebanon	\$9,800,119	\$9,663,725	1.41%	\$136,394	\$44,328	214,900	218,567	(3,667)	-1.68%	\$45.60	\$44.27	\$1.33	3.00%
	CCM	\$662,879	\$651,322	1.77%	\$11,557	\$4,096	58,022	58,704	(682)	-1.16%	\$11.42	\$10.70	\$0.72	6.73%
	WRJ	\$3,678,580	\$3,373,643	9.04%	\$304,937	\$96,086	125,526	122,407	3,119	2.55%	\$29.31	\$27.62	\$1.69	6.12%
4/28/18	Park Street	\$1,204,362	\$1,197,462	0.58%	\$6,900	(\$758)								
	Gas	\$973,486	\$964,790	0.91%	\$8,736	\$343								
	Gallons Pumped	357,763												
	Average Price	\$2.72												
	Labor	\$106,790												
	Parts	\$125,086												
	Total repairs	\$230,876	\$232,712	-0.79%	(\$1,836)	(\$1,102)								
	Stores & Park Street	\$23,022,365	\$22,449,209	2.55%	\$573,156	\$180,324								

Week Ending 4/28/18	Consolidated			Hanover			Lebanon			CCM			WRJ		
	YTD Sales	YTD Budget	YTD variance	YTD Sales	YTD Budget	YTD variance	YTD Sales	YTD Budget	YTD variance	YTD Sales	YTD Budget	YTD variance	YTD Sales	YTD Budget	YTD variance
Bakery	\$1,049,680	\$1,039,922	\$9,758	\$360,467	\$365,810	(\$5,343)	\$457,303	\$454,457	\$2,846	\$29,609	\$32,335	(\$2,726)	\$202,302	\$187,320	\$14,981
Beer	\$584,504	\$512,553	\$71,951	\$143,339	\$144,350	(\$1,011)	\$205,308	\$197,990	\$7,318	\$31,185	\$32,885	(\$1,700)	\$204,672	\$137,328	\$67,344
Beverage	\$544,911	\$529,495	\$15,416	\$171,419	\$168,100	\$3,319	\$220,950	\$215,350	\$5,600	\$40,612	\$40,300	\$312	\$111,929	\$105,745	\$6,184
Bin Bulk	\$1,148,073	\$1,152,963	(\$4,890)	\$430,387	\$425,300	\$5,087	\$594,310	\$605,783	(\$11,473)	\$22,071	\$26,600	(\$4,529)	\$101,305	\$95,280	\$6,025
Cheese	\$545,787	\$548,422	(\$2,635)	\$222,372	\$232,800	(\$10,428)	\$262,933	\$257,100	\$5,833	\$6,363	\$6,797	(\$434)	\$54,120	\$51,725	\$2,395
Dairy	\$2,247,910	\$2,234,867	\$13,043	\$808,422	\$816,600	(\$8,178)	\$936,643	\$935,917	\$726	\$69,092	\$70,450	(\$1,358)	\$433,753	\$411,900	\$21,853
Deli	\$443,382	\$452,967	(\$9,585)	\$142,651	\$145,260	(\$2,609)	\$197,889	\$208,327	(\$10,438)	\$6,667	\$7,280	(\$613)	\$96,174	\$92,100	\$4,074
Floral	\$462,867	\$470,505	(\$7,638)	\$191,411	\$191,700	(\$289)	\$218,626	\$221,811	(\$3,185)	\$5,842	\$8,680	(\$2,838)	\$46,988	\$48,314	(\$1,326)
Frozen	\$936,197	\$905,187	\$31,010	\$307,673	\$306,500	\$1,173	\$391,427	\$377,272	\$14,155	\$28,108	\$26,390	\$1,718	\$208,988	\$195,025	\$13,963
Grocery	\$4,814,417	\$4,647,910	\$166,507	\$1,517,045	\$1,457,100	\$59,945	\$2,246,201	\$2,201,635	\$44,566	\$116,095	\$110,575	\$5,520	\$935,076	\$878,600	\$56,476
HABA	\$689,949	\$696,455	(\$6,506)	\$267,845	\$262,600	\$5,245	\$368,155	\$384,168	(\$16,013)	\$2,461	\$3,271	(\$810)	\$51,488	\$46,416	\$5,072
Kitchenware	\$81,177	\$71,391	\$9,786	\$44,227	\$30,700	\$13,527	\$27,752	\$33,816	(\$6,064)	\$779	\$850	(\$71)	\$8,419	\$6,025	\$2,394
Meat	\$1,725,499	\$1,755,715	(\$30,216)	\$593,357	\$610,590	(\$17,233)	\$775,674	\$794,289	(\$18,615)	\$19,865	\$21,775	(\$1,910)	\$336,603	\$329,061	\$7,542
PFD	\$1,541,458	\$1,463,859	\$77,599	\$454,556	\$440,100	\$14,456	\$686,440	\$669,681	\$16,759	\$186,600	\$163,800	\$22,800	\$213,862	\$190,278	\$23,584
Produce	\$3,348,578	\$3,182,995	\$165,583	\$1,402,437	\$1,342,525	\$59,912	\$1,466,333	\$1,407,701	\$58,632	\$49,695	\$51,600	(\$1,905)	\$430,112	\$381,169	\$48,943
Seafood	\$604,920	\$608,196	(\$3,276)	\$238,410	\$244,172	(\$5,762)	\$287,183	\$288,464	(\$1,281)	\$1,565	\$1,560	\$5	\$77,761	\$74,000	\$3,761
Sushi	\$280,837	\$274,023	\$6,814	\$71,546	\$73,500	(\$1,954)	\$173,689	\$169,364	\$4,325	\$13,583	\$10,374	\$3,209	\$22,018	\$20,785	\$1,233
Wine	\$685,212	\$704,322	(\$19,110)	\$286,755	\$305,350	(\$18,595)	\$232,931	\$240,600	(\$7,669)	\$31,145	\$35,800	(\$4,655)	\$134,382	\$122,572	\$11,810
TOTAL	\$21,735,359	\$21,251,747	\$483,612	\$7,654,320	\$7,563,057	\$91,263	\$9,749,748	\$9,663,725	\$86,023	\$661,338	\$651,322	\$10,016	\$3,669,953	\$3,373,643	\$296,310

