

Middlebury Natural Foods Cooperative
Board of Directors Meeting
September 28, 2011
Approved 10/26/11

Board Members Present: Kristin Bolton, Ilaria Brancoli Busdraghi, Joseph Cadoret, Ross Conrad, Francisca Drexel, Mary Gill, Kevin Lehman, Karen Miller-Lane, Tam Stewart.

Board Members Absent: Jay Leshinsky.

Others present: Susan DeWind (staff liaison), Glenn Lower (General Manager), JS Woodward (member-owner)

Board Monitor: Tam

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

Approval of Minutes: The minutes of August 24, 2011 were approved as amended with all in favor on a motion by Tam and seconded by Karen.

Member's Business: Kristin reported a concern brought to her by her husband about MNFC "local" labeling. While packaged locally, Honey Garden honey is not produced locally and is owned by Nutraceutical which is located out west. The question formed was should there be labeling to differentiate products locally processed from those locally grown. The Executive Committee will consider a policy for this.

Election to fill director seat: JS Woodward was introduced as the proposed candidate to fill the empty seat. He is a Middlebury College graduate and employee for fundraising. He has previously run for the MNFC Board and has worked with the Buying Criteria Committee. Kristin made a motion to accept JS Woodward to fill Kate Gridley's seat which was seconded by Tam. All voted in favor.

GM Monitoring Reports – 1,2,5,6,7,8,9,10: Glenn said he worked with Michael Healy and used CDS templates to include global definitions for section headings. The important element is to report there is a policy, not specifically what it is. He reported in compliance in all reports. There was consensus that, with the length of the reports, the Executive Committee should consider spreading this large number of reports over several meetings.

EL's – There was discussion if wording in the EL should be revised to cover Co-op liability if a suit is brought. The Board wants to protect the Co-op while ensuring it is a healthy place to work and insurance coverage is in place. It was agreed to have the Executive Committee consider this.

1.1 – Appendix A provides data for the global report.

1.3 – Kristin asked if there should be a policy about ethical dissent with a statement of belief.

1.4 – For work place safety, Glenn referenced the staff survey (98% agree strongly and agree) as well as the CDS experience rating formula. While in the past MNFC has

been over the recommended formula limit of 1.05, for 2011 MNFC is under. If he were out of compliance Glenn would provide a plan to correct it.

1.8 – Consensus was that all the staff responses on satisfaction gave a full picture.

2.2 – Treatment of Member-Owners - It was suggested that this was redundant with 2.3 though one may be more general and the other more specific. This should go to the Executive Committee for consideration.

2.4 – It was asked if the annual customer survey could be moved ahead so that the results could be included in the EL report. Ross asked if the Board could include questions in this survey for feedback about the Board. This should be considered by the Communications Committee.

5.3 – Safe, useable and secure conditions - this section could refer back to 1.4 data.

5.5 – The Board asked if bidding information on asset purchases could be included.

Glenn said he would on new large investments but on smaller additions to existing assets he is just going to current providers and not searching for new ones. The Board felt this section should go to the Executive Committee.

5.8 – Operating capital - Glenn explained that each account in one institution is covered separately by FDIC insurance so all assets are insured adequately.

5.10 – Public image - Kristin felt next year there should be more discussion on public image and real or perceived conflict of interest.

7 – Communication to Board - The Executive Committee could consider clarifying the global language.

7.2 – Ross felt industry trends and other co-op connections a good addition. Also reporting any change in a large number of staff from one department would be helpful.

7.4 – It was suggested that CBLD information be included as well as audit information.

9 – Buying Criteria – the Board asked about the percentage of sales for organic products. Glenn said tracking this (and local) is challenging and that Scott is working on a system which hopefully won't be burdensome for staff.

Executive Committee: Kristin offered to be the Board Buddy for JS. For newsletter articles, the committee suggests relieving the pressure of finding a topic by making them just a summary of Board meetings. This could be optional and Tam will bring sign up sheet for next meeting. The committee recommended that committee minutes only be provided when there is action needed by the whole Board. There was a question if committees are legally required to write minutes; Glenn will look into this. And the committee did a review of the leadership process and how to move Board work out of the “parking lot” onto a “decision tree” and keep them active through the “wheel”.

Buying Criteria: There was discussion about the process of educating customers about the criteria and who is responsible for it – Board or staff. Tam suggested the criteria can find a product acceptable, unacceptable or the Co-op can educate customers and let them decide. Also discussed without resolution was if the committee should pursue issues on its own or only act in response to Board direction or both. Ross suggested these issues should go to the Executive Committee before approving the new committee charter. The charter was amended to read:

The Buying Criteria Committee (BCC) exists as an advisory committee that considers issues directly affecting products sold by MNFC. The BCC monitors and evaluates the Buying Criteria in order to comply with MNFC Ends. The BCC makes recommendations to the Board when the committee agrees that an issue requires member/owner education or changes to the Buying Criteria Executive Limitation policy.

Kristin moved, with a second by Mary, to adopt the charter as amended. The vote was all in favor with Tam abstaining.

Education Committee: Kristin presented current issues now in the Board work plan “parking lot” and asked for any additional ideas. The discussion created the following list:

- 1 – slow money
- 2 – affordability (the 5th End)
- 3 – growth and expansion (future market study)
- 4 – education
- 5 – co-operatives
- 6 – technology (its influence on the store)
- 7 – other trends (i.e. local food system and MNFC on going role, relates to #3)
- 8 – MNFC 30 years from now
- 9 – alternative economy
- 10 – regional economy

The Board did written ballot voting to prioritize these to create the top four items which Kristin will bring back to the next meeting for calendar planning.

Financing the Working Landscape: Kevin talked about this conference which will be presented by ACORN and the Addison County Economic Development Corp. on November 10. Its purpose is to provide networking for entrepreneurs in food, farm and forest industry with capital resources. He suggested that MNFC could participate by starting a slow money loan fund and encouraged Board and staff members to attend the conference.

Next Meeting: Communications Committee – Newsletter sign up
Vendor relations
Conflict of interest forms
Education Committee
Member-Owner survey
BGM’s and overview

Adjournment: The meeting was adjourned at 8:44 pm on a motion by Karen, seconded by Kevin. All voted in favor.

Respectfully submitted by Susan DeWind