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HCCS Board of Directors Meeting January 27, 2021 5:15 p.m., Virtual Meeting via ZOOM

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AGENDA

HCCS Board of Directors Meeting

January 27, 2021

5:15 p.m., Virtual Meeting on ZOOM

Time	Agenda Topic	Page	Board Action
5:15	Call to order and Welcome		
	Roll Call		
	Consent Agenda		
	December 16, 2020 Meeting Minutes	3	Approve
	Monthly Share Redemptions	6	Approve
5:20	Member Linkage		
	Member input		Listen/Acknowledge
5:30	Monitoring		
	EL 12 – Board Logistical Support	8	Decision
	GP 2 – Board Deliverables	19	Discussion
	GP 10 – Board Committees (emailed separately)		Discussion
5:50	Information		
	General Manager Report (App. A)	23	Information
6:00	Board Planning		
	Financials 2020		Discussion
	Annual Meeting 2021 (determine date/assign lead)		Decision
	Allen & Nan King Award 2021		Discussion
	Member Linkage 2021		Discussion
6:50	Committee Updates		
	Diversity Equity & Inclusion Committee (App B)	39	Discussion
	Election Committee		Discussion
	HCCF Fundraising Committee (App C)	42	Information
7:15	Adjournment		

DRAFT MEETING MINUTES, December 16, 2020
Virtual Meeting via ZOOM

Present: Emmanuel Ajavon (arrived at 5:42 p.m.), Kevin Birdsey, Marta Ceroni (joined the meeting at 6:14 p.m.), Nick Clark, Rosemary Fifield, Jessica Giordani, Ed Howes, Manish Kumar, Peggy O'Neil, and Jessica Saturley-Hall

Employees: Paul Guidone (General Manager), April Harkness (Governance & Community Engagement), Lori Hildbrand (Director of Administrative Operations), Mark Langlois (Director of Finance)

Members: Gary Gletow, Ryan Madden

Jessica Saturley-Hall called the meeting to order at 5:15 p.m.

Consent Agenda: October 28, 2020 Meeting Minutes and October 2020 Share Redemption Requests

MOTION: Peggy O'Neil moved to accept the Consent Agenda with the following edit to General Manager Report section of the Draft November 18, 2020 Bd Mtg Minutes:

General Manager Report

Paul Guidone updated the board about ~~end-of-year~~ year-to-date losses through November which were less than plan. He also commented that he expects the full year to show a profit as a result of strong holiday sales and other income/expense reductions associated with the repayment of the PPP loan. ~~as well as depreciation values.~~

Rosemary Fifield seconded the motion.

VOTED: 9 in favor. 0 opposed. The motion passed.

Member Linkage

Gary Gletow introduced himself as a member and a banker who is a resource for the Co-op's Payroll Protection Plan.

Monitoring

EL 1 – Planning

MOTION: Ed Howes moved that EL 1 – Planning monitoring report provided a reasonable interpretation of the policy and sufficient evidence of compliance. Jessica Giordani seconded the motion.

Discussion: Paul provided an addition to the written report EL 1.2.1 – Support for Neighboring Food Cooperative Association – in the form of several shared working sessions.

VOTED: 9 in favor. 0 opposed. The motion passed.

GP 3 – Board Development

Discussion: As the board member tasked with reporting on GP 3 – Board Development, Ed Howes provided an opportunity for board member feedback via a policy monitoring worksheet. Some areas for suggested improvement included partnering new board members with more seasoned board members to assist with monitoring reports, more

informational short sessions on Policy Governance, and more information on board budgeting for new board members.

(Emmanuel Ajavon arrived at 5:42 p.m.)

General Manager Report

Paul Guidone provided an overview of organizational performance indicating that growth month to month is beginning to flatten over time, though if we continue to see an uptick in COVID cases, we may also see an uptick in business as people begin to stock their shelves.

Workforce planning continues with approximately 25 open positions; however if the government continues to offer direct payment to individuals, it may prevent people from seeking work.

Paul pointed out a typo in the Prepared Foods Sales – the sushi totals are in the negative and not the positive. The service station shortfall continues to be a reflection of the price of gas.

Lastly, Paul offered to provide another off-cycle informational session to the board to review year end financials.

Board Planning

Board Budget

MOTION: Manish Kumar moved to accept the proposed 2021 Board Budget. Jessica Giordani seconded the motion.

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

2021 Member Linkage

Jessica Saturley-Hall updated the board on Member Linkage planning with a proposed upcoming session on how the board can help communicate with members regarding patronage refunds and/or retention. The board will be provided information on past practices and recommendations in advance of a January informational session with the General Manager and Leadership Team.

Committee Updates

Bylaws Committee

Bylaws Committee Chair Rosemary Fifield recommended that the board delay a member vote on bylaws revisions until they can be reviewed more comprehensively and with more board member input. It was recommended that the Leadership Team continue to track those areas of the bylaws that they find to be inconsistent or problematic.

Election Committee

Election Committee Chair Emmanuel Ajavon provided a brief update on the 2021 Election. He will send an email to the board with the candidate materials attached asking each board member to share with at least 10 of their contacts. He also recommended two additional committee members to satisfy the requirement for non-board members.

MOTION: Emmanuel Ajavon moved to appoint Co-op members Liz Blum and Victoria Fullerton to the Election Committee. Kevin Birdsey seconded the motion.

Discussion: Some board members expressed concern around the limitations of having two recent board members, including one who resigned from the board, serving on the Election Committee.

VOTED: 4 in favor. 5 opposed. 1 abstained (Peggy O’Neil). The motion failed.

MOTION: Emmanuel Ajavon moved to appoint Co-op member Liz Blum to the Election Committee. Marta Ceroni seconded the motion.

VOTED: 6 in favor. 3 opposed. 1 abstained (Peggy O’Neil). The motion passed.

Ends Committee

Ends Committee Chair Marta Ceroni provided an update on the Ends Committee work including the preparation of surveys to be sent to stakeholders such as vendors and community partners. The committee is also working with Lindsay Smith on employee input.

Governance Committee

Jessica Saturley-Hall is unable to continue to Chair the Governance Committee, but will continue to serve on the Committee. Kevin Birdsey declined the position; Rosemary Fifield stated she would accept only if no one else will. Peggy O’Neil offered to serve on the Committee. Nick Clark offered to co-Chair with, or to remain on the Committee under, Rosemary’s leadership.

MOTION: Jessica Saturley-Hall moved to appoint Rosemary Fifield Chair of the Governance Committee. Peggy O’Neil seconded the motion.

VOTED: 9 in favor. 1 abstained (Rosemary Fifield.) The motion passed.

Adjournment

The meeting adjourned at 7:11 p.m.

Respectfully submitted,

April Harkness

Governance & Community Engagement

Rosemary Fifield

Board Secretary

Rosemary Fifield

Board Secretary

SHARE REDEMPTION REQUESTS
January, 2021

For the period ending January 19th, 2021, 25 members have requested redemption of shares. This includes 414 A shares and 27 B shares held directly by the members, and \$33.91 in A share and \$13.93 in B share extra held by the Co-op on account. The total cost of redemption is \$2,252.84. 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 19th, 2021, 12 members have requested share transfers. This includes 453 A shares held directly by the member and \$25.95 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 19th, 2021, 16 members have asked to exchange his/her old B share class for the new B share class. This includes 146 B shares held directly by the members and \$43.68 in B share extra held by the Co-op on account.

To date ending January 19th, 2021, 2,796 members have asked to exchange his/her old B share class for the new B share class. This includes 21,029 B shares held directly by the members and \$6,422.80. in B share extra held by the Co-op on account. This represents approximately 30.5% of originally issued B Shares.

To date ending January 19th, 2021, 22,617 B shares held directly by the members and \$7,036.69 in B share extra held by the Co-op on account have either been redeemed or converted to new B Share class. This represents approximately 32.8% of originally issued B Shares.