Data Through April 2018	Consolidated Food Stores					Service Center	Gas	Repairs
	Hanover	Lebanon	CCM	WRJ				
Actual Sales: % Change Current Month to 12 Months ago	-2.10%	-3.28%	-3.57%	3.97%	3.23%	11.91%	4.22%	57.12%
Actual Sales: % Change YTD through Current Month to YTD 12 Months ago	2.41%	1.34%	0.90%	5.32%	8.61%	3.49%	2.18%	21.38%
Actual YTD Sales	\$21,775,998	\$7,663,034	\$9,762,822	\$661,271	\$3,671,853	\$1,204,262	\$973,486	\$230,776
Actual YTD Budgeted Sales	\$21,275,729	\$7,563,057	\$9,663,725	\$653,704	\$3,373,643	\$1,197,462	\$964,750	\$232,712
Actual Variance in sales	\$500,269	\$99,977	\$99,097	\$7,567	\$298,210	\$6,800	\$8,736	(\$1,936)
Potential Margin Impact	\$160,678	\$32,692	\$32,702	\$2,540	\$92,743	(\$632)	\$568	(\$1,200)

FINANCE

FY 2018 is off to a good start. While this remains true for April, sales for the month compared to 2017 are lower. This can be attributed to the timing of the Easter holiday shopping patterns compared to our month-end calendar. Year-to-date numbers for sales are higher than last year and ahead of budget; however, we still need to remain diligent on expenses for the remainder of the year.

Transaction Counts and Basket Size

For April, consolidated transaction count for all food stores was down 7,101 versus the same period in 2017. Basket size was higher by \$1.45, for an average of \$38.11.

All stores are experiencing a decline in the number of transactions, with the exception of WRJ. However, basket size in each location has increased over the same period last year.

Hanover bears the brunt of the transaction-count decline, being down 5,871 from the same period last year. Hanover's basket size is up \$2.07, for an average basket size of \$44.10.

WRJ's customer count is up 3,119. The store's basket size is up \$1.69, for an average of \$29.31.

We are continuing to analyzing store- and department-level statistics to gain a better understanding of our share of the market.

INFORMATION TECHNOLOGY

ECRS Update

During April, the ECRS steering committee refined a plan to move this project onto the next phase: perpetual inventory and auto ordering. This plan also includes enlisting assistance from ECRS in systematically moving us forward on perpetual inventory for a projected third-quarter rollout.

Weekly meetings monitor our progress toward the implementation of perpetual inventory. These meetings will continue with ECRS until the project has been completed. This phase will take time to implement due to its complexity and the need to get it right. Also, as expected with a systems transition of this size, complexity, and magnitude, glitches are to be expected. However, all teams from the stores and Buck Road have done an amazing job of remaining focused and working through the challenges.

With the addition of a Network Systems Administrator to supplement the Network Systems Manager in IT, our Co-op has been able to continue refining our network systems. Over the past month, we have experienced increased efficiency in our network. Duties of both positions are related to managing our network, including computers, phones, and the network switches and servers needed to run our business.

STORE OVERVIEW

Spring is here. The local and regional growing season is in full swing, and member and shopper trends and patterns are changing with the change of season. The result is a great opportunity for our teams to try new ideas throughout the stores.

Lebanon Store Update

Plans for May reflect an effort to build sales and a stronger team environment, develop ECRS, and continue preparing for change-of-season selling.

- Grocery has transitioned Area 51 to pallet drops of spring- and summer-related items
- Department managers are continuing to hire for the needs of the store, with an emphasis on PFD.
- Floral has put an emphasis on outside merchandising.
- Meat has added a new variety of grab-and-go items, including shaved steak and cube steak.
- Department employees are refreshing signage and tagging throughout the store.
- Store employees are working on correct hand quantities for two small vendors—Red Kite Candies and King Author—in order to begin perpetual inventory monitoring.

- All employees are working on Mother's Day selling and spring cleaning after the long winter.
- Department employees continue to focus on the store remodel. The goal is an enhanced shopping experience for customers and pleasurable working conditions for staff. Staff involvement is key.
- Department teams are working together to revamp sampling and cross-merchandising initiatives.

Hanover Store Update

- Floral is planning significant sales for Mother's Day. This typically doubles the normal week's sales.
- Grocery has repositioned the maple syrup and honey products on the left as you enter the Dairy department. This gives the local products a significant presence in the store.
- Grocery will be working on creating a gluten-free section this month.
- Staffing the store departments remains one of our biggest concerns. Staffing levels required:
 - Meat/Seafood: minimum **11**, current **8**
 - Cheese/Wine: minimum **5**, current **3**
 - Produce/Floral: minimum **16**, current **12**
 - Food Service: minimum **16**, current **10**
- There has been no movement on capital projects scheduled for the first quarter in the Hanover Store as mentioned in earlier reports.

White River Store Update

May is a busy month. As the weather warms up, customers look for signs of spring. We will continue to switch up our inventories to include seasonal opportunities.

- Customers should notice a special endcap for the month of May. Everything on the endcap will be related to the plight of the bumblebee. All items on this endcap will be "bee" related. For example, there are bee wines, bee beers, and bee soda (all honey infused). The endcaps will also include beeswax candles, bee wrap, and a variety of types of honey.
- Outdoor flowers begin to come in during the early part of May, just in time for Mother's Day and Memorial Day.
- As the weather warms up, the Deli/PFD areas switch up some of their salad offerings to include more warm-weather varieties, such as macaroni and potato salads.
- The Co-op Kitchen has just introduced Co-op baked breads into the lineup at the store.
- A small contingent of WRJ Co-op staff provided community service in Hartford Vermont's Green Up Day on Saturday, May 5.
- The Produce department kept plenty of fresh mint in stock on Saturday, May 5, as many customers enjoyed Kentucky Derby festivities here in Vermont!

