

**Middlebury Natural Foods Cooperative
Board of Directors Meeting
May 26, 2021**

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

Board Members Absent: Nadine Barnicle.

Others present: Victoria DeWind (staff liaison), Glenn Lower (GM), Greg Prescott (Store Manager).

Board Monitor: Ilaria.

Call to Order: The meeting was called to order at 5:45 pm via Zoom video.

Member-owner Business: Molly said students have researched PFAS, a “forever”, endocrine-disrupter chemical in take-out containers and suggested the Co-op reconsider using them. These are the clear containers in the deli. Greg said he would look into this.

Molly also relayed a suggestion from a new member-owner to allow children shopping with their family to choose any piece for fruit or vegetable to eat while shopping. Greg said the Co-op discourages people from touching food and eating in the store but it is looking to start the Explorer program which gives kids a passport for free produce.

Lynn relayed a suggestion that the Coop should buy the entire building that houses Co-op offices to create a café to replace the store seating that they do not like. Unfortunately the building is not available for purchase.

Approval of Minutes: On a motion by Louise, seconded by Sophie, the minutes of April 28, 2021 were approved with all in favor.

Ilaria asked if Greg had been able to research the Smart Chicken purchase by Tyson Foods discussed at the last meeting. Greg said all he had found was that Smart Chicken plans to continue operating with their previous standards.

Ilaria asked about the plastic produce bag comment at the last meeting. She suggested posting a sign explaining why they are offered and why they are not compostable. Sophie suggested gifting mesh bags to encourage people to use them instead. Greg said customers just often forget to bring their reusable bags. He would prefer eliminating the bags but there would be push back and it would seem a disservice to customers.

EL 1 - Financial Condition and Activities: Glenn said it was another standard report and the Co-op is in good financial health. Ilaria asked if there could be ramifications in setting the budget at 0% sales growth. Glenn said the coming year after the pandemic is an unknown and he prefers to be conservative and be sure to meet the budget. It could even have been set for negative growth. With zero the budget will meet all the requirements of the '21-'22 Plan. Zero means sales will match last year's sales and April and May are above budget.

EL 2 – Planning and Financial Budgeting: This EL requires the Plan's budget be in place. Glenn said at multi-year update will be done in June.

Lynn asked about the Total Liabilities graph and why there is an increase from 2020 to 2021. Glenn said it is due to the PPP loan which is still on the books but will drop off when the loan is forgiven.

Glenn summarized some sections of the EL. For 2.1b he used past data to create the 0% growth plan. He expects it to be above that. For 2.1c his plans for excellence include upgrades for business systems, equipment replacement and communications. Section 2.2 includes all the Board prerogatives.

Glenn discussed his 2021-2022 business plan. He noted appreciation of staff and said they are a principle audience for the plan. It highlights last year's accomplishments and projects for next year. With the pandemic still going, there will be a long lead time for the \$300,000 equipment replacements. Greg added there is the challenge of getting large new equipment into the store through the delivery door. The 15 door freezer will have to come in smaller pieces.

Ilaria asked what will be done with the old equipment. Glenn said it is 20 years old and not worth donating. Erin suggested that there are farmers who often take used equipment for parts to build their own and this could be done through NOFA. Glenn said he will look into this.

Molly asked about efficiency and heat pumps. Glenn said the reason for the new equipment is efficiency and heat pumps are included in the new systems.

Erin asked if the competitive hiring situation will have an impact on the plan and if the Co-op can get to full staffing. Glenn said that it will be challenge to do that with the current openings and those coming in the fall. The Co-op has planned for \$15 starting wage but can't sustain more than that.

Amanda asked about the plan for store resets. Is this done yearly or just this year? Greg said it is done regularly in various departments but this year it will be working with NCG and UNFI store wide using industry data by brand and product type. They will be doing promotions and discounts to support the changes. Bulk will try to add bulk liquid options for people to bring their own containers. Space may be too tight for kombucha.

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

BP 4 – Board Meetings and Attendance: Tam suggested that #4 of this BP be reconsidered sometime. He felt that requiring decisions outside of regular meetings be unanimously approved and in writing is constraining. Would working through decisions using Basecamp meet the requirements? Erin suggested that approval by a quorum could replace unanimous. Molly said transparency is important. It was agreed that all directors should be involved at some point in the process leading to decisions. Glenn suggested the intent is to allow discussions to happen between meetings but decisions should be at meetings.

The Board agreed they are in compliance with the BP and they can revisit the issue another time.

Patronage Dividends: Glenn said that there is approximately \$697,000 before taxes and patronage. 78.69% or \$473,000 of this is from member-owners. The pandemic influenced the lower payout last year. Lynn said the Co-op could be more generous this year to show appreciation to member-owners and what is retained serves the whole community. A 50/50 split was suggested. It was decided to make a decision on this next month.

(Molly and Victoria left the meeting at 6:50)

Summer Retreat: The Board discussed a summer retreat/social gathering. Kate offered to meet at her house. Sunday August 29th was suggested for a one hour regular meeting followed by a retreat. This will be discussed on Basecamp.

Justice, Equity, Diversity and Inclusion (JEDI): Esther said the committee will use the next 6 month to prepare for the next phase, as a whole board and as the JEDI committee to work on our biases. Esther said “We will unlearn together, learn together, share together, create a safe space to be honest, and process together.”

Meeting schedule: The Board discussed meeting times and will decide at the next meeting.

Adjournment: At 7:25 the meeting was adjourned with all voting in favor of a motion by Kate, seconded by Louise.

Respectfully submitted by Victoria DeWind