

Middlebury Natural Foods Cooperative
Board of Directors Meeting
May 25, 2022

Board Members Present: Molly Anderson, Nadine Barnicle, Erin Buckwalter, Ilaria Brancoli Busdraghi, Ollie Cultrara, Lynn Dunton, Kate Gridley, Samantha Langevin, Esther Thomas, Amanda Warren.

Board Members Absent:

Others present: Victoria DeWind (staff liaison), James Maroney (member-owner), Greg Prescott (GM).

Board Monitor: Ilaria

Call to Order: Amanda called the meeting to order at 6:18pm, with Erin, Esther and Molly via Zoom video.

Member-owner Business: James Maroney attended the meeting to discuss his petition to the Co-op to again consider phasing out dairy products made from non-organic milk. Citing Molly Anderson's commentary about Vermont agriculture and the more recent article on pesticides threatening pollinators, both in the Addison Independent, he said that Vermont will not meet the Global Warming Solutions Act goals without eliminating conventional dairy and reducing herd size to reduce methane emissions. He said the State policies on chemicals are saying it is okay to kill bees. When asked what the Co-op can do, he said action is critical now and asks the Co-op to educate its member-owners. Cheese made with conventional milk should also be phased out. Molly commented that yes, while organic dairy is better, cows on organic farms still produce methane. The Board asked him to have further conversation on this with Greg. Nadine felt the Board may have a role in this issue and asked that Greg keep the Board informed on this as a relevant concern.

Approval of Minutes: On a motion by Kate, seconded by Samantha, the minutes of April 27, 2022 were approved contingent on an edit by Amanda for the Board Policy Review section with all in favor and Esther, Ollie and Lynn abstaining.

BDC Update: Erin asked that these minutes reflect the earlier decision by the Board that Esther will fill out the remainder of Tam's term. Molly and Ollie will be notifying candidates of the election results. Erin said work is being done to update and document the election process and calendar cycle as well as the orientation check list for new directors. She asked for someone to volunteer as Board Buddy for the new director. There is also now a sign-up sheet for CBLD 101 to track attendance.

Communications: Nadine said the next articles are by Amanda and Ollie and she will write one for the June newsletter. There will be a new sign-up sheet for next year's articles at the June meeting.

BP4 – Board Meetings and Attendance: The Board considered Samantha's question about section 4 requiring a unanimous vote for decisions made outside of regular meetings. It was

suggested that it also specify votes be done digitally on Basecamp rather than by email. The Board decided to table these issues and to include them in the JEDI policy review.

The Board discussed section 5 that allows for remote or virtual attendance. Given how valuable this has been during the pandemic, they Board voted all in favor of a motion by Amanda, seconded by Kate, to remove the language that discourages remote attendance. Section 5 now reads: “Remote or virtual attendance at Board meetings (e.g. by speakerphone or video) can be an option”.

The Board agreed unanimously that they are following BP4.

GM Report: Greg noted that the fiscal numbers reported are from 2022 and are still draft pending completion of the audit in July. He will report final numbers at the August meeting. Staff shortages and the audit being done remotely have slowed the process. Lynn noted that this is not really a later time line than previous year-end reports. It was noted that some of the PPP loan was used to pay off the bank loan to reduce Co-op debt.

Greg summarized Co-op financial status. April started strong with 4.25% sales growth and May will likely have 4%. 3% growth is budgeted for 2023. Tax 2 (books/mags/flowers/gifts) and Deli departments had largest growth. The suspension of the special order program and offering less prepackaged bulk has lowered sales growth in other departments.

Greg informed the Board the Co-op will again apply for the Double Up Food Bucks grant. He is not sure why the Co-op did not get the grant in the first round. This program supports the Co-op giving a 50% discount on produce purchases by customers on SNAP food benefits. Greg will assess if the Co-op could do this on its own if it does not receive the grant.

Greg said there have been some recent supply issues. There was one cancelled delivery due to a labor shortage and several out-of-stocks but for now there have not been limits (smoothing) on order numbers.

EL 1 – Financial Condition and Activities: The Board discussed the discrepancies between different graphs in the report. Some cover more years than others, some are by quarter and some are by year. Amanda asked if the Sales Growth graph could be more detailed, especially covering the expansion years. Greg and Lynn will work on revising graphs for the coming fiscal year.

Amanda asked if Greg would prefer receiving EL questions before meetings on Basecamp. He said he would consider that.

Amanda suggested that there be an appendix for the Co-op’s real estate holdings. It was agreed this would be helpful to new directors and it would be just a list and not include agreements, contracts or valuations.

(Molly left the meeting at 7:40)

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

EL 5 – Planning and Financial Budgeting: Samantha appreciated the detail and department mini-plans in the Business Plan. Greg said including the early years tells the Co-op’s story of investment and supports the work on what comes next for the Co-op. It shows how fortunate MNFC is as it thrives unlike many other co-ops. This comes from years of fiscal conservatism. The PPP loans was very helpful in reducing debt and leaves the Co-op in a strong position to look forward to how to the needs of the Co-op and the community.

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

Executive Session: The Board voted all in favor at 7:51 on a motion by Amanda, seconded by Ilaria, to go into Executive Session for the GM quarterly check-in. The Board came out of Executive Session at 9:04 with all in favor of a motion by Kate, seconded by Ollie.

Adjournment: At 9:05 the Board adjourned the meeting on a motion by Erin, seconded by Amanda, with all voting in favor.

Respectfully submitted by Victoria DeWind