Community Market Update

May is a busy month for the Market, with many spring-related activities in place.

- We recently finished a cooler reset. We are still working on a few tweaks here and there, but the flow of products feels much better. We also gained some shelving in the cooler and will be bringing in some new product to round out our selection.
- Hatchland Farm has started bottling their ice cream mix. We started offering ice cream May 8. We are also hoping to have a “flavor schedule” for the yogurt, so our customers can see when their favorite flavors are coming up in the rotation.
- Our specialty sandwich menu changed on May 7. We brought back some old favorites and will try out some new items.

Co-op Kitchen Update

Change brings uncertainty. It isn't always easy to see change in a positive light but changes in the Kitchen are helping us to move in the right direction.

- The first week of May brought big changes to the Kitchen. Our new dishwasher arrived right on time. It took a great deal of patience and cooperation to get the area cleaned, equipment removed and installed, and yet still produce foods for timely delivery. We had planned to do some cleaning of other equipment as well, but the weather kept us inside and we weren't really sure how much production we would be able to manage. The uncertainty required that we help each other and work together to redesign a very important space.
- Staffing levels continue to vary as people are out for medical procedures, family needs, and much-needed time off. New employees are settling in, and our many returning employees are learning new skills.
- A big change is coming to the To Go Catering department. We will be accepting online orders as of this week. A confirmation email will be automatically generated for the customer. This alleviates the need to have someone available to answer the phone every time it rings. We're also working to develop a much more accurate system for tracking both the production and delivery of To Go catering items. We're excited (and nervous) as the next eight weeks are the busiest for this department.
- The first week of afternoon bread deliveries is behind us. We're sorting out packaging issues because even the best plans may not work. We have discovered that all artisan breads are not exactly the same size, even if they are commercially prepared.

Service Station Update

With the nice weather approaching, we are gearing up for air-conditioning services and keeping customer cars cool. We are also very excited to announce we have signed on with Falken Tires, which means better tire pricing for all your vehicle needs.

Actuals Verses Prior FY/YTD Reporting Period:

- Sales: Gasoline: +2.11%
- Gallons: -11.71%
- Price/Gallon: +15.65%
- Sales: Repair: +21.33%

MERCHANDISING

The Merchandising and Inventory Control teams are looking to the year ahead with several important projects in store, along with some changes on our plates. We are also coming into the spring/summer local growing season in our Produce and Floral departments, which is an intense but exciting time for those specific departments.

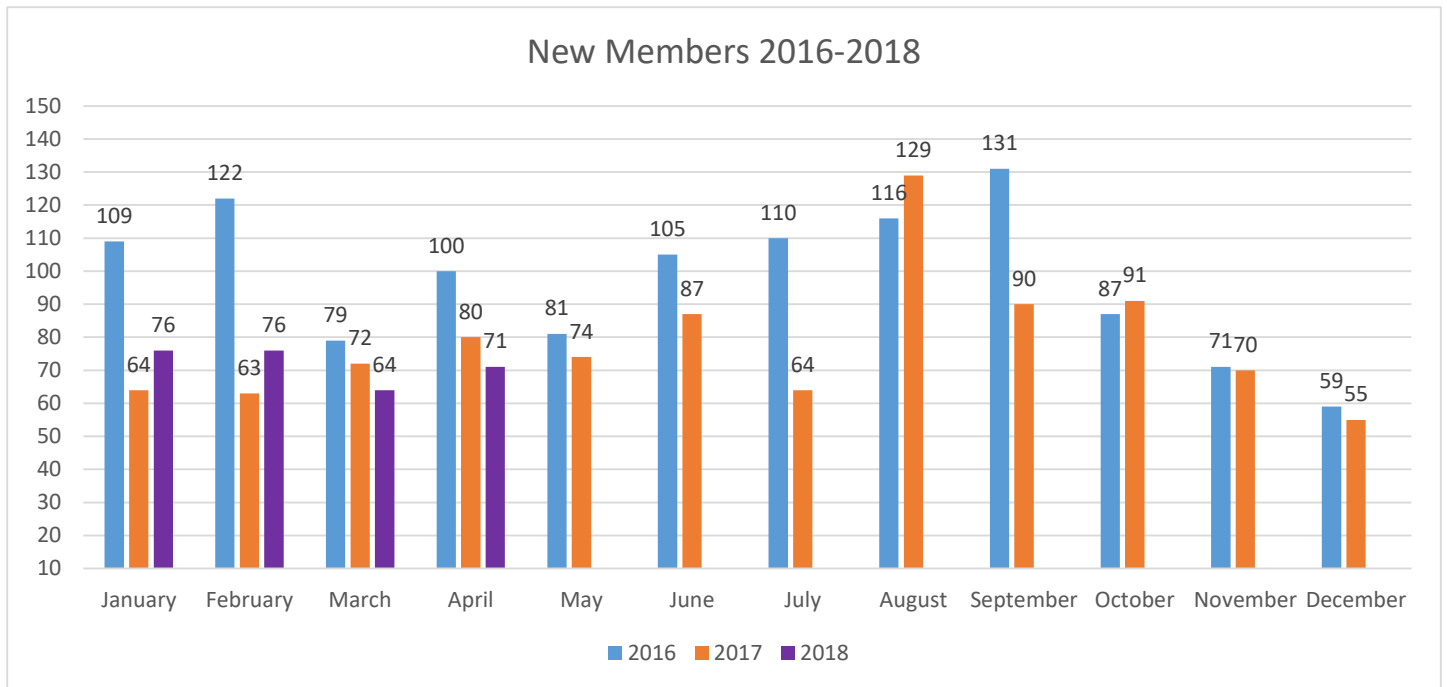
- At the Co-op Kitchen, the afternoon/evening bread program has been launched and product is starting to be available in the stores. The next big project we’re looking toward is implementing bulk foods packaging.
- We are now planning the annual Producer’s Fair event on August 4 and sending out a record number of invitations to local growers and producers. We’re excited to see some new and different vendors attending the event, along with our “regulars.”
- We are not far from starting to plan the annual Case Lot sale in October. Our first meetings will be in the month of May, as we look to streamline how customer’s place and pay for orders. We also will lay out our timeline for event planning, and begin to select the products we want to offer for the sale.
- Our teams have been involved in several planning sessions for the Lebanon store remodel slated for 2019. These sessions included interactive conversations with store staff, architects, IT, and Marketing.
- Two members of our team, along with several other Co-op representatives, recently visited with the leadership at Equal Exchange to discuss the future and sustainability of our cooperative relationship with the vendor and to tour the coffee-roasting facility.
- Specific members of our team have been attending various buying/product shows throughout New England. These shows are a great opportunity to network with other stores and to cultivate our vendor relationships.
- We have hired a new Inventory Control Specialist, starting within the next couple weeks, to join our Inventory Control team. Our primary projects for this year are building the integrity of our product database and building our systems for maintaining and updating wholesale costs in the database.
- Our Co-op Basics program is stronger than ever! Thanks to many new items that are now part of the program, our sales for the first quarter of this year are up \$157,000 over the busy fourth quarter of last year.

