

**Middlebury Natural Foods Cooperative
Board of Directors Meeting
October 23, 2019**

Board Members Present: R.J. Adler, Molly Anderson, Ilaria Brancoli Busdraghi, Sophie Esser Calvi, Lynn Dunton, Tam Stewart, Louise Vojtisek, Amanda Warren.

Board Members Absent: Nadine Barnicle, Erin Buckwalter, Kate Gridley.

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: None

Approval of Minutes: On a motion by Ilaria, seconded by R.J., the minutes of September 25, 2019 were approved as amended with all in favor.

GM Report: Molly asked if the Board would be part of the strategic planning process. Glenn said it will be a long process and it would have a role later. For now Ends would be the main focus for the Board which will be integral to the planning. R.J. said he would like to hear staff input first.

Glenn reviewed the slides from the NCG conference as reference for strategic planning and readiness for possible economic recession.

- For NCG co-ops, 13% of center store (grocery) SKUs make up 80% of store sales. MNFC has 12,000 SKUs.
- Robots – include metrics in planning to evaluate worthiness of new technologies.
- While conventional stores are moving to self-checkout, co-ops are finding their expense is greater than labor savings and don't fit in co-op customer service models.
- The sales of “natural” (long time co-op products) in conventional stores have grown from \$60 to \$140 billion nationally. As large chains increase their share in these and standards are watered down, how this affects small producers is of concern.
- NCG gives the Co-op access to SPIN which helps track new products and trends and meet needs/interest of conscious consumers.
- Staple foods have given way to new alternatives.
- NCG has a goal of increasing diversity, equity and inclusion in co-ops.
- Mounting financial challenges with increased labor cost and decreasing margin.
- Equity in NCG co-ops is declining though MNFC is above the trend with \$6 million but it shows the importance of growth in membership and profits and strategic planning. NCG recommends 10% equity growth, MNFC has 4-5% and many others have less than 2%.
- Preparing for the future – plan for growth and profitability, modernize, focus on customer and community and develop new management talent.
- NCG's definition of its End of success is in community, diversity, financial security, sustainable food systems and business sustainability.
- A survey showed that reducing plastic waste is where people feel they can have the most impact.

(Molly left the meeting at 7:10)

EL 6 – Staff Treatment and Compensation: Glenn said the Co-op will do a staff survey next year as was done in 2016 and 2018 before the expansion. Ilaria asked about Section 1E – encouraging reports of unethical or illegal behavior. Glenn said the goal is to make staff comfortable in coming forward in such instances. The Co-op is providing training for managers, assistant managers and now shift leaders for how to apply policies to develop a culture of accountability and consistency throughout the store. Tam noted the template for this EL is for monitoring. The policy is a metric for making staff comfortable in questioning or reporting an incident of questionable behavior.

It was agreed that EL 6 was on time with reasonable interpretation of sufficient data and in compliance.

BMR 0 – Global Board-Management Relationship: Tam asked the Board to consider if the BRM says what the Board wants it to. He said he thinks the Board is getting better at taking care of policies and is clearer on what Board work involves. Ilaria pointed out inconsistent grammar in the last sentence. All agreed the Board is in compliance.

Teresa Mares Event: Louise noted the Addison Independent article and picture about the event which was great in showing the Co-op to the community and educating it on this issue. Cr. Mares talk helped show that migrant workers are human and resilient with a strong work ethic. They do pay taxes though received little in services which seems unethical. Access to food is not due to money but rather from being stuck on farms with no transportation, dependence on others, being afraid of standing out in a white community and being Spanish speaking. Defining what food security means to migrants includes the amount of food as well as being culturally appropriate. MNFC should consider how to mitigate this need.

Lynn talked about transportation and fear being the obstacles, not money and delivering food to farms and linking this with Food For All should be explored. Having Open Door Clinic serve as a delivery hub was mentioned.

Inviting Migrant Justice to a Board meeting was suggested as a next step in being locally involved. Working on access to food for those that can't/won't shop is an opportunity for increasing diversity, equity and inclusion (DEI).

R.J. asked how following through on James Maroney's idea of applying Fair Trade standards to dairy would impact the Co-op. There was agreement in supporting Milk With Dignity though Glenn suggested co-ops should work on this together rather than individually and should wait until Migrant Justice's next action is clear.

Ends, Mission and Vision statements: Tam asked the Board to reflect on how Ends are used, their role in strategic planning and how to incorporate DEI. He sees Ends as governance policy but they are currently used in communications as well. If they are just to be used internally, DEI could just be an added sentence. If they are used publicly Ends become too wordy along with all the other statements (7 co-op principles, vision, mission, etc.). There was consensus that Ends are more appropriate for internal guidance and changing and adding DEI to them should be done now as a base for the strategic planning. It was agreed that DEI should not target any particular group. Lynn noted that the mission statement should include community. Tam said the Ends are policy therefore should be updated by the Board to be clear and accurate. It was agreed revisions should also reflect staff feedback on Ends.

The Board decided that this should be the retreat focus and should be done early in the winter to better serve the strategic planning process. January 26th was chosen as the tentative date. Ilaria and Tam will explore a location. Michael Healy will be asked to facilitate. Glenn, Greg, Karin, Emily and Victoria will be invited to participate. (Molly returned to the meeting) The retreat was described as “refreshing the Ends”

Next Meeting:

Retreat planning
Migrant Justice – Milk With Dignity
Strategic Planning process

Adjournment: At 8:26 the meeting was adjourned with all voting in favor of a motion by Louise, seconded by Lynn.

Respectfully submitted by Victoria DeWind