Redemption of these shares (\$2,252.84 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
27-Jan-21**

Vendor ID	Date	Town	State	Zip Code	Joined	A Shares Tendedred	B Shares Tendedred	A Share Amount	B Share Amount	A Share Extra	B Share Extra	Check Total	Full/Partial	Reason Why
1	12/12/2020	ROTONDA WEST	FL	33947	1998	13	0	\$ 65.00	\$ -	\$ 1.71	\$ -	\$ 66.71	F	MOVING
2	12/3/2020	YOUNGSMILLE	LA	70592	2010	10	0	\$ 50.00	\$ -	\$ -	\$ -	\$ 50.00	F	MOVING
3	12/5/2020	CORNISH	NH	03745	1995	6	0	\$ 30.00	\$ -	\$ 2.72	\$ -	\$ 32.72	F	
4	12/4/2020	NEWPORT	NH	03773	1995	10	0	\$ 50.00	\$ -	\$ 1.59	\$ -	\$ 51.59	F	
5	12/12/2020	GRANTHAM	NH	03753	1990	37	0	\$ 185.00	\$ -	\$ 3.95	\$ -	\$ 188.95	F	DECEASED
6	12/13/2020	FAIR LEE	VT	05045	1997	10	0	\$ 50.00	\$ -	\$ -	\$ -	\$ 50.00	F	
7	12/5/2020	PENLAND	NC	28765	2000	18	0	\$ 90.00	\$ -	\$ 0.62	\$ -	\$ 90.62	F	MOVING
8	12/15/2020	LOS ANGELES	CA	90027	2011	11	0	\$ 55.00	\$ -	\$ 2.12	\$ -	\$ 57.12	F	MOVING
9	12/16/2020	BELMONT	MA	02478	2019	10	0	\$ 50.00	\$ -	\$ -	\$ -	\$ 50.00	F	MOVING
10	12/21/2020	HINTON	VA	22831	1993	12	0	\$ 60.00	\$ -	\$ -	\$ -	\$ 60.00	F	MOVING
11	12/28/2021	THETFORD	VT	05074	1989	100	14	\$ 500.00	\$ 70.00	\$ 3.25	\$ 1.17	\$ 574.42	F	DECEASED
12	12/25/2021	LYNN	MA	01901	2012	12	0	\$ 60.00	\$ -	\$ 3.30	\$ -	\$ 63.30	F	MOVING
13	12/28/2021	ALEXANDRIA	KY	41001	2013	10	2	\$ 50.00	\$ 10.00	\$ -	\$ 2.78	\$ 62.78	F	MOVING
14	12/20/2021	MARSHFIELD	VT	05658	2000	10	0	\$ 50.00	\$ -	\$ -	\$ -	\$ 50.00	F	MOVING
15	12/21/2021	JAMESVILLE	NV	13078	2019	10	0	\$ 50.00	\$ -	\$ -	\$ -	\$ 50.00	F	MOVING
16	12/23/2021	HUMMELSTOWN	PA	12036	1997	21	7	\$ 105.00	\$ 35.00	\$ 3.71	\$ 0.16	\$ 143.87	F	DECEASED
17	12/30/2021	KEENE	NH	03431	2013	11	1	\$ 55.00	\$ 5.00	\$ 1.21	\$ 4.23	\$ 65.44	F	MOVING
18	1/3/2021	BROADVIEW HEIGHTS	OH	44147	2008	11	0	\$ 55.00	\$ -	\$ -	\$ -	\$ 55.00	F	MOVING
19	1/5/2021	BRISTOL	NH	03222	2000	5	0	\$ 25.00	\$ -	\$ 2.29	\$ -	\$ 27.29	F	MOVING
20	12/31/2021	BOLTON	MA	01740	1999	11	0	\$ 55.00	\$ -	\$ -	\$ -	\$ 55.00	F	MOVING
21	1/2/2021	GRANADA HILLS	CA	91344	2019	10	0	\$ 50.00	\$ -	\$ -	\$ -	\$ 50.00	F	MOVING
22	1/4/2021	PORTLAND	OR	97212	1981	23	2	\$ 115.00	\$ 10.00	\$ 4.97	\$ 0.60	\$ 130.57	F	MOVING
23	1/5/2021	WORCESTER	MA	01609	1992	10	0	\$ 50.00	\$ -	\$ -	\$ -	\$ 50.00	F	MOVING
24	1/7/2021	LOS VEGAS	NV	89138	1996	23	1	\$ 115.00	\$ 5.00	\$ 2.47	\$ 4.99	\$ 127.46	F	MOVING
25	1/15/2021	BEECHGROVE	TN	37018	2019	10	0	\$ 50.00	\$ -	\$ -	\$ -	\$ 50.00	F	MOVING
								\$ -	\$ -	\$ -	\$ -	\$ -		
TOTALS						414	27	\$ 2,070.00	\$ 135.00	\$ 33.91	\$ 13.93	\$ 2,252.84		

Reasons for redemption

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD	%
Moving	19												19	76%
Moved-Clean Up													0	0%
Deceased- Clean Up	3												3	12%
Tired OfCoop B/S													0	0%
Clean-Up													0	0%
None provided	3												3	12%
Wants Cash													0	0%
Had two accounts													0	0%
Don't use account													0	0%
Nursing Home													0	0%
Selling down to 10 shares													0	0%
Total	25	0	25	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		7												7	58%
Transfer to different account														0	0%
Name change		5												5	42%
Change Spelling of name														0	0%
Total		12	0	12	100%										
Exchange B shares	2,780	16													2,796

Monitoring Report

EL 12 – Board Logistical Support

The General Manager will not allow the Board to have inadequate logistical support.

Accordingly, the General Manager will not:

EL 12.1: Provide the Board with insufficient employee administration to support governance activities and Board communication.

Interpretation/Operational Definition: I interpret this to mean that during the reporting period the Board must have sufficient employee administrative support to perform its governance role as outlined in the FY 2020 Board budget.

Evidence: A survey of the Board indicates that during the reporting period 100% of respondents (7 out of 10) feel that they have sufficient administrative support to perform their governance activities and Board communications. (See Appendix 1)

Compliance Determination: In Compliance.

EL 12.2: Allow the Board to be without a workable mechanism for official board, officer or committee communications.

Interpretation/Operational Definition: I interpret this to mean that during the reporting period the Board must have a workable mechanism for *internal* official board, officer or committee communications sufficient to support its governance activities.

Evidence: A survey of the Board indicates that during the reporting period, 100% of respondents (7 out of 10) feel that they have sufficient means of ensuring its work is communicated. (See Appendix 1).

The Board is provided with an official Co-op Food Store email account which members are required to use for official board, officer or committee communications. The Board has a page on the Co-op Food Store website which allows for official communications. The web page includes a list of all board members, officers, committees and committee chair contact information. The Board is provided access to a SharePoint site for disseminating and storing board communications.

Compliance Determination: In Compliance.

EL 12.3: Allow Board members to be without an updated copy of the Policy Register and the Bylaws.

Interpretation/Operational Definition: I interpret this to mean that during the reporting period the Board must have an up-to-date copy of the Policy Register and Bylaws and that if either is updated, the Board must receive an updated copy within 14 business days. This is reasonable as it allows for administrative time to complete the tasks while not inhibiting the Board's work.

Evidence: A review of our records indicate that all board members receive a copy of the Bylaws when they are officially seated as a board member. The Bylaws and the Policy Register are also available on the website and at any time upon request.

The Policy Register was last updated on 9.25.20 and a review of board email correspondence indicates that all board members received a copy of the HCCS Policy Book 09.25.20 on that date. The Bylaws were last updated in May 2017 and a review of our records indicate all board members were provided a copy.

Compliance Determination: In Compliance.

EL 12.4: Provide inadequate information and notice to members concerning Board actions, meetings, activities and events.

Interpretation/Operational Definition: I interpret this to mean that information and notice to members concerning Board actions, meetings, activities and events must occur at a minimum of 48 hours prior to the actions, meetings, activities and events. Most notice occurs as soon as reasonably possible well beyond 48 hours.

Evidence: A review of our website indicates that all official board, officer or committee communications is posted at least 48 hours in advance, including contact information, agendas, board meeting packets and links to participate in any official board or committee meeting.

In addition to the website, email communications and in-store materials are an avenue in which information and notice of board actions, meetings, activities and events are communicated with members. The Board is allowed and encouraged to communicate with members via the Co-op Food Store email newsletter and blog postings. The Board is provided access to the Co-op Food Store Zoom account for online board, officer and committee meetings.

Compliance Determination: In Compliance.

Appendix 1
(Supplementary report to EL 12)

#1

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Monday, January 11, 2021 11:52:19 AM
Last Modified: Monday, January 11, 2021 12:17:37 PM
Time Spent: 00:25:18
IP Address: 173.243.166.66

Page 1: EL 12:1

Q1

During the reporting period, please indicate if you experienced insufficient employee administrative support for the following:

information to make governance decisions (ex: provide the board w/ financials, monitoring & planning reports, operational information relevant to policy decisions, etc.);

No, we receive the information we need in a timely manner.

means of documenting its work (ex: provide the board w/ employee resources for taking of minutes reflecting board actions, etc.)

I have not observed any issues with our means of documenting our work.

methods to ensure its work is communicated (ex: providing & facilitating for the board employee resources to manage board website space, email & blogging opportunities for board to communicate w/ members, etc.)

We have sufficient opportunity to communicate with the membership.

Q2

Respondent skipped this question

If you indicated "insufficient" for any of the above, to enable us to improve, please specify the area(s) that was (were) considered insufficient.