MEMBERSHIP

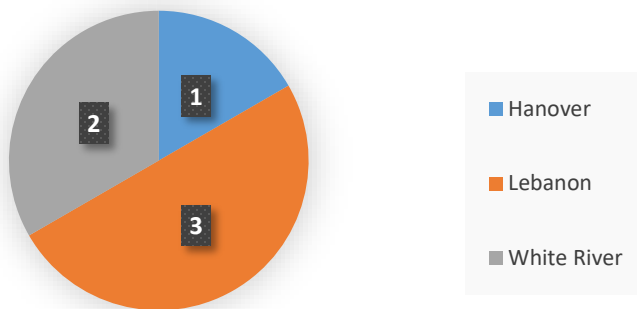
January-April 2018

	<i>New Members</i>	<i>Cancellations</i>	Net	Change	in
			Memberships		
January	76	7	69		
February	76	11	65		
March	64	9	55		
April	71	7	64		

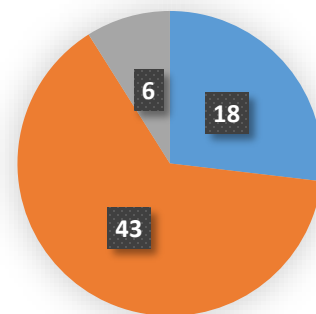
YTD	287	34	253
2017 YTD	279	42	237



New Subscribers by Location
April



New Members by Location
April



PENNIES FOR CHANGE

Total Member Donations Since June 2016: **\$461,293.11**

Total Collected April 2018: **\$17,543.14**

Total Collected YTD 2018: **\$73,824.96**

April Food Access Recipients

Listen: \$3,508.63

Haven: \$3,508.63

Willing Hands: \$3,508.63

Total to Recipients 2018

Listen: \$14,765.00

Haven: \$14,765.00

Willing Hands: \$14,765.00

April Community Partners

West Central Behavioral Health: \$5,262.94

Upper Valley Humane Society: \$1,754.31

HUMAN RESOURCES

At the March and April Board meetings, the subject of racism in America was discussed. Members of our management team have been looking into racism and other areas of concern, namely inclusion, diversity, and unconscious bias. These topics are also being discussed at several other co-ops with which we are collaborating through our connection via NCG.

In following up on these topics, we have reached out to an organization that specializes in sensitive subjects such as these. What we learned in speaking with them is that discrimination takes many forms and is not merely based on someone's race, gender, or ethnicity and that we all have built-in biases that affect the way we see the world, which results in people becoming disadvantaged. Disadvantaged populations take many forms and can be found in some of the most affluent zip codes.

Many of the people who live in the Upper Valley are disadvantaged in one way or another. A program called Bridges Out of Poverty teaches us how to identify those factors that may inhibit someone from being able to successfully navigate/understand the middle-class mindset that is so intrinsic to living a life out of poverty. The Co-op has decided to explore this subject to not only understand the ramifications of being disadvantaged but also to find ways to deal with it. We are hopeful this greater knowledge will allow us to better design Co-op initiatives to meet these challenges.

The Granite United Way's Working Bridges program, which we have made available to our employees and their immediate families, is an outgrowth of Bridges Out of Poverty and strives to remove those barriers to success in order to help our employees break the cycle of poverty and live a more secure life.

PUBLIC RELATIONS

This review of the past few weeks and the remainder of April shows a variety of projects, meetings, and actions aimed at growing community impact for our Hanover Consumer Cooperative Society. The synopsis provided here, while not exhaustive, should provide the reader with a working understanding of efforts behind the scenes at our Co-op and our cooperative's presence around the region. The latter weeks of April and first two of May have seen progress on agriculture issues at the state and national level. Local community matters have remained a focal point of PR efforts, too.

I welcome questions and comments. —Allan Reetz

NH Commissioner of Agriculture Meeting

Extensive work coming to fruition for meeting with New Hampshire Commissioner of Agriculture Shawn Jasper. As of May 7, here are the details for that May 12 event:

Our meeting is set for Saturday, May 12 from 3 to 5 at the Co-op Learning Center in our Lebanon store at 12 Centerra Marketplace, Lebanon, New Hampshire.

Possible topics *might* include:

- Successes in the marketplace
- Challenges your business faces
- Strengthening direct-to-consumer sales
- Supporting new opportunities
- Food hubs
- Supporting and strengthening the “local,” made-in-New-Hampshire label.

This is a sample list, and any of those topics could fill a day of conversation. We look to make the meeting the start of more conversations in the months ahead.

