

**Middlebury Natural Foods Cooperative
Board of Directors Meeting
December 10, 2008
Approved 2/4/09**

Board members present: Leslie Blow, Kristin Bolton, Ilaria Brancoli Busdraghi, Ross Conrad, Kate Gridley, Barry King, Jay Leshinsky, Michelle McCauley, Ashar Nelson (presiding), Johanna Nichols, and Kira Winslow

Board members absent: none

Others present: Susan DeWind (staff liaison), Robert Keren (recorder of minutes), Glenn Lower (general manager), Reiner Winkler (bulk manager)

Board monitor: Kristin

Call to order: Ashar called the meeting to order at 6:30 p.m.

Members' business

Ilaria informed the board that there's a group of residents in Cornwall interested in renovating the old general store located next to the town office. She explained that the group is wondering whether the Co-op, as it considers future growth, would be interested in opening a satellite store at that site.

Approval of the minutes of November 12, 2008 meeting

Glenn corrected the name "Tom Murphy" in the GM Report"; it should read "Tod Murphy." Also with regard to the Farmers Diner, the board decided to change the phrase "will be coming to Middlebury" to "may be coming to Middlebury." Under Linkage Committee, the board changed the phrase "strengthening linkage with management and staff" to "strengthening communication about ends with management and staff." On a motion by Ross, seconded by Barry, the board voted 11-0 to accept the minutes with changes.

General Manager's report

Kate asked how much of the 8.4 percent sales growth (comparing Nov. 2008 with Nov. 2007) was due to inflation. Glenn said he budgeted 5 percent for the year for inflation, and added that the Co-op's unadjusted sales growth for the year 2008 is currently running about 10 percent ahead of last year.

Financial monitoring reports

On the income statement for the quarter ending 9/30/08, Glenn answered a question about board governance being 45 percent ahead of last year. He said the increase was due largely to membership in the Cooperative Board Leadership Development (CBLD) organization, and noted that the increased expense was budgeted for.

Under E7-#8, Kristin asked if investments with Raymond James Inc. are FDIC insured. Glenn said yes, they are FDIC-insured.

Executive Committee

Ashar opened the floor up to comments about the committee's efforts to streamline the agenda. There was discussion about the format for committee reports, about board members without e-mail, and about the role of the board monitor.

There was a separate discussion about whether to move the MNFC Board of Directors meetings to a larger, better-ventilated, and handicapped-accessible location such as Ilsley Library. The board was split on the question and agreed to conduct its March 2009 meeting at the library, as a trial.

Board homework review

Board members went around the table enumerating their prepared responses to the questions: What do we care about? What are the possibilities presented to the MNFC by our ends? What question is important for the board retreat in January?

After more than an hour's discussion, Ashar summed up the discussion by saying: "The two things we are talking about here are 1) our carbon imperative, and 2) vibrant local food systems."

The Retreat Committee composed of Glenn, Ross, and Ashar will review the notes Glenn took during the discussion and arrive at "the big question" for the board's retreat in January.

New/old business

Ross raised a concern about the use of the term "ends." He pointed out that a recent headline "MNFC Ends" was misconstrued by some readers as meaning the dissolution or termination of the Co-op. To avoid further confusion, Ross suggested allowing the Co-op staff to refer to the Ends Statement as the "mission" instead when using the ends for promotional purposes. The Linkage Committee will discuss this and provide a recommendation to the Board.

Ross also recommended that the board view the film "What a Way to Go."

Kristin said she found the 7 principals of cooperatives to be "a really strong guide" in her thinking, and she wondered aloud what happened to them. Glenn said they still exist as "guiding principals," but the board felt that with a mission, vision, ends, and guiding principals, in addition to executive limitations, by-laws, and policies, there were too many strictures and not enough clarity. Consequently, the Ends Statement became the board's primary tool in setting priorities.

Kristin said she found the 7 principals of cooperatives to be "a really strong guide" in her thinking, and she wondered aloud what happened to them. Glenn said that they were

woven into the board's prior work on mission, vision and ends. He clarified that the MNFC work is still based on the seven cooperative principles and as such links us to other co-operatives.

Susan said that the 7 cooperative principles were included in the new member packet.

Board monitor review

Kristin said the board stayed on task and in compliance with the agenda.

Tasks/set agenda

1. Discussion about what to put on the “board board” about ends, mission, etc.
2. What the board labels as “ends”
3. Debriefing the retreat
4. Linkage Committee report on the March meeting and on buying criteria
5. Board Development Committee recommendation about how to handle election ties.

Adjournment

On a motion by Barry, seconded by Ross, the board voted 11-0 at 8:35 p.m. to adjourn.