

**Middlebury Natural Foods Cooperative
Board of Directors Meeting
February 28, 2018**

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

Board Members Absent: Molly Anderson.

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

Board Monitor: Louise.

Call to Order: The meeting was called to order at 6:32 pm.

Member-owner Business: Ilaria reported comments from former students she has been in contact with on how much they love the Co-op and that it is amazing. Tam has also heard compliments from others who had had fears of it becoming too big and impersonal. It is still possible to visit with friends while shopping.

Approval of Minutes: On a motion by Ilaria, seconded by Nadine, the minutes of January 24, 2018 were approved with all in favor.

GM Report: Glenn has received a notice of the Neighboring Food Co-op Association's annual meeting in March and invited directors to join him.

Glenn has been giving assistance to the Rutland Co-op's new GM with their plans to renovate and expand in their downtown location. Limited parking could make this a challenging location. Glenn has suggested that the process will be good practice should they choose to move to a new space sometime. NCG has turned down their application to join due to insufficient cash and is not taking on new co-ops currently as well.

Glenn shared his patronage dividend update that is being given to member-owners as they have started asking about this year's distribution. With expansion soft cost depreciations there will not be one; the pro forma budget anticipates one for the second year which starts April 1.

Efficiency Vermont has sent a \$22,531 incentive check to MNFC for energy efficiency improvements, twice the expected amount. Louise suggested publicizing this in the newsletter.

R.J. encouraged Glenn to continue to find a way for those using EBT cards to receive a discount when they are not in the Food For All program.

EL 12 – Informational Technology and Digital Communications: Glenn reported he is in compliance with many goals having been met. It was noted that the security concern has been addressed and impressive that no data has been lost. The server is now in the upstairs closet.

Jay asked about electronic voting. Glenn acknowledged this is a big project to take on. R.J. suggested starting now for 2019 voting so there is plenty of time. Glenn said Hunger Mt. Co-op had seen a drop in voter participation when they converted but it has come back up. Having both electronic and paper balloting is challenging. Glenn will research this project and how other co-ops have done it and report back to the Board.

The Board agreed that the report was on time with reasonable interpretation of sufficient data and in compliance including an electronic voting plan due in September.

Tam suggested that some policies have been created to get a project started and completed. When it is progressing well or is done, is it necessary to keep the policy? Or should it be

monitored only annually. The Board agreed on once a year for EL 12 and the policy revision committee will give this issue consideration.

GP 9 – Staff Participation on the Board: Tam reported on Michael Healy’s opinion that, unless there is an extraordinary circumstance, staff should not serve on a board. He feels with policy governance it is not needed as a way to keep track of board work and can be risky. MNFC by-laws do not prohibit it so there would have to be a revision with a member-owner vote. Glenn felt it is important not to go too fast with this change and he would need time to engage with the managers and staff so they do not feel unrepresented. Currently staff board directors cannot participate in Executive Sessions or GM reviews and it is awkward to have them leave meetings. Glenn said this has not been a problem in the past but it could potentially be now. It was agreed the revision committee will consider executive session and conflict of interest policies with this in mind.

The Board agreed that they are following the policy.

Board Retreat: Tam reviewed the proposed agenda including four topics of discussion.

- Branding, identity and public perception: Is our branding working for us? Ann and R.J. will lead. Karin will attend and present her MEM 101 work summary and what is next.
- Diversity and inclusion: Lynn and Molly will lead with small group discussions.
- Term limits: Kate will lead.
- Staff Appreciation: Louise will lead. If there is insufficient time this will be added to a regular agenda.

Selected readings for the retreat will be posted on Basecamp.

If the discussions result in Board support for further actions, they will be added to the Board work plan.

Board Elections: Kate reported the deadline for applications is March 16th and she has received two from new people. Four seats will be open. Jay announced he will be stepping down from his seat. Glenn said the May packet including the ballot, report and voting coupon will be mailed. Kate will post a run for the Board notice on Front Porch Forum.

Board Budget: The Board discussed director compensation as defined in GP 5. Currently annual increases are up to 4% or matched to sales growth, whichever is less. Glenn suggested changing the basis to net profit.

R.J. felt that it is wrong for leadership to get a raise when there is no patronage dividend distribution. Nadine said many boards don’t compensate directors; she felt the pay is generous and suggested keeping a flat rate with only occasional review. Glenn said yearly incremental raises are more fair and standardized. Lynn suggested raises should follow the staff pay structure annually as the budget can bear. Tam said the stipends develop a more effective board and should be comparable to other co-ops. Ann felt raises should be predictable and part of the budget. It was agreed that Tam, Lynn and Glenn will work on a board budget proposal for the March 21st meeting with the base used to determine raises to be determined.

Adjournment: At 8:29 the meeting was adjourned with all voting in favor of a motion by R.J., seconded by Ann.

Respectfully submitted by Victoria DeWind