Farms/guests contacted and positive replies received:

1. Edgewater Farm (Sprague family)
2. Yankee Farmer's Market (Brian and Keira Farmer)
3. Sunset Rock Farm (Andrea Rhodes)
4. Robie Farm (Lee and Betty Sue Robie)
5. Poverty Lane Orchards (Farnum Hill Cider)
6. Kearsarge Food Hub - France Hahn & Lauren Howard
7. Ben Hill, UNH, Network Coordinator at New Hampshire Food Alliance
8. Dr. Tom Kelly, founding director UNH Sustainability Institute, Chief Sustainability Officer
9. Nancy LaRowe, Vital Communities

Hanover Co-op attendees (confirmed)

- Ed Fox, general manager
- Allan Reetz, public relations
- Lindsay Smith, Co-op food and nutrition educator
- Bill Craig, board president, Hanover Co-op

Vermont's Main Street Alliance

Allan testified before the Vermont Senate Economic Development Committee April 10 regarding H:196, Family Medical Leave Insurance. Reetz expressed support for the legislation. He encouraged the committee to restore the personal medical leave insurance component of the original bill, extend the leave to 12 weeks so that it will be adequate and accessible to Vermonters during a variety of expected or unexpected challenging life events, and mirror the maximum leave period now in place under the federal Family and Medical Leave Act.

On April 25, these major changes in the bill draft were announced:

- Restoration of up to 12 paid weeks for parental leave (total combined for all parents);
- Leave for family care limited to six weeks;
- 70% of average weekly wage;
- Job protection exemption changed to preference in hiring;
- Eligibility expanded (all who have earned at least \$10,710 over the last 12 months, equal to 20 hours per week per year at min. wage, are eligible)

Equal Exchange Visit

Small-group trip to Equal Exchange on April 18. Meeting attended by Ed Fox, Allan Reetz, Amanda Charland, Jacob Vincent, Dot Benham, Harrison Drinkwater, and Tom Battles. Wide-ranging discussion on increasing collaboration, market trends, and opportunities. Facility tour. Each organization gave an overall perspective about how we are doing: business & mission. What are the challenges and what are our current ideas about how to best move forward to keep our mission, and our roles in the market, strong and visionary?

- Ed Fox has been invited to be a panelist at Equal Exchange's Action Summit in June.
- Inspiring story about Equal Exchange in latest edition of NCBA's Cooperative Business Journal: <http://online.fliphtml5.com/caqv/zrve/#p=12>

New Hampshire Liquor Commission

Small group trip to meeting sponsored by New Hampshire Grocers Association on the morning of April 18. Expected announcement of changes to threshold pricing did not occur. Meeting attended by Matt Szczesiul and Josh Watson.

Vermont Law School

Allan met with Laurie Ristino, Associate professor and Director of Vermont Law School's Center for Agriculture and Food Systems, to discuss possible collaboration on topics and initiatives of interest to both organizations, VLS students, and Co-op members.

Media Coverage and Miscellaneous Engagements

Historical photos of Hanover Co-op’s new Park Street location (circa 1963) highlighted on uvindex.com: <http://uvindex.vnews.com/2018/05/04/fbf-sparkly-new-hanover-co-op-1963/>

Allan attended spring conference of New Hampshire Businesses for Social Responsibility. Day-long event: <http://nhbsr.org/about-nhbsr/programs-services/spring-conference>

Contact made and follow-up planned with Lisa Drake, director of sustainability and innovation, for Stonyfield Organic.

Allan participated in planning conference call with New Hampshire Food Alliance. Agenda included:

- Understanding of fundraising strategy and implementation
- Understanding of Backbone and Process team’s roles
- Understanding of areas of focus for Backbone Team staff given funding scenarios.

Allan and Doren Hall toured new Hilton Garden Inn.

May 3, attended Heroes and Leaders award presentation for the Hanover Co-op. Award presented by Len Cadwallader. Our Co-op was one of 15 communitarians honored.

At the suggestion of NFCA and New England Farmers Union, Allan traveling to Washington, D.C., May 9 and 10 for meetings on Farm Bill.

COMMUNITY SERVICE

Community Service 2018		Participation & Hours	
		Cumulative to the end of April	
Goals			
800 hours of Service	100 % Staff Participation	# Participation by Location	Staff: Community Service Hours
			Yearly Hour Goal
		Store/Location	
		Admin Buck Road	6 41.75
		Community Market	0 0
		Co-op Kitchen	0 0
		Hanover	0 0
		Lebanon	1 8
		Service Center	0 0
		WRJ	1 7
Total Cumulative Hours	% Staff Participation*		
56.75	2.14%		

Hours Surpassing Goal	* based on 373 employees		Staff	Hours	
-743.25		Totals for Year:	8	56.75	800
		Hour totals by type			
% Goal Hours Completed		Co-op Driven:	Other:		
7.09%		47.75	9		

GENERAL MANAGER

- Attended Vermont Business Roundtable Health Care meeting, April 2
- Attended Listen Board of Directors meeting, April 5
- Attended NCG biannual GM/Designated Representatives meeting, Durham, NC, April 9-April 13
- Attended new Co-op employee orientation lunch, April 16
- Attended Listen Board of Directors meeting, April 17th
- Visited and met with employees at Equal Exchange, West Bridgewater, MA, April 18
- Visited and met with employees at Associated Grocers of New England, Pembroke, NH, April 19
- Attended and met with Antioch College graduate students on cooperative businesses, Keene, NH, April 20
- Visited Monadnock Co-op, Keene, NH, and met with GM, April 20
- Attended Vermont Business Roundtable Breakfast with Rep Peter Welch (VT), April 21
- Participated in conference call to provide HR & Training support with Harvest Co-op (Cambridge & Boston, MA), April 24
- Attended Listen Board of Directors meeting, April 26
- Attended open house at the Hilton Garden Inn, Lebanon, NH, April 2
- Attended new Co-op employee orientation lunch, April 30
- Attended Lebanon store huddle, April 30

OUTREACH AND MEMBER SERVICES

Voting is the key focus for the Outreach team in April. This year, we added several new ways for members to learn about, or engage in, the process: live social media with candidates, kids’ voting stations, videos of statements, etc. In April we also celebrated Earth Day with several fun events at our stores.

