

**Middlebury Natural Foods Cooperative  
Board of Directors Meeting  
July 26, 2017**

**Board Members Present:** R.J. Adler, Molly Anderson, Kate Gridley, Ann LaFiandra, Jay Leshinsky, Tam Stewart, Louise Vojtisek, Amanda Warren.

**Board Members Absent:** Nadine Barnicle, Ilaria Brancoli Busdraghi, Lynn Dunton.

**Others present:** Hannah Abrams (Pres. Rutand Co-op Board), Victoria DeWind (staff liaison), Glenn Lower (GM).

**Board Monitor:** Louise.

**Call to Order:** The meeting was called to order at 6:32 pm.

**Member-owner Business:** Louise reported a conversation with a summer customer who praised the Co-op, talked about heirloom apples and asked for cider recommendations. Louise felt that this kind of interaction with customers is what differentiates MNFC from other stores.

R.J. informed the Board about flood damage on July 1 at Golden Well Farm in New Haven. They lost most of their CSA crops. He asked if MNFC could help. He will find out more on what they need. Meanwhile there is a benefit dinner at the Bobcat Café with 20% of proceeds going to Golden Well. Tam suggested posting it on social media

Amanda visited La Monta Nita Co-op in Santa Fe. Their web site has no updates on their NCG and CDS protest.

**Approval of Minutes:** On a motion by R.J., seconded by Ann, the minutes of June 28, 2017 were approved with all in favor and R.J. and Ann abstaining.

**GP 1 - Overview:** Amanda asked if #1 referred to individual or whole-board leadership. It was agreed it is the latter. Periods at end of each #2a sections were removed. A colon was added to section b heading. Glenn felt the paragraph starting with “Observe...” was redundant and unnecessary. Kate suggested “operate by policy governance” instead. Tam said the language is from CDS to be compatible with other co-ops but agreed it is cumbersome and that they are not governance principles. It was agreed that final revision will be done by an ad hoc policy revision committee of Tam, Jay, Molly and Kate.

**Staff Appreciation:** Louise reminded directors of the event on Friday, July 28 with various salads and chocolates.

**Conflicts-of-Interests:** While the full forms are filed with the GM, Glenn proposed a new summary for the Board to be posted on Basecamp for easier access and more transparency. Any conflict consideration would be reflected in the minutes. Jay said he would add his wife as she is a staff sub. Kate will add dates for her husband’s work on the loan drive. This led to a discussion of adding staff relationship to the conflict form. Wording for this will be done by the policy revision committee. Ann asked if a member loan is a conflict to which Glenn answered, it is not.

Tam suggested that the revision should also include a policy with which to respond to conflicts, including if it is a written or verbal declarative process. It was agreed that the

Nonprofit Conflict of Interest: A 3-Dimensional View article that Glenn provided to the Board should be added to the new director orientation packet.

**GM Report:** Glenn informed the Board that he has given authorization to key managers to act while he is away for two weeks.

The new floor will be polished this week taking five days including curing. The deli floor will get an epoxy coating. The old floor will get a colored epoxy mixed with sand for a non-slip surface that is durable and cleanable. This requires closure for two days, likely Thanksgiving and the Friday after. The Deli will keep their products in other department coolers while theirs is being moved.

R.J. asked about the low June sales growth and why 3% was budgeted with expansion coming. Glenn explained the separate regular budget and pro forma expansion budget which included lost gross profit margins. Glenn said that July is looking to be 3% growth.

Glenn said that sales growth declines in Bulk are being experienced by all co-ops with no clear explanation. He suggested new and better packaged food, changing buying habits and preference for prepared foods are possible explanations. As well, Bulk does not have new product additions as other departments do. MNFC is unique amongst co-ops as Bulk is an independent department rather than coming under grocery and is purposely positioned in the store to be prominent to all customers. Molly noted that 21,000 new grocery products were developed in the last year.

Glenn estimates that the store will move into the new West section around Labor Day. The Deli will move after that to make way for the new café seating. Deli will have a phased reopening.

The pick-up service mentioned in the industry news was noted as a trend.

Molly reported that she is working with a group named Food Commons to create incubator space for local food producers to sell their products. They had hoped it could be set up in the old Greg's Market. As that has now been purchased by Toni Neri, it is unclear if they will be able to use that space.

**August Retreat:** It was agreed that dinner will be pot luck and the Co-op will provide dessert and drinks. Tam said the agenda for the three hours is mergers, adverse social media and conflicts of interest. The question is: what do we need to understand in possible situations and what are the roles for Board and Management? Reading material will be posted on Basecamp. Kate offered to facilitate.

**Board Officer Election:** Amanda spoke of her experience as co-director of Bridge School and reporting to its board. As Vice President she can learn more about policy governance. R.J. spoke about his community connections and being recognized for his role on the Board. He is interested in how to help other businesses and the community. He wishes to remain involved with the Board and move into a leadership position.

As being Vice President does not include automatic succession to President, it was agreed that considering succession policy would be a good idea.

On a voice vote moved by Louise and seconded by Molly, the slate of President – Tam, Treasurer – Lynn and Secretary – Louise was approved unanimously. By written ballot, Amanda was elected as Vice President.

**Hannah Abrams:** Hannah thanked the Board for inviting her to sit in. She often hears “why can’t Rutland Co-op be more like Middlebury Co-op”. She said Rutland Co-op is similar but much smaller and is now profitable. It is 21 years old, member owned and is in a downtown location with room to grow on site. Glenn noted the importance of parking in planning for growth, especially with the new emphasis on prepared foods.

**Next Meeting:** August 23 – 3pm retreat.

EL 12

GP 2 & 3

Expansion Update

Committee Chair assignments

**Adjournment:** At 8:30 the meeting was adjourned with all voting in favor of a motion by Ann, seconded by R.J.

Respectfully submitted by Victoria DeWind