#2

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Monday, January 11, 2021 12:39:53 PM
Last Modified: Monday, January 11, 2021 12:45:33 PM
Time Spent: 00:05:40
IP Address: 66.31.190.116

Page 1: EL 12:1

Q1

During the reporting period, please indicate if you experienced insufficient employee administrative support for the following:

information to make governance decisions (ex: provide the board w/ financials, monitoring & planning reports, operational information relevant to policy decisions, etc.); **sufficient**

means of documenting its work (ex: provide the board w/ employee resources for taking of minutes reflecting board actions, etc.) **sufficient**

methods to ensure its work is communicated (ex: providing & facilitating for the board employee resources to manage board website space, email & blogging opportunities for board to communicate w/ members, etc.) **sufficient**

Q2**Respondent skipped this question**

If you indicated "insufficient" for any of the above, to enable us to improve, please specify the area(s) that was (were) considered insufficient.

#3

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Monday, January 11, 2021 8:09:59 PM
Last Modified: Monday, January 11, 2021 8:13:34 PM
Time Spent: 00:03:35
IP Address: 73.17.198.84

Page 1: EL 12:1

Q1

During the reporting period, please indicate if you experienced insufficient employee administrative support for the following:

- information to make governance decisions (ex: provide the board w/ financials, monitoring & planning reports, operational information relevant to policy decisions, etc.); **Sufficient**
- means of documenting its work (ex: provide the board w/ employee resources for taking of minutes reflecting board actions, etc.) **Sufficient**
- methods to ensure its work is communicated (ex: providing & facilitating for the board employee resources to manage board website space, email & blogging opportunities for board to communicate w/ members, etc.) **Sufficient**

Q2

If you indicated "insufficient" for any of the above, to enable us to improve, please specify the area(s) that was (were) considered insufficient.

- information to make governance decisions **n/a**
- means of documenting work **n/a**
- methods to ensure its work is communicated **n/a**

#4

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Tuesday, January 12, 2021 10:54:07 AM
Last Modified: Tuesday, January 12, 2021 10:56:51 AM
Time Spent: 00:02:43
IP Address: 216.238.164.166

Page 1: EL 12:1

Q1

During the reporting period, please indicate if you experienced insufficient employee administrative support for the following:

information to make governance decisions (ex: provide the board w/ financials, monitoring & planning reports, operational information relevant to policy decisions, etc.); **sufficient**

means of documenting its work (ex: provide the board w/ employee resources for taking of minutes reflecting board actions, etc.) **sufficient**

methods to ensure its work is communicated (ex: providing & facilitating for the board employee resources to manage board website space, email & blogging opportunities for board to communicate w/ members, etc.) **sufficient**

Q2**Respondent skipped this question**

If you indicated "insufficient" for any of the above, to enable us to improve, please specify the area(s) that was (were) considered insufficient.

#5

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Tuesday, January 12, 2021 3:06:39 PM
Last Modified: Tuesday, January 12, 2021 3:20:25 PM
Time Spent: 00:13:45
IP Address: 173.243.166.66

Page 1: EL 12:1

Q1

During the reporting period, please indicate if you experienced insufficient employee administrative support for the following:

information to make governance decisions (ex: provide the board w/ financials, monitoring & planning reports, operational information relevant to policy decisions, etc.);

means of documenting its work (ex: provide the board w/ employee resources for taking of minutes reflecting board actions, etc.)

methods to ensure its work is communicated (ex: providing & facilitating for the board employee resources to manage board website space, email & blogging opportunities for board to communicate w/ members, etc.)

The support in this area has been very sufficient, especially as comparative metrics have been incorporated into the reporting. Risk assessment reporting has also been very informative..

Yes, very helpful and likely an area that might be increased due to the needs of many Board committees and the Executive Committee frequent needs. The Board's Share Point site for file/record storage and access is extremely incomplete, not up to date, and inadequate for putting files and information involving Board trainings, historical records/recordings, etc.

No so much that I have seen, but this doesn't mean that it hasn't happened, especially with ends committee work that I have not been involved with.

Q2

If you indicated "insufficient" for any of the above, to enable us to improve, please specify the area(s) that was (were) considered insufficient.

information to make governance decisions

I replied the same for all three here, as it applies and could really be useful financial/historical/meeting/committee information and records. Committee work (i.e., election, etc.) can be recreated rather than reused, so not as time efficient. The Board's Share Point site for file/record storage and access is extremely incomplete, not up to date, and inadequate for putting files and information involving Board trainings, historical records/recordings, et

means of documenting work

I replied the same for all three here, as it applies and could really be useful financial/historical/meeting/committee information and records. Committee work (i.e., election, etc.) can be recreated rather than reused, so not as time efficient. The Board's Share Point site for file/record storage and access is extremely incomplete, not up to date, and inadequate for putting files and information involving Board trainings, historical records/recordings, et

methods to ensure its work is communicated

I replied the same for all three here, as it applies and could really be useful financial/historical/meeting/committee information and records. Committee work (i.e., election, etc.) can be recreated rather than reused, so not as time efficient. The Board's Share Point site for file/record storage and access is extremely incomplete, not up to date, and inadequate for putting files and information involving Board trainings, historical records/recordings, et

#6

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Tuesday, January 12, 2021 4:35:14 PM
Last Modified: Tuesday, January 12, 2021 4:37:56 PM
Time Spent: 00:02:42
IP Address: 73.149.156.158

Page 1: EL 12:1

Q1

During the reporting period, please indicate if you experienced insufficient employee administrative support for the following:

- information to make governance decisions (ex: provide the board w/ financials, monitoring & planning reports, operational information relevant to policy decisions, etc.); **No**
- means of documenting its work (ex: provide the board w/ employee resources for taking of minutes reflecting board actions, etc.) **No**
- methods to ensure its work is communicated (ex: providing & facilitating for the board employee resources to manage board website space, email & blogging opportunities for board to communicate w/ members, etc.) **No**

Q2

Respondent skipped this question

If you indicated "insufficient" for any of the above, to enable us to improve, please specify the area(s) that was (were) considered insufficient.

GP 2 Board Monitoring Review: 9 Responses/1 No Response GP Section		Yes	unsure	Yes, Comments	Needs Improvement	Needs Improvement Comments
<i>Opening Statement</i>						
As an informed agent of the member-ownership, the Board's specific job products are those that ensure appropriate organizational performance		3		1. See following examples. 2. As evidenced by the routine written GM reports and monitoring calendar, the Board is given the opportunity to review and have Q&A sessions to ensure organizational performance.	1	While typically having 12 members from communities all over the Upper Valley area and work experiences/skills to apply to governing the Co-op, there are always challenges/improvements to consider. At this level, I'd say the greatest challenge is member 'engagement', at a level of size and diversity in coverage to be considered adequate member representation and direction. Right now, I think the Board and GM/Leadership Team have laid the most promising groundwork in this area. The 'needs improvement' is just a matter of time and continued organization/planning/implementation.
<i>GP 2.1</i>						
Accordingly, the Board has direct responsibility to produce: Board decisions that reflect member-owner values and needs.		5	1	1. Operational decisions that the Board has prohibited the GM from making by its Executive Limitations policies. 2. While this is clearly an objective that is perpetually in-progress, the board makes decisions with member-owned values and needs in mind. We've formed the DEI committee, and are engaged in comprehensive work on Ends, as well as digging into creating meaningful Member Linkage. 3. I believe the Board has a clear understanding of this responsibility, and does interact with members in their individual areas of everyday living as well as through direct member contact to the Board (though frequency has always varied depending on subject/importance). 4. This board has always based its decisions and driven the process of decision-making keeping in mind the needs and values of member-owners. 5. Not really sure about this one and curious what others say. Do we base our decisions on the needs of the business primarily? Is this good or bad. 6. Maintaining and respecting diversity of opinions and backgrounds among board members ensures that our decisions are meant to represent the values and needs of our member-owners. While we may not poll members specifically, we do our best to consider our decisions from a range of points of view.	3	1. We are working on it as part of the Ends Committee and more importantly building capacity with the board to better engage with members to elicit values and needs. It will be important for the 3 board members meeting regularly with Saunders and Staff to share broadly with the rest of the board so that the capacity is built within the board as a whole.? 2. Not clear on how we meet this consistently.
<i>GP 2.2</i>						
Written governing policies that, at the broadest levels, address each category of organizational decision:		5		1. We have developed policies over the years that address each of these areas and continue to update them as needed. We are currently in the process of reviewing our Ends. 2. The Co-op's Ends and Executive Limitations Policies have been in effect for many, many years. Originally crafted by a variety of caring and well-intended Co-operators, they have been and are reviewed and 'recreated' almost annually ever since. Well thought out as to subject and level of 'risk prevention, they are also considered flexible based on one's use of interpretation. 3. In the broadest sense, because these policy types are all written and in effect, we are fulfilling this policy. That said, several have been noted as in need of review, especially in our advisory reports from Governance Coach, so we can do better by taking a look at those policies and revising as needed.		