Family programming continues to be strong, with summer camps and family cooking classes filling up quickly. Our Co-op also participated in several engaging events throughout the Upper Valley for families. Here are some highlights:

- 145 kids participated in our 'veggie voting' during the month of April.
- Outreach ran a booth at Flavors of the Valley—1,200 participants this year. We ran out of samples at the end and received great feedback!
- We co-hosted an event for kids at River Valley Club to raise money for Positive Tracks. About 50 families participated and kids loved the Co-op smoothie bike!
- We hosted a paper-shredding event for Earth Day. This was our most successful event yet. We filled the truck and had to close 5 minutes early! In the process, members received information on sustainability at the Co-op and were able to learn more about the Refill Not Landfill organization.
- Our camps for kids are nearly full for summer.
- We worked on aggressive persona-specific promotions for the bulk sale.
- Amanda and Ed gave a presentation to graduate students at Antioch's MBA program.
- Outreach is in the process of building new personas with a new team of Co-op employees.
- Marketing, education and merchandising are working on value propositions.

CLC Schedule

May 2018

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
29 2:00 pm - 3:00 pm HOLD- Aupair Private C	30 3:30 pm - 5:00 pm Cooking Club	1 11:30 am OSHER - Beth 3:30 pm DHMC - Weigh	2 5:30 pm - 7:30 pm Fiddleheads and Ramps	3	4 5:30 pm - 8:00 pm DIY- May the 4th Be wif	5 5:30 pm - 8:00 pm Dinner Club- Cinco di
6	7 3:30 pm Cooking Club 5:30 pm Meatless Mond	8 11:30 am OSHER- Beth P 5:30 pm Knife Skills 101	9 11:30 am Lunch N Learn 3:30 pm DHMC - Weigh	10 5:30 pm - 8:00 pm Cooking Basics: Chicken	11 11:00 am - 1:00 pm OSHER - Cheese class	12 10:00 am - 12:00 pm Mother's Day Baskets
13	14 3:30 pm - 5:00 pm Cooking Club	15 11:30 am Monet's Table 3:30 pm DHMC - Weigh	16 11:00 am Simply in Seaso 5:30 pm Chef Martin cod	17 8:00 am - 12:30 pm Food Safety Class	18 11:00 am OSHER- Chees 5:00 pm Family Cook Nig	19 10:00 am - 11:00 am Co-op Kids: Read it 'n
20 2:00 pm - 4:30 pm Knife Skills 201	21 12:00 pm Meatless Mon 3:30 pm Cooking Club	22	23 11:30 am Lunch N Learn 6:30 pm HABA Class	24 5:30 pm - 8:00 pm Co-op Dinner Club- Frer	25 9:00 am - 1:00 pm Holding - Hartford High	26
27	28 CLOSED- MEMORIAL D	29	30 5:30 pm - 8:00 pm Cooking Basics: The Spic	31 11:30 am - 12:30 pm Lunch N Learn: Chilitiqui	1	2

May 2018

« Prev Next »

Sun	Mon	Tue	Wed	Thu	Fri	Sat
29	30	1	2 Fiddlehead Ferns & Ramps Class 5:30 pm to 7:30 pm	3	4 May the 4th Be With You Class 5:30 pm to 8:00 pm	5 Cinco de Mayo Class 5:30 pm to 8:00 pm
6	7 After School Jr. Chef Cooking Club 3:30 pm to 5:00 pm Meatless Mondays Class 5:30 pm to 7:30 pm	8 Knife Skills: 101 Class 5:30 pm to 8:00 pm	9 Lunch 'n' Learn: Navajo Tacos Class 11:30 am to 12:30 pm	10 COOKING BASICS: Poultry Class 5:30 pm to 8:00 pm	11	12 DO IT YOURSELF: Mother's Day Basket Class 10:00 am to 12:00 pm
13	14	15 Member Appreciation Day 10:00 am Slaude Monet's Spring Table Class 11:30 am to 1:30 pm	16 Member Appreciation Day 7:00 am Rhubarb Class 11:00 am to 1:00 pm Chef Martin's Class 5:30 pm to 7:30 pm	17	18 FAMILY COOK NIGHT: Pizza Palooza! Class 5:00 pm to 7:30 pm	19 Co-op Kids: Read it and Eat it! Class 10:00 am to 11:00 am CO-OP KIDS: Fun Picnic Foods 11:30 am to 12:30 pm
20 Knife Skills: 201 Class 2:00 pm to 4:30 pm	21 Meatless Mondays Class 12:00 pm to 2:00 pm After School Jr. Chef Cooking Club 3:30 pm to 5:00 pm	22	23 Lunch 'n' Learn: BLT-3 Ways Class 11:30 am to 12:30 pm Mushrooms for the Mind, Body & Heart Lecture 6:30 pm to 7:30 pm	24 French Brasserie Steak Dinner Class 5:30 pm to 8:00 pm	25	26
27	28	29	30 COOKING BASICS: The Spice Drawer Class 5:30 pm to 8:00 pm	31 Lunch 'n' Learn: Chilaquiles Class 11:30 am to 12:30 pm	1	2

Monitoring Report EL 9 – Cooperative Giving Program Submitted by Edward Fox May 2018

Board Policy EL 9 states: The Co-op Giving Program will contribute to the quality of life in the Upper Valley and promote cooperation.

Introduction

Cooperatives around the world adhere to the same set of core Cooperative Principles, first adopted by the International Cooperative Alliance in 1994. These Principles were inspired by the first successful cooperative, founded in Rochdale, England, in 1844.

Two Principles in particular guide our Cooperative Giving Program:

- Principle Six, Cooperation Among Cooperatives, encourages co-ops to work together to help each other.
- Principle Seven, Concern for Community, inspires co-ops to give to their communities through policies supported by the membership.

In short, our co-op is altruistic by design. We contribute to our community and the broader sisterhood of cooperatives in numerous ways, briefly outlined below.

