

## **Middlebury Natural Foods Cooperative**

### **Board of Directors Meeting**

**December 14, 2011**

**APPROVED 1/25/12**

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

**Board Members Absent:** JS Woodward

**Others present:** Susan DeWind (staff liaison), Michael Healy (CBLD consultant), Glenn Lower (General Manager).

**Board Monitor:** Tam

**Call to Order:** Jay called the meeting to order at 6:35 pm.

**Member's Business:** There was discussion about Gleason's 3# flour bags being sold at Greg's Market, Healthy Living and other stores which broaden his market beyond MNFC. Greg Dennis (member-owner) has commented on the amount of MNFC donations to the food shelf, asking could it give more.

**Approval of Minutes:** On a motion made by Ross and seconded by Kevin, the minutes of November 16, 2011 were approved as amended with all in favor.

**GM Report:** While it included a draft local vendor policy from the management team, the policy will be discussed at the January meeting. The management team is concerned about creating policy on which it is difficult for the GM to report.

**Quarterly Income Statement and EL 4 Monitoring Report:** Tam asked about the inclusion of the energy audit in governance expense. Glenn replied that since it was a Board requested item he put it there. The cost was \$2,500, Steve has started implementing some components and the full report will be available soon. Jay asked about sales trends. Glenn reported November was up and December is doing well.

Glenn said he used CBLD wording for global reporting in EL4. NCGA benchmarks being included in the report were helpful in assessing MNFC. Ross asked about the big jump in March 2011 for net income. Glenn will look at records and report back on this. The graphs were complete and helpful, the most recent data bar reflecting compliance while the earlier bars were included for reference only.

Jay used the new criteria for accepting the report. All agreed that it was done on time, the interpretation of data was reasonable, sufficient data was provided and showed compliance, and the report was therefore accepted.

**Communication Committee:** Tam presented committee's work on a 2012 work plan keeping in mind the proclamation by the United Nations that 2012 is the year of the co-op. They propose continuing newsletter articles and having direct contact with member-owners at the Annual Meeting. They are considering making the Annual Report longer with in-depth information and

Co-op history. They propose more public meetings at Ilsley Library on affordability after the Board has started its study. They support doing more member-owner surveys that are short and specific in topic. Glenn recommended using a consultant for this. They also propose that directors helping in the store with bagging at the registers would increase Board visibility. Effort will continue to get Base Camp set up for document sharing. Consensus was this was a good work plan.

**Retreat Planning:** The Executive Committee has worked to refine the goal of affordability. Michael Healy's previous work on this will help set the retreat agenda to share information, create questions to study, and plan the year's work.

Michael started the discussion by saying that affordable is different than "cheap" and it is not easy to define as there are several variables and definitions. Some of these are personal and can shift and change. He proposed a formula to use in understanding this:

$$\text{Affordability} = \text{Cost elsewhere vs. Cost at MNFC} \times \text{Time \& Money} \times \text{Value}$$

While costs can be figured concretely, everyone has their own personal situation that will define what time or money they have. It was pointed out that convenience is part of the time factor. Limited income makes the money factor more important. Value is not only defined by the quality of an item itself but also by its value to the purchaser and their own personal values which are influenced culturally. Affordability can also be determined by perception of cost as opposed to actual cost.

With time and money and especially value playing a large part of determining affordability, Michael asked how does one influence these factors. Ideas included education and creating a different culture around healthy food and getting people to think about spending their money differently. Time and money are personal to the purchaser but the store can increase convenience. A market penetration study can assess who has money, where it is being spent and the percentage of the community that is shopping in the store. A study can also focus on Food Stamp and WIC users to find out where they are shopping and, if not, why not at the Co-op.

Glenn said that the Co-op did a 5 day study of MNFC customers noting how much they spent and where they live. Results becoming available in January, the report will look at broader questions. Jeanne Montross of HOPE was noted as a resource. Glenn noted that co-ops with a purer product line have more of a price image problem.

**Self-Evaluation GP 4:** For Board members to be prepared, all information must be in packet so extra steps are not necessary. Even though it has not been a problem, Glenn suggested that attendance could be added to the GP. Generally meetings do end on time.

**Next Meeting:** January 25 – Local vendor policy, Retreat review, Buying Criteria.

**Executive Session:** The Board voted all in favor on a motion by Tam, seconded by Joseph, to go into Executive Session for personnel discussions at 8:15pm. They came out of session at 8:41 with all in favor of a motion by Ross, seconded by Karen.

**Adjournment:** The meeting was adjourned at 8:42 pm on a motion by Ross, seconded by Mary. All voted in favor.

Respectfully submitted by Susan DeWind