GP 2 Board Monitoring Review: 9 Responses/1 No Response GP Section		Yes	unsure	Yes, Comments	Needs Improvement	Needs Improvement Comments
	Ends: Organizational products, effects, benefits, outcomes, for intended recipients, and their relative worth (what good for which recipients at what cost).	5			4	1. Ends: The board has adopted one set of (current) Ends and is working to adopt a revised set, informed by members and with a more contextual understanding of what the totality of its stakeholders values in the relationship with the Co-op. Because there hasn't been a precedent on how to best elicit "organizational products, effects, benefits, outcomes, for intended recipients, and their relative worth" from members, and how to best partner with staff to achieve this, it feels that the Ends Committee is breaking new ground. 2. We have not yet completed the Ends rewrite that was started in July 2019. 3. Not clear how we meet this consistently.
	Executive Limitations: Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place.	8		1. ELs: My sense is that the board is doing a good job at revising and editing the ELs to reflect more intentionality around diversity, equity, and inclusion and in simplifying, clarifying, aligning language as needed. 2. We have these policies in place, and review and monitor them regularly.	1	Not clear how we meet this consistently.
	Governance Process: Specification of how the Board conceives, carries out, and monitors its own task.	7		1. We have these policies in place, and review and monitor them regularly. 2. As evidenced by our self-monitoring calendar.	2	1. Governance: I am not sure about this. It feels it is somewhat a challenge. 2. The Governance process is really an activity requiring considerable time and talents of Board members. Multiple committees are usually in action during any one period. In addition, there usually is never enough time or volunteer hours available to give adequate attention as desired. Member engagement, as mentioned above, is an area, which can tap into additional information to base decision on and volunteer time! 3. Not clear how we meet this consistently.
	Board-GM Linkage: How power is delegated and its proper use monitored; the GM role, authority, and accountability.	6		1. We have these policies in place, and review and monitor them regularly. They have now been supplemented with the LOI letter we agreed to with our GM. We might consider turning the contents of the LOI into actual Board-GM policy in the future. 2. The board-GM linkage has received a lot of attention last year at the time of confirmation of the new GM. I think those discussions have strengthened the linkage and helped define those parameters better. 3. As intended, the Executive Limitations cover a broad variety of co-operative business areas, which the Board then reviews and assesses for effectiveness, condition, and level of risk. Interpreted and reported on throughout the year by the GM, the Board reviews the data and other information in each report and determines if the GM in compliance with the specific EL policy.		
GP 2.3						

GP 2 Board Monitoring Review: 9 Responses/1 No Response GP Section		Yes	unsure	Yes, Comments	Needs Improvement	Needs Improvement Comments
Assurance of organizational performance on Ends and Executive Limitations		9		1. We monitor achievement of Ends on an annual basis through the GM's written Ends Report. We monitor all ELs on a pre-ordained schedule, some annually, some quarterly, via board assessment of written reports from the GM. In addition, we hire an auditing firm to ensure appropriate performance of ELs pertaining to financial matters. 2. The level of reporting by the GM and the review by the Boards broad talents and skills, the result has typically been a high level of assurance and optimum performance. 3. I suppose the "assurance" this policy refers to is simply monitoring of those policy types. If so, our consistent monitoring throughout the year fulfills this policy. 4. As evidenced with routine self-monitoring.		
GP 2.3.1	Continuity of the GM function.	6	1	1. This year in particular, the board acted in February to appoint an interim GM when it was informed of Ed Fox's resignation and in September to hire Paul Guidone as GM. 2. The long term continued growth and development of the Co-op, as managed by three very experienced and dedicated GMs, along with its positive impact within the local, regional, and global areas demonstrates continuity. 3. This policy line could use some clarification. Are we just talking about what happens if the GM can't perform his duties? (i.e., is sick, fired, quits, etc.) Perhaps that's all, but I'm not clear based on the language. 4. Despite the last year being peppered with significant challenges, the Board has worked to create a stable environment, clearly established roles and open communication to allow for continuity of GM function. 5. WE are in compliance with B-GM.	1	While our GM hiring process turned out for the best, it was not without errors on the part of the board. The relevant actions of individual board members have been noted, confidentially for the most part, so there is little need to specify here.
GP 2.3.2	Structured monitoring of the GM as outlined in Board-Management Delegation policies.	9		1. We monitor both the GM and the Board's relationship with the GM as outlined in our B-GM policies. 2. Our monitoring of the GM is consistent with our policies. 3. Covered by various points referenced above. 4. Monitoring occurs on schedule and in a fair manner. Both sides are learning from feedback from Governance Coach so that the monitoring can become more effective in the future. 5. The monitoring process seems to be working well with sufficient data and clarification provided by the operations team and ample scope for questions and answers.6. We are in compliance of B-GM 4 – Monitoring GM Performance .		

GP 2 Board Monitoring Review: 9 Responses/1 No Response GP Section		Yes	unsure	Yes, Comments	Needs Improvement	Needs Improvement Comments
GP 2.4	Operational decisions that the Board has prohibited the GM from making by its Executive Limitations policies	8	1	<p>1. If I understand correctly. 2. The subject and level of risk allowance developed into each EL, plus the GMs ability to interpret each EL for greatest positive co-operative business impact, demonstrates a high level of effectiveness and assurance.3. Decisions that are to be made by the board have been left to us, although I cannot think of any that are spelled out in ELs, per se. 4. The operational team has done an excellent job at following the EL and the current Executive Limitations seem to be effective. 5. I'm not certain what these would be—I'm unclear on whether we have any operational decisions that we have prevented the GM from making. I think we're in compliance here, but it's hard to monitor without an easy way of identifying what these operational decisions might have been. 6. The board makes few operational decisions. These are primarily items required by state or federal law to be enacted by a board of directors, rather than an employee of the business.7. We are in compliance of B-GM.</p>		
Additional Comments				There were no additional comments provided.		

Appendix A

GM Monthly Update: Communication and Counsel to the Board

Submitted by: Paul Guidone, CFA, January 20, 2021

Co-op Board Meeting: January 27, 2021

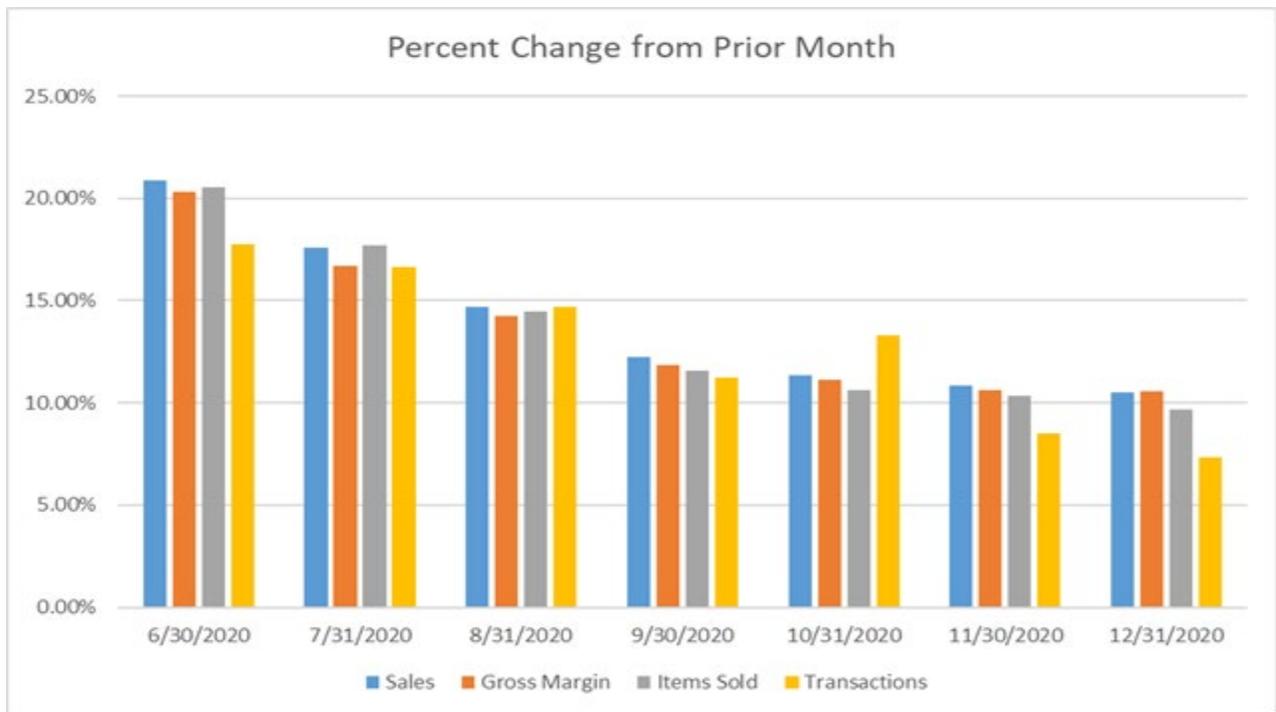
Reporting Period: YTD December 2020

No action is required in this report.