EL 9

Operational Definition / Interpretation: Our Co-op will contribute resources to community organizations in the Upper Valley and to the general support of cooperatives. These donations and resources will follow the spirit of the Board-stated End of cooperative commerce for the greater good of our members and community, as stipulated in the sub-policies enumerated below. Resources shall be provided from multiple sources including but not limited to: staff and member time, services, financial contribution and goods.

EL 9.1

Accordingly, EL 9.1 The General Manager will not fail to administer a giving program in support of cooperatives that are neighboring, regional, national, or international.

Operational Definition / Interpretation: Our Co-op will support the cooperative movement through grants, in-kind donations and other activities to foster the cooperative principle of Cooperation Among Cooperatives.

Data: Our Co-op supports the cooperative movement in many different ways.

Cooperative Partnerships

Much of our success is based on our business partnerships with other co-ops.

In 2017, our sales of cooperative products totaled more than \$1.83 million. Examples include:

- Equal Exchange, \$807,000 in sales
- La Riojana^[SEP], \$65,700 in sales
- Organic Valley^[SEP], \$643,500 in sales
- Alaffia^[SEP], \$35,000 in sales
- Artisan Beverage Cooperative^[SEP], \$36,500 in sales
- Frontier Natural Products Co-op^[SEP], \$243,000 in sales

In addition to working with the cooperatives listed above, our co-op has a close relationship with National Cooperative Grocers (NCG), a co-op owned by cooperative retailers across the country. NCG offers our Co-op sales promotions, display programs, access to new items, category management programs, natural products, and other industry resources. Our co-op also works closely with Associated Grocers of New England (AGNE), a retailer-owned co-op. AGNE offers our daily and weekly sales promotions, new products, and store support, including store resets and CaseLot assistance.

CIRSA

For several years, our co-op has enjoyed a fruitful partnership with the coffee growers of San Antonio del Nuevo Leon, a coffee farming community in the Simojovel region of Chiapas, Mexico. The farmers of this community are members of the Indigenous Communities of Simojovel de Allende Region, or CIRSA cooperative.

CIRSA has been designated our “sister co-op” as part of the Co-op brand coffee program that we have developed in partnership with Equal Exchange. For every pound of Co-op brand coffee we buy from EE, 40 cents (20 cents from EE and 20 cents from the Co-op) is invested in a Sister Co-op Partner fund.

CIRSA has been a cooperative for more than 20 years. It has about 600 members from 31 communities in the Simojovel region. Their history is one of struggle—to get their land back and to become independent shareholders. Three decades ago, the parents of these farmers worked in slavery-like conditions on large coffee plantations.

Our partnership with CIRSA completes a fully cooperative supply chain. First, cooperative farmers grow the coffee beans. Next, Equal Exchange, a worker cooperative, buys the beans. Finally, our co-op, a retail cooperative, sells the coffee to consumers.

Sharing Expertise

Co-op employees regularly serve the broader cooperative community, both regionally and nationally, as board members, committee members, and consultants.

Allan Reetz, Director of Public Relations, serves on the board of the Cooperative Communicators Association. Allan is also our co-op representative with the New Hampshire Businesses for Social Responsibility and Local First Alliance (Steering Committee Member).

Erika Gavin, Director of Marketing, is on the board of Cooperative Grocer Network.

Human Resources regularly partners with other co-ops, including City Market, Littleton, Monadnock, and Springfield, to support their functions and share information. Recently, Lori Hildbrand, HR Director, joined a group of regional HR managers who will be meeting regularly, with the support of NCG, to work together on initiatives and shared projects such as training on diversity and inclusion.

Finally, numerous staff members participate in best practices communications with several co-ops across the country.

Compliance Determination: I report compliance.

EL 9.2

EL 9.2 The General Manager will not fail to administer a giving program in support of community organizations which

- are nonprofit and nonpartisan (not affiliated with or promoting any political party or candidate);
- do not discriminate on the basis of race, creed, gender, national origin, age, sexual orientation, or physical disability;
- primarily benefit Upper Valley communities and their citizens; or
- are fund-raising for programs that meet all of the above criteria; and
- are fund-raising for programs that are not intended to advance a particular religious belief.

Operational Definition / Interpretation: Our Co-op will support, with resources, community organizations that adhere to an open, non-discriminatory policy that reflect the first cooperative principle of Open and Voluntary Membership, which is a statement of inclusion to all who support the values of cooperation. Other elements of the policy are clear and need no further interpretation.

Data: Our co-op supports the community in a wide variety of ways, thanks to the continued support of our members and shoppers.

Willing Hands

Nearly 20 years ago, a Co-op produce employee identified a problem. The Co-op was throwing out tons of produce each year that didn't meet quality standards, even though it was perfectly good, nutritious food that could feed hungry people. With support from the Co-op, the employee created Willing Hands.

Willing Hands is an Upper Valley nonprofit that provides nutritious food to the needy in our community. Our organization is the primary supporter of Willing Hands. Food that no longer meets our quality standards, but still remains edible, is given to Willing Hands, which distributes the food to our neighbors in need. Willing Hands not only provides good food to people who need it, but the process also reduces unnecessary waste.

Each food store donates perishable products to Willing Hands. In 2017, donations totaled more than 173,053 lbs. of food, equating to 144,210 meals (as per USDA statistics).

Pennies for Change

Pennies for Change was launched in the summer of 2016. The program provides an easy way to raise money for charity. At checkout, shoppers can round up their order to the next full dollar amount, and the Co-op will donate the difference to Upper Valley nonprofits.

Through Pennies for Change, the Co-op collected and donated \$249,973.81 in member and shopper donations in 2017.

