

Middlebury Natural Foods Cooperative

Board of Directors Meeting

February 23, 2013

Approved 3/27/13

Board Members Present: Daryl Benoit, Kristin Bolton, Ross Conrad, Francisca Drexel, Mary Gill, Kevin Lehman, Jay Leshinsky, Karen Miller-Lane, Tam Stewart.

Board Members Absent: Ilaria Brancoli Busdraghi, Louise Vojtisek.

Others present: Victoria DeWind (staff liaison), Glenn Lower (General Manager). Also: Steve Getz and Sheila McGrory-Klyza (prospective board candidates)

Board Monitor: Tam

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

Member's Business: Member-owner Alice Eckles came to the meeting with her concern about the importance of meeting Ends by offering and promoting products from local businesses regardless of how well they sell. She felt that "selling well" could be measured in quality, not just quantity.

Approval of Minutes: On a motion made by Karen, seconded by Ross, the minutes of December 19 were approved as amended with all in favor and Francisca abstaining.

MNFC Newsletter: There was discussion about the e-newsletter and concern that it is not successful as it should be as a tool for Board/member-owner communications. Tam explained that the HTML format, while preferable for the e-newsletter, is not compatible with the pdf format for the paper version so it would require two separate processes to write them each month. Kristin would like to keep this issue in front of the Board at the next meeting and include questions about readership in a survey.

GM Report: Glenn said his consultation with Franklin Community Coop (formerly Greenfields) about the Food for All program was brief and had no real cost. Kristin thanked Glenn for facilitating the GMO program and suggested contacting Rachel Nevitt about it. Ross spoke about crowd funding, pointing out that it is different from member-owner dues as there is no money returned to the lender.

Retreat Follow-up: The Executive Committee presented a draft of an Education End as well as possible revisions to the existing four Ends. There was lengthy discussion that included consideration of whether Education should be a separate bullet point for a fifth End and whether it should refer back to existing Ends. Alternatively, it could be incorporated into the lead sentence (inserting "educate about" the Ends). If it has its own bullet point, several changes were discussed: if "local economy" should be added, whether healthy should be changed to "healthy food", if "environmental" should be taken out so more types of sustainability are included and if "nutrition" should be added. It was pointed out that education may be more a means to an end than an end itself. At the retreat when Ends were chosen, education was considered less important than those chosen as well as the topic of affordability. How Ends are written for

Board/Manager use and how they are worded for the member-owners may not be the same. It was decided that further draft work to incorporate education into Ends would be done on Basecamp and discussed at the next meeting.

For the work plan for the coming year, it was agreed that patronage dividends should be pursued and, if adopted, the Board will prepare a by-law change. Glenn will work on a long term vision for environmental sustainability. The Executive Committee will draft a plan for the year which will include enough open time on agendas for discussion of unforeseen issues.

Director's Compensation: The Executive Committee has done research into director compensation at co-ops and is recommending that the MNFC director compensation should be adjusted. Compared nationally, it is behind current trends. There is less data from Vermont but what there is shows that, while MNFC was ahead of trends back in the 1990s, it is now behind what some other co-ops offer. Learning Policy Governance and using Basecamp along with committee work on many issues means the directors have bigger responsibilities and deserve better compensation. Increased compensation is also seen as a way to attract more candidates for elections. Glenn said it would be better to increase stipends instead of higher discounts to avoid inequity with working members. Higher stipends for executive officers were discussed. Kristin pointed out that the requirement to file 1099s would impact directors if the stipend is over \$600. Glenn suggested any change should come in April in the next business plan or in June with new directors and officers.

NCGA Survey: In preparation for NCGA Leadership Conference for GMs and Board Presidents, Glenn filled out their survey on growth issues for co-ops. Glenn said he felt most of it was operational but did want Board input. For Section B it was suggested that increased local sales might be better than building local economy. A discrepancy between Section A and # 5 about being under or over 10% sales growth was pointed out. For Section C4 Glenn pointed out the by-laws should be done all at once, not piecemeal. MNFC is fortunate that there is little marketplace competition now as asked in Section D. Section E answers were based on past expansions. The Board did not make any changes to Glenn's survey responses.

Elections: The member-owner mailing was praised. Glenn estimated it cost \$1000-1500. It was agreed that election posters should go to Co-op Connection businesses if they are willing to have them. An ad will go in the February 28 Addison Independent. The number of people showing interest will be tracked.

Karen announced she will not run for re-election, Kevin will and Kristin is considering it.

Monitoring: GP5 – Policy Creation and Revision: The Board reviewed each section. Sections 1-4 are being followed. Section 5 is not and Jay and Tam will work on policy update and posting procedures for future approval by the Board.

Monitoring: GP5 – Code of Conduct: The Board found all sections are being met. Conflict of interest forms will stay at the Co-op until they are consolidated into one page so they can be posted on Basecamp. Mary offered to do this. It was agreed to monitor this GP in July. Jay mentioned that the seed company he works for will be having a sales rep come to MNFC.

April Newsletter article: Kristin will write an article about the retreat.

Next Meeting – March 27:

EL 4 and 9.1 monitoring

Director Compensation

Elections

Education End

GP 5 procedure revision

Annual Meeting

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

Respectfully submitted by Victoria DeWind