EXECUTIVE SUMMARY

This report provides a brief analysis and evaluation of the Co-op’s operations for the year ending December 2020.

Our Co-op experienced an increase in total sales, items sold, gross margin, and basket size. These metrics were higher than pre-COVID levels, however, the month-to-month increases have begun to level off, as can be seen from the graph below.



Other specific topics of interest for members of the Board include the following:

Financials. Consolidated basket size was approximately \$57.82 (or \$18.06/45.4%) greater than full-year 2019. Member and non-member basket sizes were higher by 43.1% and 45.2%, respectively, with the average member basket size almost twice that of those not using a member number. Gross margins (sales minus cost of sales) were 13.2% greater than the same period last year.

Sales. Although we experienced strong overall sales growth,¹ transactions were approximately 23.2% below 2019 levels, 1.40 million versus 1.83 million. Consolidated unit volume (items) sold were 8.1% (10.8% and 0.3% for members and non-members, respectively) greater than 2019 levels, 20.85 million items sold versus 19.28 million. Members accounted for approximately 78.5% of 2020 sales versus 76.9% of 2019 sales.

Gasoline. Savings from Operations from gas sales are positive and ahead of budget. This is in spite of the fact that gas sales nationwide continue to decline. On a year-to-date basis, we have pumped close to 300,000 fewer gallons at an average price of \$0.36 less per gallon compared to the same period last year. Telecommuting has become a popular option for many area businesses, with the largest reporting more than 1,000 employees working from home.

PFD. Prepared Foods teams are implementing new programs in 2021, focusing on alternative and local ingredients and numerous new recipes.

Workforce planning. The number of unfilled positions has decreased, allowing us to address critical needs across multiple locations. Location managers reviewed new systems and processes in December as part of our workforce planning for 2021, ensuring we strategically place resources where they are needed throughout the year.

Local. Going into 2021, the first priority for promotions will be around local foods. Consumer interest in local has intensified during the pandemic. During the month of January, we'll be working on utilizing customer feedback on local, setting metrics, and building a plan around local promotions.

Training. Employee training continues with renewed emphasis in 2021, with new and continuing classes. We plan to restart CLIP for managers and implement the Essentials for Employees as part of the revamped Pathways system.

¹ Growth led by Grocery, Meat, Produce, Dairy, and Frozen Foods. PFD is underperforming, an impact of the outbreak of COVID-19. See Business Unit Operations report.

Business continuity. Phase 2 of the Business Continuity Project begins in January. It features a business-impact analysis, which will include a risk assessment. This phase will touch all areas of the Co-op as we will garner input from employees at every level.

Safety. As always, safety is first and foremost, particularly as the pandemic enters its second year. All locations continue to maintain stringent daily COVID-19 protocols to ensure customers enjoy a clean and safe experience.

More detailed information about our business units can be found in the functional reporting below. As always, I welcome your comments and questions. Please reach out to me anytime. My thanks to the members of my team and to our location managers for contributing to the following reports and updates.

Respectfully submitted,

Paul Guidone, CFA
General Manager

FINANCE UPDATE – Full Year 2020 Unaudited – (Continuing Operations without SBA Paycheck Protection Plan)

Historically, financial data are not presented for the month of December and the full year until the audited financials are prepared. Given the impact COVID-19 had on the finances for 2020, we are providing these unaudited, high-level data for the Board's information.

Net Sales on a year to date basis are approximately \$85.4 million, cost of goods sold are approximately \$57.0 million, and gross margin is approximately \$28.4 million.

Consolidated wages and benefits are approximately \$14.3 million and include COVID-related costs such as temporary help, bonus pay, overtime, and additional healthcare expenses.

Contribution margin (gross margin less store wages) is approximately \$14.0 million for the full year.

Overhead expenses are approximately \$14.1 million.

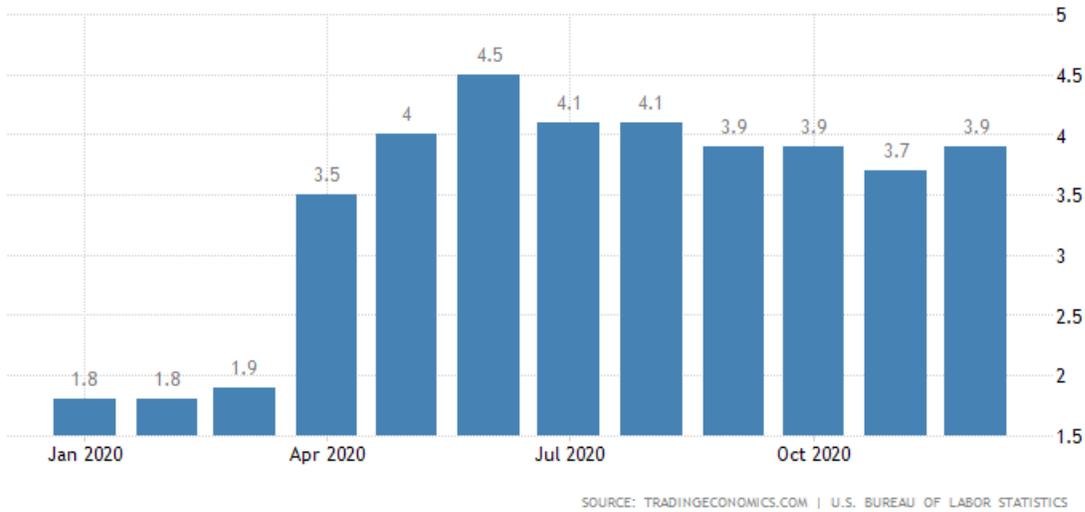
Operating Earnings are approximately -\$41,000 year to date.

Savings before Tax (SBT) is expected to be approximately -\$355,000.

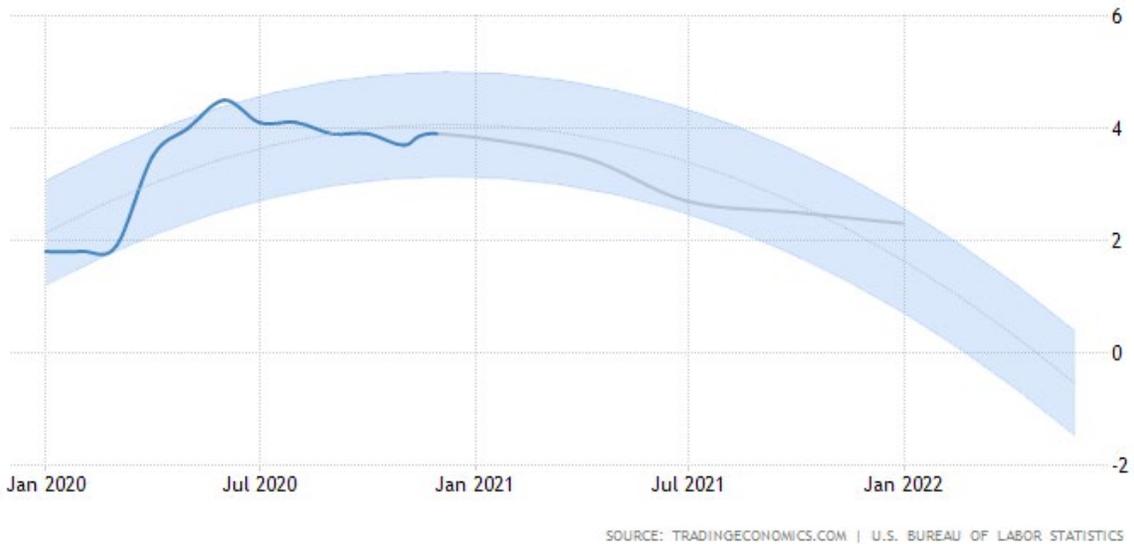
Payroll Protection Program (PPP)

The Co-op is still awaiting a response on our loan forgiveness application that has been submitted to the SBA on September 30, 2020. The forgiveness amount is expected to be recorded as a grant in fiscal year 2020. The Co-op intends to repay the unforgiven amount of the original loan within 30 days of the resolution of our forgiveness request from the SBA. The proceeds of the loan were used in accordance with the terms of the plan when the SBA announced the PPP program. Specifically, the approximately \$2.3 million was used to: a) pay for employee related expenses including salary, health care, PPE equipment and bonuses for being at risk essential workers, b) hire new employees to start our on-line/curbside program for shoppers, and c) install PPE equipment in our stores to protect both shoppers and employees.