2017 Pennies for Change breakdown by participation:

- 20,731 accounts rounded up
- 16,027 accounts donated to Pennies for Change
- 15 accounts donated \$100 or more
- 284 accounts donated \$50 or more
- Top dollar amount donated: \$609.27

From our friends at Willing Hands, a Pennies for Change donation recipient:

Over the course of the past 10 months, the Pennies for Change program has allowed Willing Hands to increase our food rescue operations and deliver over 400,000 pounds of food to those in need. We are on track to have a record year with a 25% increase in food delivered. We would not have been able to achieve this without support from Pennies for Change and the Co-op Members. Additionally the support factored greatly into our decision to purchase a second refrigerated delivery truck that we will receive next week. Shopping at the Co-op and donating to Pennies for Change allows Willing Hands to reach more kids, families and seniors with free nutritious healthy food.

Community Service

Community service is part of our Co-op culture, and Co-op employees are given eight hours of paid time off each year to volunteer in their communities.

Co-op Staff Community Service

Total # of hours for 2017: 695.5

Community Service – paid time 8 hours paid time = Paid volunteer hours = 150.25 at a cost of \$2,554.59 + \$1,051.75 (cost of benefits) = \$3,606.34.

Member Education and Outreach

The Member Education and Outreach Department administers a variety of giving programs each year.

Fundraising

The Education Department helps and encourages local organizations to conduct fundraising activities in the lobby of the two large food stores. In 2017, 62 Upper Valley organizations took advantage of this opportunity, with many making multiple visits (up to two each in Lebanon and Hanover).

Small Donations

- 127 organizations supported: \$4,864.98

At Cost Program

- The Co-op sells food to the Haven and Listen at cost.

Haven

- Total Purchased \$121,085.82
- Approx retail value \$157,411.57

Listen

- Total Purchased \$2,929.76
- Approx retail value \$3,808.69

Miscellaneous Donations

In 2017, the Co-op collected more than 2,641 lbs of food through large food drive events (stuff-a-truck and paper shredding). In 2017, the Co-op also donated the Culinary Learning Center space to local nonprofits 10 times, for a total donated value of \$4,325.

Compliance Determination: I report compliance.

EL 9.3

EL 9.3 The GM shall not fail to administer The Hanover Cooperative Community Fund (HCCF), which will provide the Co-op with a long-term charitable giving endowment fund; its purpose is to provide funding for the Co-op's donations to local non-profit organizations and to other cooperatives.

Operational Definition / Interpretation: I feel this policy can be taken at face value and needs no further elaboration.

The Hanover Cooperative Community Fund (HCCF)

Data: The HCCF helps fund co-op development nationally, and non-profits locally, with help from our friends at the Twin Pines Cooperative Foundation. Each of the 45 Cooperative Community Funds in the United States is professionally managed and uses interest earned from loans to cooperative projects to support local giving.

By the end of 2017, the Hanover Co-op had donated \$110,000 to 80 nonprofits in the Upper Valley through the HCCF. Ours is the first Community Fund in the nation to donate more than \$100,000 to local nonprofits.

Established in 2000 by a donation of \$5,000 from the Hanover Co-op Food Stores and a matching \$5,000 from the Twin Pines Cooperative Foundation (a cooperative in charge of fund management and investments), the HCCF began its life as an endowment to invest the principle in cooperative development organizations and donate earned interest to local non-profits. In 2005, the Hanover Cooperative Community Fund made its first donation to a local nonprofit.

Today, the HCCF supports two projects:

The Gerstenberger Scholarship Fund

Named in honor of the Co-op's long-serving General Managers, Harry and Arthur Gerstenberger, and first Education Director Sally Gerstenberger, this scholarship helps members deepen their understanding of the cooperative movement and sharpens their skills as directors or employees. It's open to members of the Hanover Co-op as well as members of cooperatives and credit unions in the Upper Valley.

Community Project Grants

The Gerstenbergers were also staunch advocates of sustainable, organic farming and gardening. This theme is echoed by the HCCF's second project: providing targeted, small-scale grants (\$500 - \$2,500) to Upper Valley non-profits.

In 2017, the HCCF awarded the following grants:

- Hartford Coalition's Take-A-Bite-Out-of-Hunger project: \$1,800
- D'Acres and Canaan Elementary School: \$1,500
- COVER Ramps & Roof Campaign: \$1,500
- Upper Valley Wood Bank, Woodstock, VT: \$1,500
- Healthy Eating Supports Healthy Learning: \$1,200
- Upper Valley Haven's Caruso Café Food Safety Project: \$1,000
- NH Community Loan Fund and NH Resident-Owned Communities: \$2,500 awarded each year, 2017 and 2018

Compliance Determination: I report compliance.

APPENDIX A

DRAFT MINUTES, April 25, 2018

(To be sent separately via email)

APPENDIX B

Memo to the Board (including Directors whose term begins 5/23):**Date: 5/11/18****From: Kevin Birdsey, board member**

In light of our participation in the Food Solutions New England Racial Equity Challenge as well as Bill and Ed Fox's recent letter to the Valley News, I began to think about how our Co-op can firmly declare a stance on discrimination. I use a broader term here because race is not the only issue. The fact is, in our country, if you are a white, heterosexual, cisgender, domestic-born, and male, you have privilege that others do not. That privilege diminishes greatly if you do not identify with any one of those specifications, let alone multiple.

I see this as a matter to address in our Ends policy because it reflects the heading "The Results We Aim to Create in the World". Perhaps additional policy could be crafted to achieve this end in specifics, but it would be best to confer with the GM on operational ways this end can be achieved (there are likely applicable efforts already being made). Thus, it is best to start big and get more specific later.

At this time, our current language, including cooperative principle #1 and existing federal laws, suggests we do not turn away people of color, or the disabled, or members of the LGBTQ community. However, it is more important for us to tell these communities that they belong here and our struggles are the same. The story of our Co-op should not be a male story or a white story; it should be a story of all people.

Therefore, I propose we add the following to our Ends Global policy:

8. Goods, services, and employment will be available to all, free from all forms of discrimination, contributing towards a diverse and inclusive Upper Valley community.

I am more than happy to receive suggestions on improving the wording in advance of our 5/23 meeting.

Thank you all for considering this matter.