

**Middlebury Natural Foods Cooperative
Board of Directors Meeting
June 24, 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 (maternity leave)

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

Board Monitor: Louise.

Call to Order: The meeting was called to order at 6:34 pm via Zoom video.

Member-owner Business: Lynn commented on the “awesome” and “beautiful” parking lot.

Approval of Minutes: On a motion by Molly, seconded by Kate, the minutes of May 27, 2020 were approved as amended with all in favor.

Annual Meeting: Glenn updated the Board on the meeting plan. Presentations by Glenn and Board officers will be pre-recorded but there will be live questions and answers. How to do this was discussed. Several directors reported other Zoom calls using a moderator to organize and consolidate chat postings and queue them have worked well. Using someone independent and objective was suggested though with the by-law issue there may be specific questions and someone who is knowledgeable about it could be helpful.

Glenn said he has been encouraged to have people register to attend the meeting and emailing them a link before the meeting.

GM Report: Glenn said sales growth continues to be strong with more customers in the store.

On DEI, Molly said that SURJ is already doing anti-racism trainings and encouraged support for SURJ as it is local before supporting the Rutland NAACP. SURJ is working in close alliance with them so there shouldn't be a conflict.

Molly noted a correction to the report on the Wild Harvest brand that NCG is using as a substitute for the Field Day brand in the Co+op Basics program. Wild Harvest was started by Star Market, not Super Valu grocery.

2020 Ends Report Part 1 - Healthy Food and Vibrant Local Economy: Glenn welcomed feedback on data and interpretation as it helps to develop better reports. It was noted that the policies and practices that support these Ends are interwoven and have impacts in both. It was suggested to change “member” in the Healthy Food introduction to “member-owners”. The inclusion of reports from department managers was appreciated.

Lynn commented on the great increase in Food For All. She suggested that the Mountain Health Center in Bristol, with their mixed demographics, could be another way to reach new people for the program.

The growth in local sales from 34.4% to 36.4% was discussed. Molly asked how much of the local products sold is whole food, meaning unprocessed and raw. Glenn said he would follow up on this for produce, meat, dairy and bulk.

Lynn commented on the customer survey. Links to the survey are randomly included on receipts. She felt the survey gives an indication if the Co-op is meeting customer needs. Glenn said data is just starting to come in. Data is based on 1-5 ratings by customers using just the answers with a 5 rating as best. Of the several questions, Glenn said overall satisfaction is 8 out of 10. Overall value is 3 out of 10. Feeling welcome was overwhelmingly “yes”. Glenn noted the value of this on-going survey as the Co-op can respond quickly to same-day experiences.

Glenn noted that healthy food is defined by the Buying Criteria and the report included a tracking chart on actions taken for non-complying food. Molly raised a concern that high sugar, salt and fat content is not being considered as it is increasingly in other countries and by the World Health Organization in light of obesity and high blood pressure. She felt the focus should be whole, nutritious foods as opposed to vitamins. It is ironic that vitamins department is called “wellness” when it is produce that should be called the “wellness” department. It was agreed that education would be the best approach and how to do that would be a future conversation. Tam said the Buying Criteria is only monitored once a year and suggested the management team could take on this concern.

Glenn suggested that Co-op activities that support local would better show the progress made than counting the number of local products. It is hard to increase percentages when it is often weather dependent. Several directors commented, recognizing that it is progress toward goals, not the numbers themselves that is important. They recognize that goals can be met even if numbers don’t go up. Reports should be qualitative as well as quantitative in meeting Co-op goals and values.

Tam relayed a conversation with Michael Healy about monitoring reports. As they tend to grow in size, it is important to consider what is provided with new ideas and metrics but also what is not needed. Reports can include too much information and overwhelm management and governance. The Board appreciates Glenn being open to new considerations and the important result is progress not growth.

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

BP 5 – Directors’ Code of Conduct: It was agreed that directors would sign and scan their code of Conduct Agreements to email to Glenn for posting on Basecamp. Tam will edit/remove the language that is no longer pertinent about staff serving on the Board. Kate noted it is important to include perceived conflicts as well as actual ones. All agreed they are in compliance.

Patronage Dividends: While the Co-op is only required to return 20% of member-owner sourced profits, Glenn recommended returning more as the Co-op does not have any large projects planned for this year. It would show positive reinforcement of being member-owners and show appreciation for their support.

Lynn said she has contacted the accountant about allowable uses of patronage funds and she has not had a reply. It may be that funding capital improvements is required.

All voted in favor of a motion by Lynn, seconded by Kate, to designate 100% of member-owner sourced profits as patronage dividends for 2020.

Lynn explained that when patronage funds are spent it counts against the retained money and those expenses do not go on the balance sheet. Erin felt the retained percentage should be based on answers from the accountant. Nadine said the dividend helps member-owners understand what it means to be invested in the Co-op. Kate suggested that some funds should be kept as

protection against a deeper recession later in the year. Lynn said that a 35/65% means more money will be donated to the food shelves. Louise felt 50/50% sends a message of thanks to member-owners. Glenn suggested dividing funds for staff, healthy food access and DEI work if it is approved by the accountant.

All voted in favor of a motion by Molly, seconded by Ilaria, to refund 35% of the patronage dividend to member-owners. Any check amount below \$5 will be donated to local food shelves. Donated or un-cashed checks will also be donated to food shelves.

Communications: Nadine said the July starts a new year of newsletters and asked directors to sign up for articles on Basecamp. They can be recycled articles or something new. It was agreed that DEI should be a topic to address black lives. Molly will follow up on the impacts on people of color with health inequities.

Adjournment: At 8:36 the meeting was adjourned with all voting in favor of a motion by Kate, seconded by Nadine.

Respectfully submitted by Victoria DeWind