U.S. FOOD INFLATION



Cost of food in the United States increased 3.90 percent in December of 2020 over the same month in the previous year. *Source: tradingeconomics.com.*



Food Inflation in the United States is expected to be 3.50% by the end of this quarter, according to Trading Economics’ global macro models and analysts’ expectations. Looking forward, they estimate Food Inflation in the United States to stand at 2.30% in 12 months time. In the long-term, the United States Food Inflation is projected to trend around 2.30% in 2022 and 2.10% in 2023, according to Trading Economics’ econometric models. *Source: tradingeconomics.com.*

KEY FINANCIAL DATA (Continuing Operations without SBA Paycheck Protection Plan)

Unaudited – (subject to audit adjustments)

YTD Percent Variance Actual Sales/Budget Sales					
Store Level	Lebanon	Hanover	WRJ	CCM	Combined
Grocery	15.67%	22.05%	25.22%	1.23%	19.16%
Produce	14.67%	10.24%	17.07%	-10.48%	12.82%
Dairy	18.16%	11.80%	13.98%	-11.35%	14.25%
Meat	26.46%	23.95%	28.09%	11.05%	25.79%
PFD	-25.93%	-29.51%	-13.62%	-42.05%	-27.27%
Bin Bulk	-3.51%	-17.12%	1.85%	-61.01%	-10.35%
Bakery	10.41%	1.74%	13.77%	-23.16%	7.20%
Frozen	22.77%	21.00%	20.98%	9.11%	21.41%
HABA	6.41%	-4.25%	31.04%	25.76%	4.57%
Beer	18.79%	20.53%	20.86%	-5.72%	18.18%
Wine	7.76%	-1.66%	18.03%	-3.80%	5.10%
Beverage	2.39%	12.73%	19.59%	-13.70%	7.94%
Seafood	23.84%	20.94%	38.64%	0.32%	24.48%
Cheese	11.08%	13.50%	36.16%	-5.09%	14.48%
Deli	13.94%	15.42%	13.69%	-4.39%	14.12%
Floral	-3.00%	-15.07%	10.27%	-21.61%	-6.71%
Sushi	-5.43%	-15.97%	3.89%	-27.58%	-8.99%
Kitchenware	-38.31%	-41.83%	-5.26%	-46.71%	-37.02%

YTD Percent Variance Actual Sales/Budget Sales			
Service Center	Hanover	Norwich	Combined
Gas	-36.60%	0.00%	-36.60%
Parts	4.65%	-22.42%	-15.81%
Labor	-17.90%	0.53%	-5.79%
Tires	450.04%	230.50%	292.03%

Note on percent variance: For example, above, Lebanon Grocery variance at 15.67% means actual sales were 15.67% greater than budget sales.

BUSINESS UNIT OPERATIONS*Bruce Follett**Director of Business Unit Operations***Revenue Growth**

The Food Stores ended 2020 with strong December sales. Grocery, Meat, Produce, Dairy and Frozen foods departments were the drivers of this growth. Prepared Foods, Bulk foods, Kitchenware, Floral, and Sushi underperformed versus budget on a consolidated level.

December sales at our Norwich Service Center fell short of our budgeted targets for the month but were achieved at Park Street. Gas sales declined again in December. The Co-op saw over 30,000 fewer gallons pumped for the month at an average price of \$0.38 less per gallon compared to the same period a year ago.

Prepared Foods Highlight

The Co-op's Prepared Foods teams are approaching 2021 with enthusiasm for new programs focused on alternative and local ingredients. Recipes are being developed for a Boyden beef meatloaf, Maple glazed Smart Chicken drumsticks, a Red Velvet roulade for Valentine's Day and a burrito featuring our Mexican Street Corn.

Buying Programs and Margin Maintenance

The preliminary work for core sets has started. The first full core set category review will be completed in April, with resets in our Hanover and Lebanon locations. The preliminary work includes identifying slower-moving and niche items, potential new items, and category trends. Our price reviews for 2021 will follow a similar process as they did last year, though they will also align with our core set category review plan.

Accurate margin reporting for our Merchandising team is tied closely to the day-to-day receiving and inventory processes in our stores. We continue working to create consistency and accuracy in those processes, thereby ensuring the most accurate data available for decision making.

Workforce Planning

The number of unfilled positions decreased again last month. As a result, we have been able to address more critical needs across multiple locations.

Location managers reviewed new systems and processes in December as part of our workforce planning for 2021. The flexibility within these new processes will ensure we strategically place resources where they are needed throughout the year.

ECRS

We are actively working to implement Catapult's Made to Order function at the Community Market café, including products such as burgers and sandwiches. We have implemented Made to Order in our Produce and Bulk foods departments.

Our Operations managers, Inventory Control team, and ECRS continue to build upon the Auto Order function of Catapult. We currently have six vendors on Auto Order and will continue adding more each month.

Food Safety

Food Safety training goes live in January at the year's first Onboarding session. The focus at the session will be on the importance of thorough handwashing, bodily fluid spills cleanup, and the proper use of chemicals at the Co-op. This presentation will cover information that is vital to all employees regardless of job function. Hands-on demonstrations and practical usage should serve to make this a much more effective training.

Enhancing Customer Experience

All locations continue to maintain daily COVID-19 protocols to ensure customers enjoy a clean and safe experience.

Our Bulk foods merchandiser has been working closely with store teams, facilities, vendors, and other business partners to plan significant resets of the Bulk foods departments in our Hanover and Lebanon locations. These resets will provide much-needed upgrades, especially in Lebanon, as well as moving product from scoop bins to gravity bins to address safety concerns amid the pandemic. We plan to implement these resets in late February or early March.

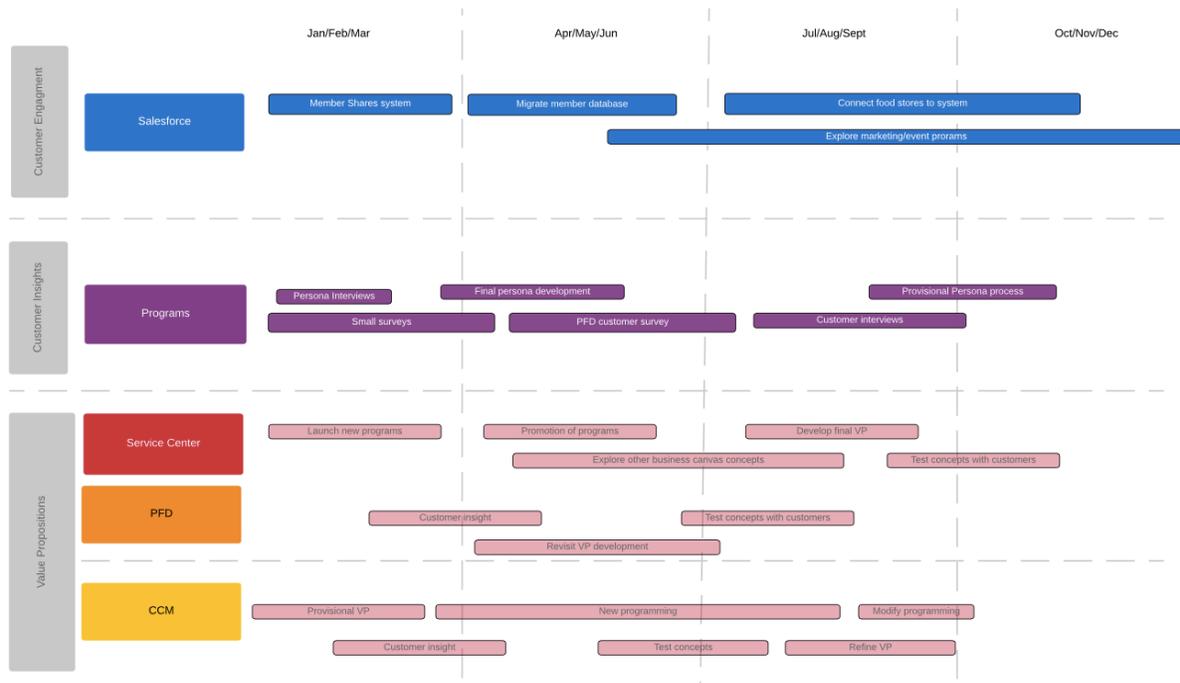
We are currently working to improve point-of-sale sign maintenance for local products by integrating more specific product information in our database.

COOPERATIVE ENGAGEMENT

Amanda Charland

Director of Cooperative Engagement

Planning



Building Loyalty

During 2020, Member Services began the process of transitioning to a new database, Salesforce. Getting our new database fully established continues to be the primary goal of the entire department in 2021. A Salesforce project team has been established and will begin meeting weekly in January. The team’s first priority is to get the system prepared to house all of the current information so the data can be moved successfully. This project is currently on track to meet quarterly goals.

Customer Insights

While the focus in 2020 was about building more ways to listen to customers and collect feedback, in 2021 we’ll be building systems to translate what we heard into actionable items. Our team goal this year is to provide data to the rest of our cooperative that is useful and can inform decisions that enhance our customer experience.

This month, we will begin building two new personas (fictional representations of customers built from aggregate data as well as direct customer interviews). These personas are used to help think through customer needs and expectations when building new programs or developing ways to improve our customer experience. The process begins this month with building the provisional personas and finding customers to interview.

