

**Middlebury Natural Foods Cooperative  
Board of Directors Meeting  
March 27, 2019**

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

**Board Members Absent:** Molly Anderson

**Others present:** Glenn Lower (GM).

**Board Monitor:**

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

**Member-owner Business:** Lynn said she had received another comment about the Co-op not having made to order sandwiches. She also reported hearing of the Co-op being named as a destination by young children singing a “Where are you going?” song.

**Approval of Minutes:** On a motion by RJ, seconded by Kate, the minutes of Feb 27, 2019, with some edits, were approved with all in favor, and Nadine and Amanda abstaining.

**GM Report:**

Worker’s Comp Insurance: Glenn indicated that we generally save money by excluding the officers from Worker’s Comp. The officers have to approve this exclusion, and a form was provided to all officers for this purpose. Officers are asked to sign the form, get it notarized, and return it to Glenn soon. Thumbs up vote by all officers indicated approval of this action.

Abandoned Equity: This is an issue that pertains to unclaimed equity from members who have left the co-op but have not requested a return of their equity investments. This will be a big project not only for us, but for all Vermont co-ops. Glenn plans to work with other co-ops with the goal of presenting a unified message to the state and to negotiate solutions as a group. Co-ops had not paid attention to this in the past, and it has become a significant issue this year. Our new bylaws will be helpful in the future as they will require an action after three years of co-op inactivity, to either donate or keep the shares. Glenn will keep us posted on this project, which will likely take around six months to complete. Whatever information is learned regarding what co-ops should state in their bylaws to prevent any problems will be shared among coops.

Glenn believes there could be around \$100,000 in unclaimed or abandoned equity, which we would likely be required to turn over to the State of Vermont. To comply, these funds would have to come out of our cash reserves and would lower our total member equity.

Bylaws: Our new bylaws will address the abandoned equity issue in future, in that we will be reaching out to any member who has been inactive for 2.5 years to ask if they would like continued membership, want to terminate their membership and receive their investment back, or if they would like to terminate membership and donate their investment. It is important to note that we will not be covered by these bylaw changes until the revised bylaws are approved by the membership.

2020 Budget: Glenn reports good progress on budget development and believes he is on track for reporting to the Board at the April meeting.

**EL 4 – Membership Rights and Responsibilities**: There were some questions from Board members about the awkward, negative language of this EL, which is designed to inform member-owners of their rights and responsibilities. All were reminded that the EL is worded this way because it lists what the GM may not do. After some discussion of reporting, the Board agreed the report was submitted on time, was compliant, and contained appropriate data.

**BP 8 – Governance Investment**: The Board changed this monitoring to March because it includes completing the Board budget and we want it to be in sync with the Co-op annual budget which will be presented to the Board at the April meeting.

Tam and Lynn worked on the Board budget, and obtained some of their numbers from Steve. Lynn's preference was to look at actual numbers for a year rather than reviewing the prior year's budget to see if our budget is even in line. She will meet with Glenn and Steve tomorrow morning and will update the numbers that are currently in the report. We will look at the updated numbers at the April meeting, but an updated proposed 2019-20 Board Budget is attached, with a total amount of \$50,884. The Board agreed unanimously that they are following this Governance Investment policy.

**Attendance**: Including the retreat, annual meeting, and regular monthly meeting, the Board has a total of 14 meetings. If a Board member misses 4 or more meetings, their Board stipend will be prorated.

**Election Update**: Kate indicated that we currently have five people running for the Board, three incumbents and two new candidates. Information about candidates and the voting process will be available in the store and on the website, and the traditional ballot and coupon will be mailed out to all member owners soon. The last day for voting is May 31, 2019.

Peggy Rush emailed Kate recently and wants to help out with counting ballots even though she indicated last year that she was no longer interested in doing this. Lynn suggested honoring Peggy for her years of service at the annual meeting, which is the first Wednesday in June.

**Communications**: For the next Board newsletter submission, Nadine suggested an article about the election and voting and discussion about some of the activities initiated this year. She will also send some of the information that Karin has on "themes" to Tam.

**By-Laws**: After generating several revisions and gaining specific input from members, the bylaws have been reviewed by the attorneys and the final copy is part of this meeting packet.

*A motion was made to present this final version of our draft bylaw revision to member-owners for a vote on the ballot, in conjunction with the Board election this spring, along with a Board recommendation that member-owners approve the new bylaws.*

A motion was made by Ann and seconded by Ilaria. All voted in favor, for unanimous approval of the three part motion.

**Retreat Follow Up:** Positive reviews from participants, citing such aspects as the depth of conversation and discussion and the opportunity to learn more about each other as we work to sustain and advance our co-op.

**Tasks, Assignments:** The need to discuss the name change for MNFC was raised, along with a process that supports collaboration among the Board, Marketing, and Operations. It will be important to identify who makes the final decision within this process.

**Adjournment:** Ann moved, and Nadine seconded a motion to adjourn. All voted in favor and the meeting was adjourned at 8:26.

Respectfully submitted,

Louise Vojtisek  
Board Secretary

<b>MNFC Board Budget:</b>			
	<b>2018-19 Budget</b>	<b>2018-19 Actual as 12/31/19</b>	<b>Budget vs Actual as of 12-31-19</b>
<b>Professional &amp; Administrative:</b>			
Compensation	\$ 11,248	\$ 11,356	\$ (108)
D&O Insurance	\$ 3,500	\$ 2,593	\$ 907
Admin. Support-Minute Taker	\$ 650	\$ 620	\$ 30
Basecamp	\$ 588	\$ 392	\$ 196
Board Discount	\$ 9,776	\$ 8,885	\$ 891
<b>Board Development:</b>			
Annual Retreat (Incl. Abundant Sun in 18-19)	\$ 5,400	\$ 416	\$ 4,984
Prof. Assoc. Fee (CBLD contract)	\$ 6,890	\$ 5,243	\$ 1,647
Misc.	\$ 500	\$ -	\$ 500
<b>Board to Member-Owner Communication:</b>			
Annual meeting	\$ 4,800	\$ 5,789	\$ (989)
Ballot Coupon (Incl. Annual Rpt.)	\$ 3,753	\$ 6,427	\$ (2,674)
Misc. (Bylaw update/webpage update)	\$ 350	\$ 2,410	\$ (2,060)
<b>Board Meeting Expenses:</b>			
Board Meeting Expenses	\$ 860	\$ 347	\$ 513
Misc.	\$ 1,000	\$ 319	\$ 681
<b>Total:</b>	<b>\$ 49,315</b>	<b>\$ 44,797</b>	<b>\$ 4,518</b>

