

## **Middlebury Natural Foods Cooperative**

### **Board of Directors Meeting**

**May 23, 2012**

**Approved 6/27/12**

**Board Members Present:** Kristin Bolton, Joseph Cadoret, Ross Conrad, Mary Gill, Kevin Lehman, Jay Leshinsky, Karen Miller-Lane, Tam Stewart.

**Board Members Absent:** Ilaria Brancoli Busdraghi, Francisca Drexel, JS Woodward.

**Others present:** Victoria DeWind (staff liaison), Glenn Lower (General Manager).

**Board Monitor:** Tam

**Call to Order:** Jay called the meeting to order at 6:30 pm.

**Member's Business:** Jay reported a conversation with Abi Sessions about her visit to the River Valley Co-op. She praised their fresh meat counter with its large selection. Joseph relayed a comment that if the margin on whole unprocessed foods was reduced they would become more accessible and affordable. Mary reported receiving pro and con comments on the Food For All program. Jay had received a comment that it had not been well explained.

Glenn reported a conversation with Ralph Esposito after which Ralph wrote his letter to the Board. In summary, he felt that grouping discounts for low income and senior shoppers together does not solve the accessibility problem; it pits the two groups against each other and seniors may become alienated. He feels all segments of the population are economically stressed and the criteria exclude those just barely above the EBT cap. He felt there should be more discussion with member-owners. Glenn said that MNFC has offered senior discount for 20 years and, as it is its fastest growing cost for the Co-op, it is not sustainable. Glenn said more effort will be put into educating shoppers about the change.

The Board had a discussion about their perspective on these kinds of operational initiatives. They felt if they are involved in such issues before hand, it would help transparency and support better educational efforts. The Board could be proactive on actions that will take member-owner interest, such as a change to patronage dividends.

**Approval of Minutes:** On a motion made by Joseph, seconded by Karen, the minutes of April 18, 2012 were approved with all in favor, Tam abstaining.

**GM Report:** Glenn said that as of May 23, 192 member-owners had voted in Board elections, more than the required 5%. Glenn is considering the in-store on-line voting some co-ops are doing.

There was discussion of the letter Glenn received from ACORN concerning the test phase of their Wholesale Collaborative as a part of their effort to strengthen the local food system. They found it is not a viable project for now and they may develop a different project in the future.

Glenn has offered to support to Stone Valley Co-op in Poultney with help to find resources and increase sales.

**Business Plan:** This “to do” list does not include David Weedman’s retirement which has generated the decision to create a new position of Floor Manager which will include physical plant maintenance and IT support. This will in turn free up time for Glenn to work on expansion issues. The Board supported this.

Ross asked about the budget that Glenn said is conservative at 5% growth.

The Board took time to discuss the section of the Plan on growth planning. It is anticipated that growth in the next 4-5 years will make additional square footage for the store a priority for staff. The Board felt it important that they consider not only an addition to the current building but alternative options to meet increasing demand and space requirements for more local products (especially meat and dairy) in the store as well as back room receiving and storage. As with the previous expansion, Glenn would like Board involvement in the planning. The Board wants to find ways to engage with member-owners and look at growth through the lens of meeting the MNFC Ends. They would like to consider what besides store operations can determine growth choices. The work calendar for the Board is open now that Food For All is helping to address the food security goal. An ad hoc committee or the BDC may work with Glenn to research options and feasibilities by crafting scenarios and considering their consequences. There was consensus that there should be a facilitator for these Board discussions of growth, perhaps a mini-retreat with Michael Healy.

Kristin suggested that the End of Sustainability and Energy Efficiency needs a better definition and clearer vision statement. She felt the Board needs to look again at how to meet that End.

**EL 3 – Business Planning & Financial Budgeting:** Glenn noted that it includes reference to EL 4 in this year’s report and it is helpful to see future trends and parameters. Jay noted that the review is annual and graphs show good management with all sections in compliance. The Board accepted the report as on time, includes reasonable interpretation of intent, has sufficient data included and is compliant.

**Annual Meeting:** This year is similar to last but with a different food menu – music, membership, ice cream, snacks and dinner, chair massage. Glenn suggested the Board role in the business meeting could include asking for questions on growth, sharing market study information or a discussion of co-operatives and the strength of them working together as an alternative way to do business.

**Mad River Food Hub:** Kevin and Mary have followed up on the March meeting discussion of studying food hubs. The Mad River hub is an innovative non-profit group with state, federal and private funding. Kevin suggested working with them to learn about hubs. He suggested Board members attend a June 6<sup>th</sup> open house there and perhaps having them come to a future Board meeting.

**Board Appointees and Executive Committee Slate:** These agenda items were postponed to the June meeting. JS has submitted his resignation as he has moved out of state so there are two seats to fill. The by-laws do not require immediate appointments to fill empty seats. Most co-op boards have 9 members as policy governance needs fewer

directors. Larger boards ease committee work and are more representative of member-owners. Any change in the number of seats would require a by-law change.

**Self-Evaluation GP 7:** This was postponed to next meeting. Kristin suggested the Board keep Ralph Esposito's letter in mind and how well the Board is linking with member-owners.

**Next Meeting - June 27:** Work plan and calendar, facilitated growth discussion, Communications, Food Hub report, EL 4, GP 7, Executive Committee slate and Annual Meeting review.

Joseph was thanked for his contributions to the Board.

**Adjournment:** The meeting was adjourned at 8:43 pm on a motion by Tam, seconded by Mary. All voted in favor.

Respectfully submitted by Victoria DeWind