This month we will also be working on developing a written plan to utilize data from our CX survey program (a register survey program that randomly selects customers to participate). We heard from over 1,800 customers in 2020. This food store specific data has helped to identify customer thoughts about our food stores and where we excel or where we can improve the experience.

Lastly, our team just wrapped up some qualitative research about local products and our co-op. This information is being used by Marketing and Merchandising to help create a framework for new programs and promotions in 2021.

Value Propositions

An important part of building loyalty is ensuring our businesses offer programs that align with the needs of customers. In 2021, we will be diving into a few key areas of the business in partnership with the business unit leaders to go through a deeper analysis of our programs and how they align with customer expectations.

This month, we will be picking back up on our work on developing a Service Center value proposition. The team working on developing a CCM business canvas and value proposition will begin meeting regularly at the end of this month.

Promotions

In many ways, the pandemic changed the way promotions happen at our co-op. We expect this to continue again into 2021. Part of what has changed are the things that are important to shoppers. In 2021 we expect that people will continue following some of the same habits created by the pandemic: cooking at home, reducing the number of shopping trips but purchasing more, utilizing online ordering platforms more, and so on. Working together, Marketing and Merchandising have identified primary areas of focus for our promotions in 2021 and are building plans around these core areas. The first priority for promotions will be around local foods. Local has always been an important driver for our customers but general consumer interest in close-to-home food has intensified during the pandemic. During the month of January, we'll be working on utilizing customer feedback on local, setting metrics, and building a plan around local promotions.

Another big area of promotional focus for 2021 will be online ordering. The team working on promotions of and within Webcart began meeting regularly in January to work on developing strategies. The team has identified its three primary areas of focus for 2021 as customer online experience, promotion of products online, and advertising of online ordering to customers.

PENNIES FOR CHANGE

Total Member Donations Since June 2016: \$986,168.39

Total Collected December 2020: \$18,052.93

Total Collected in 2020: \$151,223.91

December Food Access Recipients

Listen: \$3,610.59

Haven: \$3,610.59

Willing Hands: \$3,610.59

December Community Partners

Alice Peck Day Memorial Hospital: \$1,805.30

Global Campuses Foundation: \$1,805.30

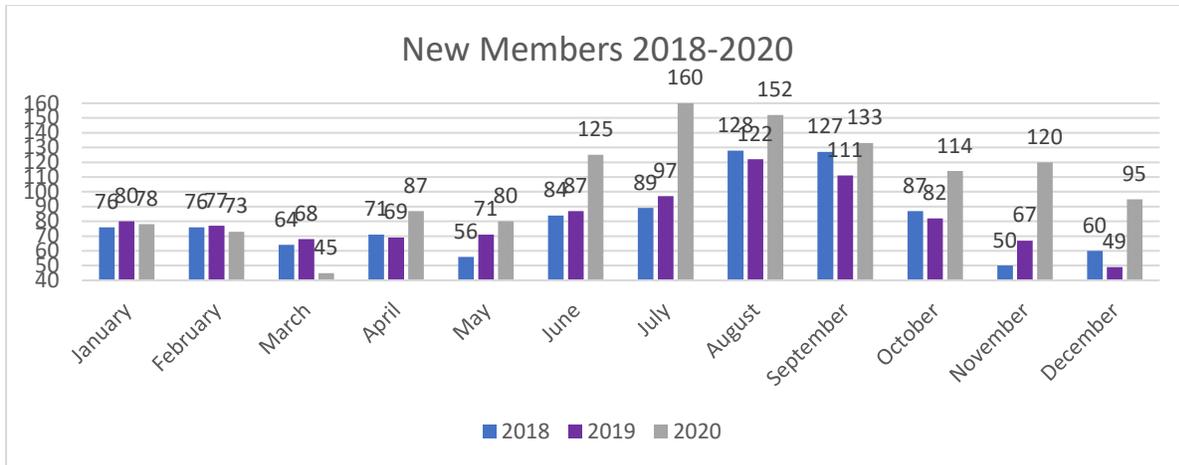
High Horses Therapeutic Riding Programs: \$1,805.30

Northeast Organic Farming Association of NH: \$1,805.30

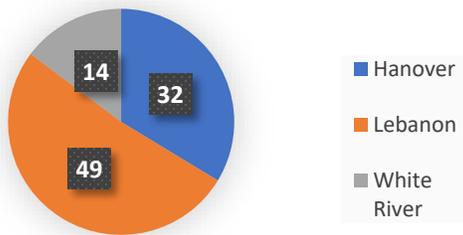
MEMBERSHIP

2020 January-December

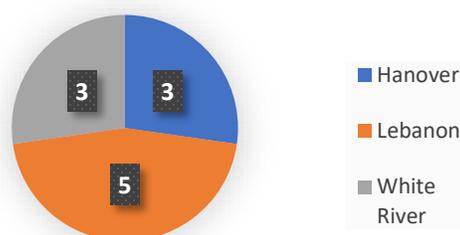
	<i>New Members</i>	<i>Cancellations</i>	<i>Net Change in Memberships</i>	<i>Subscribers</i>
January	78	14	64	15
February	73	6	67	5
March	45	4	41	6
April	87	24	63	6
May	80	9	71	9
June	125	12	113	11
July	160	13	147	8
August	152	17	135	27
September	133	10	123	17
October	114	7	107	10
November	120	34	86	12
December	95	80	15	11
YTD	1262	230	1032	
<i>2019 YTD</i>	1184	216	968	



**New Members by Location
December**



**New Subscribers by Location
December**



PUBLIC AND GOVERNMENTAL AFFAIRS

Allan Reetz

Director of Public and Governmental Affairs

[Note to reader: The first two items occurred after December’s Public and Government Affairs board report was submitted]

December 8: [Farm Foundation Forum - The Next Four Years in Ag Policy: Leading Experts Set the Stage](#). Hosted by Farm Foundation, the forum was well run and encouraging. Panelists were three former Secretaries of Ag from the Clinton and Bush {W} administrations. Their comments reflected near-universal agreement on priorities for the incoming Biden administration.

In summary, topics dominating the conversation were:

- Climate (more than any other topic)
- SNAP funding
- Ag research
- Rural development
- Distribution networks
- Changes to consumer shopping habits

- Small-scale meat processing (and options for multi-state collaborations)
- COVID vaccine prioritization for frontline and essential workers
- And more

December 8: **Evening Farm Forum with Local Farmers** hosted by Vital Communities. This event was informative and well-worth attending. Farms represented on the Zoom call included:

1. Edgewater Farm,
2. Luna Bleu,
3. Sweet Doe, and
4. Richardson Family Farm.

The farms all serve our cooperative in one way or another. The first three are well-known Co-op vendors, and the fourth—Richardson Farm—is a Cabot dairy supplier in Hartland, Vermont.

Topics discussed included:

- The lack of local options for meat processing
- How the loss public and industry sampling events is impacting business growth and development
- The remarkable work done behind the scenes by farmers just to stay afloat in the face of COVID

December 16: **Rural Vermont's 3rd Annual [State House to Farm House](#) meeting:**

Citizen Advocacy at the Intersection of the Working Lands, Its Community Members, and Policymakers

This annual event is an opportunity for farmers, farmworkers, and legislators to build relationships and engage in dialogue. Allan attended as a partner, mostly in observation mode. The central theme was *how policy can support the transition to a resilient and equitable agriculture that benefits all of our people, communities, and landscapes.*

Late 2020 communication with Representative Peter Welch's office regarding COVID relief funding for transportation sector:

We advocated for, and were mostly pleased with, final legislation. The bill that passed included \$45 billion in transportation aid. Bullet points in bold were of highest priority in our advocacy. Final funding was reduced from proposed levels, but will still address critical needs of people who depend on mass transit and bus service:

- \$16 billion for airlines and airline contractors via the Payroll Support Program
- \$2 billion in grants for airports
- **\$2 billion for bus operators**, based on the Coronavirus Economic Relief for Transportation Services (CERTS) Act
- **\$1 billion for Amtrak to maintain existing service**
- **\$14 billion for mass transit systems (with a \$680 million set-aside for rural areas)**

- \$10 billion for highways via the Surface Transportation Block Grant program at the Department of Transportation

Upper Valley housing research coordinated with Vital Communities to confirm total number of housing developments recently completed, currently under construction, or at the groundbreaking stage. Data was collected from Hanover, Lebanon, White River Junction, and Claremont. This information supports the work of members of Vital Communities' Corporate Council.

Advocacy planning regarding SNAP benefits

Participating in strategy work with a New Hampshire team seeking state funding for Double-up Food Bucks. New Hampshire is among the few states that do not provide state funding to support SNAP. Doing so would attract federal matching dollars. We have been focused on this since 2018 and there is recent growth in bipartisan support. Joining us on the call was the sponsor of the house version of proposed legislation.

