

**Middlebury Natural Foods Cooperative
Board of Directors Meeting
April 24, 2019**

Board Members Present: R.J. Adler, Molly Anderson, Nadine Barnicle, Ilaria Brancoli Busdraghi, Sophie Esser Calvi, Kate Gridley, Ann LaFiandra, Tam Stewart, Louise Vojtisek.

Board Members Absent: Lynn Dunton, Amanda Warren.

Others present: Victoria DeWind (staff liaison), Glenn Lower (GM), Karin Mott (MEM manager – 7:00), Greg Prescott (Store Manager – 7:10)

Board Monitor: Louise.

Call to Order: The meeting was called to order at 6:33 pm.

Member-owner Business: Ilaria expressed thanks and excitement for the refrigerated bulk bins. Nadine mentioned her missing poster from the display case. Louise reported enthusiastic comments on the new store from a returning customer. She also commented on the great customer service she received for a bad bag of apples. Kate reported a question she received, “is the expansion a success”, to which she had answered yes. She was also asked why there was so much empty space in the new section. Glenn said that rather than add another isle, it was felt it would be more welcoming and gives the option for special displays and uses.

Ann reported on the NCG video she watched about their consumer research. Five markets were studied and findings confirmed what is sometimes heard at MNFC - not all feel welcomed. Being asked if one is a member is off-putting. Co-ops being hippy, white, elitist and gentrified were common themes. As well, the value of membership is not clear to everyone and work is needed to show its benefits and create connection with the community by being more inclusive. It emphasized the value of helpful, friendly staff. It was suggested the Board watch the video together at a meeting if the agenda allows enough time. Kate suggested waiting until after elections should there be new Board directors.

Approval of Minutes: On a motion by R.J., seconded by Ilaria, the minutes of March 27, 2019 were approved as amended with all in favor and Molly abstaining.

GM Report: Glenn reported that the Co-op gave out 534 reusable co-op bags on Earth Day. He mentioned the book *The Story of Stuff*. Jonah Sachs’ study will be used by NCG to update the common messaging for NCG’s consumer brand for co-ops.

Glenn is finalizing his business plan. As it is information only for the Board, he uses it mostly as a “to-do” list for the coming year. The March sales growth was lower as Easter came late in April while last year shopping for it was in March. Glenn said capital improvements were both a wish list and definite plans. Paving the rear parking area and renovating offices are first priority. As MNFC does not own the whole building, how much risk to take in investing in the building has to be considered.

Tam suggested rather than have the NCG Board Bulletin sent to each director he would post it on Basecamp instead.
(Karin arrived.)

EL 1 – Financial Condition and Activities: Glenn said that Lynn read the report before she left and was fine with it. R.J. asked why sales growth came in higher than budget. Glenn said it was a

conservative budget supported by the market study for expansion. Next year's 5% is the desired goal. Kate asked about 10% sales growth in spite of increased expenses. Glenn said expenses (discounts, supplies and labor) are all tied to increased sales. Ann asked about the 3.9% EBITDAP being less than the NCG recommended goal. Glenn said it had been more previously but new initiatives such as the higher pay scale and loan repayments have reduced it this year. He feels \$153,000 is comfortable even if it is below the goal.

The Board agreed that the EL 1 report was on time with reasonable interpretation of sufficient data and in compliance.

(Greg arrived.)

EL 5 – Treatment of Customers: Kate asked about the suggestion boxes in the store. Glenn said he checks them every day and pass any on to the appropriate department. There is generally one each day. Cashiers encourage customers to use them.

The Board agreed that the EL 5 report was on time with reasonable interpretation of sufficient data and in compliance.

MNFC Identity: One of the strategies included in the next business plan is “DEI: explore ways to make our Co-op even more welcoming by looking at our Co-op through the lens of Diversity, Equity & Inclusion” (DEI). The Board started a conversation on this at their retreat and Brandthopolgy had made suggestions as part of their website redesign. To further this discussion, R.J. suggested using Simon Sinek's “Golden Circle” as a way to start – Why, What, How. He felt the Board should start with answering the “Why”. The goal would be to broaden the public image to be more inclusive and better represent what the Co-op is today. Kate suggested the emphasis on local is also a value to consider. The meaning of “co-op” could also be better promoted in this age of big chain businesses and on-line retailers.

The Board agreed that a working group should be formed to create a work plan and engagement process.

(Karin and Greg left the meeting – 8:00)

BP 3 – Agenda Planning: This was the first time this BP was monitored. Tam said that Michael defined the term “upward and outward” in #1 as keeping boards focused on policy and out of operations. Other than a multi-year work plan, the Board agreed they follow #2. Even without a written plan, the Board has set and is meeting goals for policy updates, by-law revisions, electronic voting, DEI work, trainings, annual retreat and member engagement. If the Board takes on creating a written narrative of a multi-year plan, it was agreed it needs to be flexible. A short statement on the agenda would be helpful. The Board agreed to consider changing the BP in the summer review to allow for better for compliance And Tam will draft three year goals and objectives.

May Elections: Kate informed the Board that Peggy Rush will be help with the vote counting. The last count will be the evening of May 31.

Basecamp: Tam asked if everyone was comfortable posting and replying on the site. The frequency of notifications can be adjusted.

Communications: The newsletter article schedule was reviewed. Nadine requested that articles not be posted to Basecamp for review by all directors. She asked that articles be sent to her for editing after which she will send them to Tam and Glenn for approval for publication.

Board Officer Elections: Officer elections will start in June with nominations. Kate asked Directors to post suggestions on a better, simpler process than the cumbersome one of sending nominations to one person who must contact all nominees to see if they will accept.

Tam said that succession for the post of president needs to be clarified. Should it be assumed that the vice president will step up? Tam has agreed to serve one more year and Amanda is not interested in succeeding him. It was agreed that officer roles and responsibilities need better definition and current officers will draft job descriptions for approval by the Board.

Next Meeting – May 22, 2019.

Set patronage dividends

Business Plan

Monitor EL2

June 5 Annual Meeting

BP 4

Adjournment: At 8:28 the meeting was adjourned with all voting in favor of a motion by Ann, seconded by R.J...

Respectfully submitted by Victoria DeWind