

**Middlebury Natural Foods Cooperative  
Board of Directors Meeting  
October 24, 2018**

**Board Members Present:** Ilaria Brancoli Busdraghi, Lynn Dunton, Sophie Esser Calvi, Kate Gridley, Ann LaFiandra, Tam Stewart, Louise Vojtisek, Amanda Warren.

**Board Members Absent:** R.J. Adler, Molly Anderson, Nadine Barnicle.

**Others present:** Victoria DeWind (staff liaison), Jay Leshinsky (7:13-member-owner), Glenn Lower (GM), Francis McGill (staff), Greg Prescott (Operations Manager).

**Board Monitor:** Louise.

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

**Member-owner Business:** Francis present a staff petition for a minimum wage of \$15/hr. He asked the board to consider the staff contribution to meeting the 7<sup>th</sup> Co-operative Principle of concern for the community as well as the MNFC End of supporting a vibrant local economy. The Board thanked Francis for bringing this issue to them and informed him that as a governance board they do not play a role in setting compensation; it is instead a management decision. Glenn said he would include the petition in his agenda for the all-staff meeting. The Board asked Glenn to keep them informed on this is issue. (Francis left the meeting at 6:40)

**Approval of Minutes:** On a motion by Ilaria seconded by Amanda, the minutes of September 26, 2018 were approved as amended with all in favor.

**GM Report:** Glenn informed the Board that he gotten legal advice on whether the current by-laws allow for electronic voting. The opinion was that the language is not sufficiently clear and amending the by-laws was recommended. Michael Healy agreed.

Glenn informed the Board that he had been elected to the NCG Eastern Corridor Steering Committee. At their first meeting there was discussion about the availability of funds in the National NCG budget for loaning money in three year cost-sharing grants for accessing Cooperative Board Leadership Development resources. CBLD, considered vital to the health of co-ops, offers other resources beyond Board support.

Glenn recognized Greg saying that, as part of emergency succession planning, Greg would be attending more Board meetings and hopefully the retreat so he is more familiar with the Board's work and its relationship with management. Greg then shared his experience attending the Rising Star 2 Management Training. The focus of this training is for managers to create more consistency in staff accountability while following policies and have more transparency, integrity and accessibility. This training has been valuable in the work that he and Laura K. have been doing with assistant managers to strengthen department teams and support managers.

**EL 6 – Staff Treatment and Compensation:** Glen reported he is in compliance with this policy. Much of the data he used came from the preliminary results of the Staff Survey done by Carolee Colter of CDS. He will provide the Board with their final report at the next meeting. The same survey was done in 2016 before the expansion and the new results are compared to the previous ones. The benchmark for staff being satisfied is 3.5 and above in a 1- 5 rating. All questions had higher ratings than before with the exception of compensation though it was still above the 3.5 benchmark. Lynn asked how staff would know to answer question 24 “I am fairly paid for the

work I do relative to similar opportunities in the area” - were answers based on information or by perception? Glenn thought likely perception. Ann noted the co-op comparison chart with a large variety in the different categories but it seems MNFC compares very well with other co-ops. Glenn noted that that MNFC will increase its contribution for health insurance premiums to \$490/month.

The Board agreed that the report was on time with reasonable interpretation of sufficient data and in compliance.

**BMR 0 – Global Board-Management Relationship:** Lynn noted that Board should be singular, not plural, in the last sentence. All agree that the Board operated within the policy.

**Board Development Committee update:** Kate said that she, Sophie and R.J. had met to consider suggestions from the peer to peer workshop and Onion River’s procedures for Board elections. The committee recommends that the list of steps for candidates to run for the Board be expanded to better inform them of what the work of the Board is as well as help them see if it is a good fit for them. They are considering including an orientation/information meeting, reading a Board meeting packet and attending at least one meeting. They do not recommend asking for a resume as Onion River does as they do not want to discourage people from running. Michael Healy does such orientations both before and after elections for new directors. Kate said they will write up a final proposal for the Board to consider and use the January newsletter to inform people of any changes.

**By-Law revision update:** The committee has met twice, is using the CDS template and made preliminary revisions to Article 1 & 2. Glenn passed out his proposed goals for revision and schedule for engagement and adoption. The possible benefits from this effort would be to increase clarity, provide flexibility and present a consistent message to member-owners. It is important for the Board to be aligned on goals. Jay said that by-laws define what the Co-op is and the relationship between the Board and the member-owners. The wording translates into permission to do what the Board does. Tam said the said that framing it with what is not allowed frees up and gives flexibility to what can be done.

The draft includes adding the value statement in the current by-laws to the new article 1.2. There was discussion of the meaning of “legal entity” in Article 2. State statutes define is as non-profit and not a private group. Currently shares can only be owned by individuals, not businesses. Wording should give the Board the option to create policy which defines membership. It was agreed more discussion is needed for this.

Section 2.4 Rights - is subject to state law.

Section 2.5 Responsibilities – “shall” patronize the co-op. Co-op relies on member-owners using it. It is felt there needs to be a way for co-ops to say when people aren’t member-owners anymore when they abandon shares. The statute assumes the Co-op is a buying group and it needs people to shop. It is possible that State can take unclaimed shares. It is recommended that 2.6 include a time limit for abandoned shares.

Section 2.9 Non-Transferability – It was suggested to change this to Transferability and add “except as authorized by the Board”.

The current by-laws allow for working members. It is recommended to takeout this provision so it remains optional and there is no directive to keep or end the program.

The goal will be to finish drafting changes by the November meeting.

**Executive Session:** The Board voted all in favor to go into Executive Session for a personnel discussion on a motion by Kate, seconded by Ann at 8:15. Glenn and Greg were invited to stay; Jay and Victoria left the meeting. The Board came out of Executive Session at 8:36 with all in favor of a motion by Kate, seconded by Amanda.

**Next Meeting** – November 28, 2018

**Adjournment:** At 8:38 the meeting was adjourned with all voting in favor of a motion by Ilaria, seconded by Lynn.

Respectfully submitted by Victoria DeWind