Real Organic Project Symposium

Allan is attending this year's series held on each Sunday in January. The Real Organic Project is a farmer-led effort in *support* of transparency around agriculture practices, and *against* USDA's recent loosening of standards and a dramatic departure from legislation or reversal of long-standing organic policy. [Presenters](#) include a who's who of organic agriculture experts, chefs, and advocates. Roughly 1,500 people from around the world are attending.

Sessions include:

1. What is The Real Organic Project?
2. What is Soil Health?
3. Farming and Climate
4. Health and Nutrition
5. What Can We Do Moving Forward?

Planning for New Hampshire Food Alliance's 2021 Statewide Gathering (a virtual event set for March 11 and 12). Allan is entering his fifth year of service on the alliance's leadership team.

- Overarching event theme is the identification of opportunities, challenges, and needs that have arisen from the COVID crisis to capitalize on increased support for local food
- The work to create the agenda and select speakers is approaching its final phase

Providing support to Vermont's Agency of Agriculture and its rollout of updated guidelines for labeling and retail marketing of Vermont grown, raised, and produced foods.

New Hampshire Businesses for Social Responsibility

Allan continues his service on NHBSR's Advocacy Sub-committee. At the group's January 13 meeting, Allan reaffirmed his commitment to the lead housing working group, and added transportation advocacy into his team's work.

NH Housing Appeals Board [Launched](#)

The housing appeals board is a sensible tool. As an achievement many years in the making, it required advocacy from all corners of the Granite State. Our cooperative was vocal in support its passage—the only retailer to do so at the hearings Allan testified at. To be clear, there was significant opposition voiced by some members of the public, localities, and from the State Association of Municipalities.

- Once Governor Sununu was presented with the facts, he remained steady in his backing and signed it into law.
- As it stands now, there are at least two *repeal* bills gurgling in the legislature. Elissa Margolin of Housing Action NH is monitoring those closely. We remain in regular contact with Elissa and others, and will step up if any such repeal gains momentum.

ADMINISTRATION

Lori Hildbrand

Director of Administrative Operations

(Human Resources/Facilities/IT - Network and Systems)

Human Resources

In January 2021, we will be returning to the regular full-day bi-weekly orientation schedule as well as the monthly onboarding for new hires.

Our training schedule will resume in the new year with new and continuing classes. We plan to restart CLIP for managers and implement the Essentials for Employees as part of the revamped Pathways system.

Facilities

Projects—In January we will see the completion of the installation of a new fire alarm system in White River Junction. We expect to hire a construction management company for the Lebanon refrigeration project in January as well. Engineering and design work has been ongoing for Lebanon. We anticipate moving forward with the bid process once we enter into an agreement with a construction management company.

IT – Network and Systems

The IT – Network and Systems team is hard at work finishing the installation of system enhancements that will ensure smoother operations, particularly for our Finance team.

Business Continuity

We will be entering Phase 2 of the Business Continuity Project in January 2021. This includes a business impact analysis, which will include a risk assessment. This phase will touch all areas of the Co-op as we will garner input from employees at every level.

Appendix B

Diversity, Equity, and Inclusion Committee update - January 2021

This report covers two meetings of this committee. As a reminder, the organization Migrant Justice reached out to our board in November to gauge interest in their Milk with Dignity program. Hunger Mountain Co-op's council (equivalent to board) in Montpelier had recently passed a resolution of solidarity with Migrant Justice and their efforts. This committee was tasked with following up with that organization.

Our DEI committee met on Tuesday, December 8. Present at the meeting were Kevin Birdsey (chair, board member), Liz Blum (member), April Harkness (employee, member), Lori Hildbrand (Dir. of Admin. Ops), Nora Paley (member), Benoit Roisin (member), with Marta Ceroni (board member), Paul Guidone (general manager) in attendance as a guests in addition to special guests Madeline Sharrow and Marita Canedo from Migrant Justice, and Eric Jacobson, council member at Hunger Mountain.

Key points:

- For roughly ten years, Migrant Justice has worked to improve the housing conditions of migrant dairy farmworkers.
 - Milk with Dignity is a campaign of theirs intent on contracting with corporations that purchase dairy products. The campaign started in 2018.
 - They established a code of conduct - a worker-defined set of standards for housing and working conditions.
 - This code of conduct is audited by an independent nonprofit council that can then report back to businesses that sign on to the program as buyers. Thus far, Ben & Jerry's is the only company participating.
- Please see additional materials regarding the Milk with Dignity program below. For reference, the resolution passed by our friends at Hunger Mountain follows this report.

Migrant Justice is trying to build a network of supporting partners to help convince other corporations to contract with them. In short, they are hoping that we can agree to pass a statement of solidarity the way Hunger Mountain has. They are open to us lending support in other ways if that is what we would like also.

Our committee's January meeting was on Tuesday, January 12. Present at the meeting were Kevin Birdsey, Liz Blum, April Harkness, Lori Hildbrand, with Marta Ceroni and Paul Guidone in attendance once again as guests.

This meeting focused on revising the proposed EL revisions our committee brought to the board in October.

Paul was able to voice concerns he had with the proposal as currently written. Likewise, committee members were able to explain the reasoning and intent behind certain ideas from the proposal.

In most cases, revising the word choices satisfies all concerns. Kevin will revise the proposal and bring it to the Governance Committee next for additional help. It will go to our board for approval after that.

We also followed up on the previous month's discussion with Migrant Justice organizers. There is still a desire to present something for the board to weigh in on. Paul expressed an interest in asking Migrant Justice to provide a written statement that we, and other future partners of theirs, could sign on to. This would be a contrast to crafting our own statement.

Additional Milk with Dignity resources:

[2018-2019 Biennial Report](https://migrantjustice.net/sites/default/files/2020MDReport.pdf) <https://migrantjustice.net/sites/default/files/2020MDReport.pdf>

["Milk with Dignity"](#) 12 minute film about the difficult living and working conditions on Vermont dairy farms and how farmworkers are coming together to organize and implement the Milk with Dignity Program.

["Impact of Milk with Dignity"](#) 6 minute film of farmworker testimony about the impacts of the Milk with Dignity Program over its first 2 years of implementation.

["Health & Safety Issues on VT Dairy Farms"](#) -Documenting the results of a survey that Migrant Justice carried out between 2018 & 2019 on dairy farms which are NOT currently covered by the Milk with Dignity Program

Hunger Mountain Coop Council
Resolution in support of the Milk with Dignity program
November 4, 2019

- Whereas the Hunger Mountain Coop seeks to promote a “dynamic community of healthy individuals, sustainable local food systems and thriving cooperative commerce” and the Council “shall represent the interests of the Cooperative's Members by means of written policy governance directives and monitoring procedures” as per its bylaws;
- Whereas the Council is aware that low milk prices and industry consolidation have created downward economic pressure on dairy farms, leading to low wages and poor working conditions; and the Council has been made aware of the “Milk with Dignity” program that seeks to improve working conditions in an industry heavily reliant on an immigrant labor force, working long hours for low pay with few labor protections, often in dangerous conditions and in substandard housing;
- Whereas the Council understands that the “Milk with Dignity” program promotes a code of conduct between wholesale buyers of milk and dairy farms, setting standards for conditions relating to wages, health and safety, housing, schedule and rest, non-retaliation, nondiscrimination, and other labor conditions.
- Now, therefore, be it known, that Council of the Hunger Mountain Coop supports the “Milk with Dignity” program and encourages milk suppliers to become participating members. We thank the members of our organization that participate in the “Milk with Dignity” campaign and encourage our membership to support this worthy endeavor.

Appendix C

2020 HCCF Fundraising Committee Update

The outcome from our 2020 HCCF product sales during the months of Nov and Dec.

Total amount to be transferred to HCCF:

\$9,265.15

Total contribution:

\$9,265.15

Vendor contribution*:

\$3,733.50

Co-op contribution*:

\$5,531.65

*realized once vendor rebates are received and processed

In 2021, we'll be developing the program in such a way that the total contribution will be from vendors and not from the Co-op. With the last minute timing for 2020, we thought the shared contribution structure would work best, but hopefully with a year-long strategy of sales, we'll get to roughly the same dollar amount at the end of 2021.

Once we have the rebates in, we'll provide a letter to the HCCF Committee Chair to sign and send along with the check to Twin Pines Cooperative Fund.

APPENDIX D

2021 Board Meeting Calendar

February 24	Board of Directors Meeting, 5:15 p.m.
March 24	Board of Directors Meeting, 5:15 p.m.
April 28	Board of Directors Meeting, 5:15 p.m.
May 26	Board of Directors Meeting, 5:15 p.m.
June 23	Board of Directors Meeting, 5:15 p.m.
July 28	Board of Directors Meeting, 5:15 p.m.
August 25	Board of Directors Meeting, 5:15 p.m.
September 22	Board of Directors Meeting, 5:15 p.m.
October 27	Board of Directors Meeting, 5:15 p.m.
November 17	Board of Directors Meeting, 5:15 p.m.
December 15	Board of Directors Meeting, 5:15 p.m.