

**Middlebury Natural Foods Cooperative
Board of Directors Meeting
October 25, 2017**

Board Members Present: R.J. Adler, Molly Anderson, Ilaria Brancoli Busdraghi, Lynn Dunton, Kate Gridley, Ann LaFiandra, Jay Leshinsky, Tam Stewart, Louise Vojtisek, Amanda Warren.

Board Members Absent: Nadine Barnicle.

Others present: Victoria DeWind (staff liaison), Glenn Lower (GM).

Board Monitor: Louise.

Call to Order: The meeting was called to order at 6:31 pm.

Member-owner Business: Several directors reported hearing negative comments from member-owners and others about the deli no longer offering made-to-order sandwiches. Glenn acknowledged this issue. He mentioned there are suggestion boxes near the entry and registers.

Approval of Minutes: On a motion by R.J., seconded by Ann, the minutes of September 27, 2017 were approved as amended with all in favor and Kate and Ann abstaining.

GP 4 – Board Meeting and Attendance: Ilaria was thanked for her excellent edits and formatting. On a motion by R.J., seconded by Molly, all voted in favor to ratify GP 4 as amended.

BGM Monitoring – Overview, 1, 2, 3:

Overview - It was agreed that it sets a good tone and is sound and readable. Ilaria suggested that it did not give enough sense of collaboration between the GM and Board. Kate noted the term complementary is in it. R.J. felt all the BGM's are how they collaborate. Tam noted the principle that they cannot function without each other.

BGM 3 – GM evaluation - There was discussion of using external reports in the evaluation process. They have never been needed but could be some day. Kate said she tried to view this GBM for a new GM with no Board history. She asked if it is the best way to set goals in orienting a new GM and if compliance is the only way to evaluate them. Molly noted that consistent out-of-compliances show the need for following up. There was discussion of written feedback including remedial steps and increasing monitoring frequency. Policy governance is spelled out but how it is implemented can be flexible. Glenn noted that any reported out-of-compliance has to include a plan for getting back in compliance and evaluating goes on throughout the year. He said that the GM and President currently meet monthly. If the Board wanted they could also restart the quarterly officer/GM meetings as a support system. Glenn asked if other opportunities to share issues could be created in addition to EL monitoring. Could there be new protocols in Board officer job descriptions. Tam said evaluations have to be two way conversations.

The Board agreed that they were compliant with all the BGM's.

GM Report: Glenn noted the long hours, often at night, put in by staff as well as the construction crew. The last two weeks have been more challenging and requiring more customer service as the expansion work moved into the center of the store rather than pushing out walls.

The wellness reset will start soon. The grocery reset included moving existing shelves and adding new ones all with fewer staff to do it. Glenn reviewed various mistakes that had to have action taken. The demands in the store meant Glenn was not able to attend the NCG conference. Naylor and Breen plans to be done by November 8th.

During November work will include exterior electrical work, solar parking lot lights, landscaping, repair to building damage by a delivery truck and old floor refinishing which will require store closure on the Friday after Thanksgiving. Kate asked if the store could stay closed through that weekend as a break for staff. Glenn pointed out customer service impact, loss of perishables and lost revenue during the holiday season. He is trying instead to honor PTO requests as much as possible.

Glenn informed the Board of his plans for the all-staff meeting Oct. 28th. It will focus on staff appreciation and he will let them know they will receive a bonus as there will be no profit sharing due to depreciation and other budgeting. New Co-op apparel and a bowling/pizza night are also planned.

Health care costs will increase 7-10% next year but the Co-op will absorb some of that by increasing its share from \$390/month to \$420/month.

Glenn is working on a new staff parking plan as there will not be enough spaces on site. He is negotiating with the Addison County Regional Planning and the Methodist Church to continue to use their lots.

Overall Glenn reported positive and appreciative feedback about the expansion from customers. He asked if the Board would consider doing one more staff appreciation event to which they agreed with soups and desserts including chocolate.

Ilaria asked about the truck load sale. Glenn noted sales growth would have been impacted negatively if it had not been held.

Victoria noted the NCG move to compostable containers and said that earlier studies have found they do not decompose in home composting or landfills, only in industrial facilities, so recyclables may be better.

EL 4 – Financial Condition: Glenn noted he is out-of-compliance on personnel expenses at more than -5%. Hiring was slower than expected which he said has also been a trend in the industry as it has been hard to find the right people with the current low unemployment rate. Glenn was asked if Board directors could help in the store but he said they were not allowed due to liability. The \$50,000 staff bonus will bring personnel costs back into compliance.

Glenn was reminded to report back on the \$10,000 Brattleboro loan as requested before.

The Board agreed that the report was on time with reasonable interpretation of sufficient data and in compliance except for personnel which is not severe and they accept the plan to getting back to compliance

CDS Contract Renewal: This contract has a \$200 fee increase but it was agreed has many benefits including flexibility in using consulting hours and the CBL101 in January. It is included in the Board budget. On a motion by R.J., seconded by Louise, all voted in favor to renew the CDS contract.

Future Policy Revisions: Tam and Kate will meet November 9th to review updates and invited others to attend. Jay will participate. Considerations will include review of Board recruitment and orientation material and the issue of term limits. Molly noted her orientation was thorough

but did include a lot of information and it takes a while to get up to speed. It was suggested that exploring Basecamp, reading the bylaws, reviewing BGMs and GPs, asking questions and understanding policy governance can take time but is helpful. It was agreed that term limits should not be seen as a solution to solving any issues with individual Board directors.

Incremental policy revision can be challenging and this group will also consider adopting the CDS policy templates. Glenn noted this would help in sharing monitoring and data with other co-ops. This could mean less revision work for the Board and he will consult his peers on this issue. Tam suggested this go on the November or December agenda and possibly asking Michael to attend. How this might conflict with bylaws should be part of the discussion.

Next Meeting: November 29th, 2017

Store Tour

Ends report

Term limits

Policy training materials

Ilaria noted she will not be able to come to the December meeting.

Adjournment: At 8:20 the meeting was adjourned with all voting in favor of a motion by Ann, seconded by R.J.

Respectfully submitted by Victoria DeWind