

Middlebury Natural Foods Cooperative

Board of Directors Meeting

June 27, 2012

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

Board Members Absent: Kevin Lehman.

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: Because of a suit brought against Log Cabin Syrup for claiming to be all natural when it contains Xanthan Gum, Ross asked if this ingredient meets MNFC buying criteria. Ross also noted the draft Middlebury Town Plan and said that the business community has made unfriendly comments about it. Ross felt these views were shortsighted and the plan's support of environmental recommendations of things like walking paths and energy efficient buildings were good. There was consensus that the Board should submit comments to the Planning Commission and Ross agreed to draft a letter on Write Board.

Ilaria said the Communications Committee discussed how to deal with complaints in a way that would use less meeting time. It was suggested that comments should be written and posted on base camp and that directors could write responses. Glenn could post his actions taken there as well. Kristin expressed concern and suggested that this process be kept informal and not be so strict that people would be discouraged from contacting the Board. She felt these issues should be reflected in the minutes which would happen only if they were discussed at the meeting. The consensus was to try using base camp for 6 months.

Approval of Minutes: On a motion made by Ross, seconded by Tam, the minutes of May 23, 2012 were approved as amended with all in favor, Francisca and Ilaria abstaining.

GM Report: Ilaria commented that Glenn's information sheet on senior discount changes was helpful with good talking points. Management Team feedback on the Annual Meeting was helpful. Glenn asked to add the topic of expansion feasibility to his report. He wants to devote 25% of his time to this and feels he should be moving faster on it. In the past expansion he had the support of a team of some Board members with regular reports through a two year dialogue with member-owners. He would like to create a team for this next expansion feasibility, perhaps not just Board members. Ideas for this process will be discussed at the July meeting.

Glenn and Jay had a conversation about the senior discount changes with Ralph Esposito who has raised good questions. He is concerned about alienating seniors. He has asked if this is a move that is good for the Co-op and does it understand and respond to

the senior market given the growth in senior population in this area. He suggests that cutting back is not always the best response to financial challenges. Instead the Co-op should stay ahead of trends.

EL 4 – Financial Condition: It was noted that loans are being paid off at an accelerated rate. The Board accepted the report as on time, includes reasonable interpretation of intent, has sufficient data included and is compliant.

Glenn mentioned he has had phone calls with the Poultney Co-op and is waiting for written financials so he can give them further support.

Communications: Tam said the Board page on the website has been updated but the Board's board in the store needs it. Given use rules on Facebook and the limited number of "friends" for the Board page, they decided to close the Facebook page and just use email contact through the MNFC website.

Francisca reported the Committee's discussion about an expansion survey. They feel it important to know the goal of the survey and have a clear, leading question so smaller questions will fall into place. The Board did not decide when to do the survey but they will want results for the 2013 Annual Meeting. It was agreed to discuss Ends and expansion and other goals at the July meeting. Michael Healy and CDS resources will be helpful. Glenn said he will contact other similar co-ops going through various expansion scenarios.

Annual Meeting: The Board discussed the Management Team's suggestion that the next Annual Meeting include a speaker to add entertainment value. Kristin felt it would be helpful to do education about cooperatives, expansion, patronage dividends, etc. Mary suggested exhibits on the educational issues that the Co-op has worked on. Glenn will work with the Communications Committee on speakers.

Executive Committee Slate: The slate of Jay – president, Ross – vice-president, Karen – treasurer and Tam – secretary was moved by Ilaria and seconded by Kristin. All voted in favor. Kristin was thanked for her time as treasurer.

Board Vacancies: The Board discussed the number of seats on the Board. Most Boards are nine but that makes turnover harder; eleven makes for more continuity. It was agreed that orientation needs to happen quickly. Ross pointed out that eleven allows for more options for the Executive Committee if two seats can be filled by staff. Ilaria felt eleven would also be better while working on expansion. The consensus was to stay with eleven seats. Skill sets are not essential as outside consultants can always be used. Kristin agreed to coordinate finding candidates for appointment to a two year and a three year seat.

Work Plan: This will be an ongoing oversight of the interaction between Ends and growth and expansion. It is an operational effort in line with Ends and policy. Consensus was that they need to consider what they will need to know and how to use and/or change policies as the best way to support a growth study and operational planning.

The August meeting date was changed from the 22nd to the 29th.

Self-Evaluation GP 7 – Relationship to Member-Owners: The discussion included the annual meeting, newsletter reports, website, Annual Report as required in #3. The legal responsibility of the relationship needs to be made clear to new Board members in the Board notebook. #1 is met through conflict of interest, Ends work and adhering to policy governance. In #2, the word “link” was changed to “links” by consensus. The Executive Committee will create a monitoring grid for policies.

GP 8 – Staff Participation on the Board: While now a moot point, keeping eleven seats allows more room for staff to serve. Having Joseph serve helped clarify how staff fits in with the Board.

Food Hub: Discussions about a Food Hub for Addison County continue with consideration of whether there is enough support in the county, land available, support by growers and entrepreneurs, a best model to follow and the need for a survey

Next Meeting – July 25: It was agreed that issues were not developed enough to warrant a summer retreat. February retreat date needs to be confirmed. Work plan, GP Overview and GP 1, Expansion Committee, survey questions, Board appointees, Food Hub, Annual Meeting speaker.

Adjournment: The meeting was adjourned at 8:47 pm on a motion by Kristin, seconded by Karen. All voted in favor.

Respectfully submitted by Victoria DeWind