

Middlebury Natural Foods Cooperative
Board of Directors Meeting
May 27, 2020

Board Members Present: Molly Anderson, Nadine Barnicle, Ilaria Brancoli Busdraghi, Erin Buckwalter, Lynn Dunton, Sophie Esser Calvi, Kate Gridley, Tam Stewart, Esther Thomas, Louise Vojtisek.

Board Members Absent: Amanda Warren

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

Board Monitor: Louise.

Call to Order: The meeting was called to order at 6:37 pm via Zoom video.

Member-owner Business: Tam reported receiving many Board emails with ideas, concerns and expressions of appreciation. Other directors shared comments received about the increasing use of plastic which moves the Co-op away from previous efforts and supporting a return to allowing reusable bags. Also shared was concern that some customers are not wearing masks. Glenn was thanked for his responsiveness which builds good will with customers.

Approval of Minutes: On a motion by Molly, seconded by Erin, the minutes of April 22, 2020 were approved as amended with all in favor.

In response to a question Karin reported that the curbside pickup program is operating at about 25% of the planned capacity of 100 and is serving those most in need.

Annual Meeting: In light of the continuing social distancing order, Glenn asked the Board to consider moving the Annual Meeting to a video format in the fall. The Board supported this plan. He suggested that it include GM, President, Treasurer and Secretary presentations followed by questions and answers. Glenn said using the “chat” option for questions on the NCG meeting worked well. Sending invites for registration to reserve a place and instructions to participate were discussed. September 3rd at 6:30 was set as the date. Karin will confirm that Simply Voting will have election and by law results by then so they can be announced.

Karin presented her draft plan leading up to the meeting. The July 1 paper and e-newsletter will include an announcement of the video meeting and on-line voting for directors and by-law revote information. (Ilaria left the meeting 7:29)

August 1 e-news will include a pdf of the Annual Report (paper version with candidate bios will also be mailed) with an invite to register to attend the meeting (possibly require reservations to attend) and the voting link with instructions. Voting will be open until 7 pm on August 31st. It was agreed there should be a meeting moderator and to keep the voting results presentation simple on September 3rd. Board officers will remain as is until after the September meeting.

Karin also informed the Board that the tents, etc. rented for the cancelled Green Up Day Fest are rescheduled for September 12 for a possible Harvest Fest.
(Karin left the meeting at 7:40)

GM Report: Glenn asked the Board for this year to move the consideration of the patronage dividend decision to the June meeting. His recommendation is to return 50% of the member-owner net profit as last year. This is higher than that returned by co-ops in general but he felt it is important to give back to member-owners in this time. Checks would only be issued for \$5 or

more; those under \$5, along with uncashed checks, would be donated to the food shelves. While there are not final numbers yet, member sales are estimated at \$450,000.

Lynn asked to Board to support the delay in deciding patronage dividend until next meeting when there are firm numbers and more clarity on finances. There has been some member-owner feedback that these dividends be given to staff rather than member-owners. There are tax implications to consider as money not declared as patronage dividend is taxable. While there was consensus that a patronage dividend would be approved, it was agreed to continue this conversation on Basecamp

EL 1 – Financial Condition and Activities: Glenn reported in compliance. He informed the Board that due to the pandemic, there will be another financial review and a full audit will be postponed until next year. Erin made the point that the high sales growth will not give a normal baseline for comparison next year. It was agreed that the data will have to be revised.

EL 2 – Planning and financial Budgeting: It was agreed that the Business Plan is strong and has great information and the Board appreciated the department plans being included. Tam praised the plan as it shows what the Co-op is doing and why it does it. He noted the MEM statement “We have a responsibility to challenge any practice that does not put the customer first”. Glenn noted that the department plans had been written pre-pandemic in February.

Lynn reported that she had reviewed the multi-year pro forma. The projections for income are down a little bit but realistic using conservative assumptions. Glenn reported that member loan paybacks will begin this fall and finish in 2025. This is included in the pro forma as well as the bank mortgage. Some projects in the plan are on hold except for the parking lot which is done. In response to Lynn’s question if the parking lot pass through will stay open, he said it would close but he is working on an agreement with tenants to see if it can reopen.

The Board agreed the EL 1 & 2 reports were on time with reasonable interpretation of sufficient data and in compliance.

BP 4 – Board Meetings and Attendance: Tam noted the purpose of this BP is to define what meetings are for and how to get the work done. MNFC added the attendance policy. He noted the great attendance record, even before the pandemic. The Board agreed they are in compliance with the BP.

Tam reported Michael Healy’s comment in their last conversation that he admires this Board’s process which has stayed the course in the pandemic while some other boards have not kept to their monitoring. This steady governance avoids creating added burden on staff.

The 2020-21 meeting schedule was reviewed and kept as is but open to adjustment if needed.

Communications: Nadine will review the e-news cycle with Karin in their monthly talk. Molly has written the article for the June e-news.

Adjournment: Tam reminded the Board to have the patronage dividend conversation in preparation for the June meeting. At 8:34 the meeting was adjourned with all voting in favor of a motion by Nadine, seconded by Erin.

Respectfully submitted by Victoria DeWind