

**Middlebury Natural Foods Cooperative
Board of Directors Meeting
August 22, 2007
Draft**

Board members present: Kristin Bolton, Ross Conrad, Suzannah Kaster, Jesse Kimler, Michelle McCauley, Jeanne Montross, Ashar Nelson, Johanna Nichols (arrived 6:50 p.m.), and Kira Winslow (presiding)

Board members absent: Barry King, Abi Sessions

Others present: Susan DeWind (staff representative), Robert Keren (recorder of minutes), Glenn Lower (GM)

Board monitor: Michelle is the board monitor for the meeting

Call to order: Kira called the meeting to order at 6:35 p.m.

Members' business: Michelle relayed a question from a member: Where do the Co-op's bulk oats come from and are they local? Both Glenn and Kira said they are not local; they come from the Midwest.

Approval of July 11, 2007 minutes

The board made three changes: two misspelled names were corrected and a statement regarding the succession committee was clarified. On a motion by Michelle, seconded by Ross, the board voted 6-0 to approve the minutes as amended. Jeanne and Suzannah abstained.

General Manager's report

Glenn announced that the Co-op's insurance inspection for worker's compensation was conducted today, and the MNFC passed "with flying colors." Glenn also asked the board if they would be interested in attending a workshop led by Leslie Blow, a former member of the board, about how to read and interpret financial statements.

Quarterly financial report

The board reviewed the Income Statement and Variance Report, and Glenn noted that sales are over budget and the gross profit margin is slightly higher than usual. If the "GPM" stays higher than budgeted, Glenn said he would meet with managers and buyers about reducing prices. Kristin asked why the promotions line item was over budget, and Glenn said it was due to increased amount of advertising and donations.

Under the Executive Limitations, Glenn said he is compliance with all of the strictures this quarter. The board asked about EL7-#2, and Glenn discussed the steps he takes to prevent unauthorized personnel to have access to funds. Susan DeWind asked about EL7-#3, regarding the level of noise in the store. Glenn responded that noise reduction is an important issue that he hopes to work on again soon. Ross complimented Glenn on his management with regard to the Executive Limitations, but the board member added per EL7-#8 that he would feel more comfortable if the MNFC did not have \$200,000 in uninsured accounts.

Membership Linkage Committee

Jesse reported for the committee on the: expected launch of the MNFC web site (middleburynaturalfoodscoop.com), committee calendar, board's role in the business plan, community development fund, and avenues for reaching membership. Kristin added that she sees three major categories of members and said it would be good to survey them and know more about them in order to meet their needs better. The three categories are: 1) members who want a gourmet shopping experience, 2) members who like Co-op because it sleek and trendy, and 3) members who are really concerned, involved, and who volunteer. The board agreed to take up the subject of advocacy as a tool for linkage with members at the next meeting.

Glenn said the new web site should go live within a month. Kira suggested that the Membership Linkage Committee should review the site before it does go live.

Kira made a clarifying statement to the effect that the Membership Linkage Committee's primary focus should be on existing members, not on recruiting new members.

Annual Meeting Committee

Ross reported that the committee is proposing an entirely new concept for the Annual Meeting: a festival or fair open to the entire community where the actual meeting was only a small part of a half-day of food and fun. The board discussed this topic for 30 minutes including the pros and cons, possible locations, child care, and indoors vs. outdoors. Both Glenn and Jeanne advised the board to define the purpose of the event first, and then design the event to meet the purpose. The Annual Meeting Committee resolved to deliberate further, draft a few options, and continue the discussion at the September meeting.

GM Communication Committee

Ashar handed out the committee's meeting notes and said the group is now organized and prepared to move forward. The notes show the vast number and breadth of "guiding statements," "directives," and "boundary documents" the board employs to communicate with the GM. Said Ashar: "We started out as a

committee to discuss how we communicate with our GM but it's turning out to be a discussion about how we govern ourselves." On a suggestion from Ross, the board agreed that this committee's charge is such a complex topic that it would make a good subject for a retreat.

New/old business: There was none.

Agenda for September 26 meeting

- Executive Committee report on two new evaluation forms for staff to use to evaluate the GM
- Long Range Planning Committee report
- Annual Meeting Committee report
- Membership Linkage Committee report re. advocacy

Agenda for October 24 meeting

- GM Communication Committee report

Adjournment

On a motion by Jesse, seconded by Suzannah, the board voted 9-0 at 8:25 p.m. to go into executive session. Later, on a motion by Ross, seconded by Ashar, the board voted 9:0 at 8:52 p.m. to exit executive session and adjourn the meeting.