

**Middlebury Natural Foods Cooperative  
Board of Directors Meeting  
February 28, 2024**

**Board Members Present:** Erin Buckwalter, Ollie Cultrara, Lynn Dunton, Caryne Eskridge, Suzanna “Zan” Goldblatt Clark, Barbara Hofer, Samantha Langevin, Cody Mears, Amanda Warren.

**Board Members Absent:** Erika Dunyak.

**Others present:** Vanessa Almony, Victoria DeWind (staff liaison), Greg Prescott (GM), Elizabeth Todder.

**Board Monitor:** Amanda

**Call to Order:** Amanda called the meeting to order at 6:00pm.

**Member Owner Business:** The early store closing for the all staff meeting caught many by surprise. It was suggested more notice on social media with reasons why be included for next time.

**Minutes:** On a motion by Ollie, seconded by Caryne, the minutes of January 17, 2024 were approved with all voting in favor and Cody abstaining.

**Board Retreat Next Steps:** Amanda summarized the priorities she and Samantha distilled from the retreat conversation. These include supporting Board capacities and retention of directors with Board process documentation, proactive strategic leadership in member-owner communication and education, and continuing JEDI work with Board policy audits and education. These will be incorporated into the annual work calendar in April.

**JEDI Audit: BP 0 –Governance Commitment and BP3 – Agenda Planning:** In BP 0, changing “professional management” to “GM” was supported as it better defines Board/GM relationship. “Strategic” was removed as this was not the right place to define the term. On a motion by Zan, seconded by Erin, all voted in favor of accepting the new version.

Samantha said that BP 3 wording was duplicative so the new version is simplified and the multi-year plan was removed as it has not been a Board practice. On a motion by Caryne, seconded by Zan, all voted in favor of accepting the new version.

Erin will add the updates to the policy register and Greg will post them on the website.

**Board Process – BP1 - Governing Style:** On scale of 1-5, directors reviewed the BP with 60% four and 40% five. Samantha felt the terms insight and foresight were useful at the retreat. Amanda said strategic leadership is one of the “Four Pillars of Cooperative Governance” and will help set the direction for the next year. She will look for footnotes for strategic leadership to add to BP1.1.

**Board Process – BP2: The Board’s Job:** On a scale of 1-5, directors reviewed the BP with 50% four and 50% five. Zan said Board work is as she expected and the more it is formalized the safer it feels to go forward. Amanda noted not all Boards work effectively so don’t take it for granted. Barbara appreciated Michael Healy’s article on how to encourage member-owner participation and engage with the community. She noted tension between customer’s desire for low prices and

wanting to do more for the community. Amanda said NFCA and NCG dues are a way MNFC uses profits to support the greater, regional food system. . Greg noted that dues fund the administration of NFCA and is determined on a sliding scale depending on annual sales of a co-op.

**Board Development:** Amanda informed the Board that Heather Kvasnak has resigned from the Board. Her term ends in May. While appointing a replacement supports adding those with needed skills to the Board, 3 months is too short a time for a replacement. On a motion by Amanda, seconded by Ollie, all voted in favor to leave the seat open for the general election. Barbara suggested that a process for mid-term resignations should be codified.

Barbara said she has received one complete application along with expressions of interest by 8 others. There are three incumbents – Lynn, Ollie and Samantha - running as well. She said she had talked with Greg about board orientation and development. They discussed the need for more education on policy governance, as well as learning about store facilities, including a possible tour, and more about the organization chart of the co-op in order to better understand the manager's supervisory responsibilities. Samantha supported this idea along with “Board buddies”. Zane said the retreat was a great way to know others better and suggested a director meet-and-greet after elections. Lynn described the previous August mini-retreats held years ago. Amanda noted the need to balance too much and not enough time commitments for Board work. It was suggested the BDC committee consider ideas of ways to add time to agendas for this.

**Board Budget:** Ollie presented the draft budget. 76% of this year has been spent three quarters into the year. They recommend increasing education funds for attending CCMA. There are still a few hours left available in the Board’s contract with Tabitha Moore. Erin and Lynn questioned if \$600 is enough for JEDI training for new directors. Barbara and Amanda supported the importance of budgeting for attending CCMA for management/board education and peer networking. Samantha noted early registration would save \$100. Ollie said Board compensation of \$13,947 would be paid in June. Proposed annual meeting funds match the actual cost in 2023. With the annual meeting now in September it means separate annual and election reports so a limited number of annual reports are printed to supplement a digital version. Increasing the Board Education line item to cover CCMA attendance and JEDI education was suggested.

**NCG Report:** Amanda noted that NCG co-op sales increased in 2023 by almost 4% which exceeded the U.S. retail food store growth of 3% for the first time in 10 years. NCG has developed a digital shopping app for the NCG Co-op Deals flier, which can be used for price comparison of items that are on sale. MNFC will not be promoting this app. Erin noted the benefit of their advocacy guidelines as well as Organic Livestock and Poultry Standard. Ollie asked if MNFC fills out the Impact Survey, and Greg confirmed that the Co-op does.

**GM Report:** Greg summarized his report. January sales growth was above budget. The all staff meeting got good evaluations from attendees. A floating holiday for Easter will be tried to make paid time off equitable. Renee Wells will again lead manager and staff JEDI training.

**EL 9 – Emergency GM Succession:** With Jen no longer on staff, there is not a specific staff person designated at this time. Until such time as the right person is in place, Greg is working with James Morrell from co-op consultants Columinate. As an experienced interim GM, he will

work with Greg and meet periodically with the Board so they can step in if needed. James will also work with Greg to develop a Succession Plan Playbook to provide essential information for anyone having to step in as Interim GM as well as serve as a training guide for future managers who might serve as emergency GM.

On a motion by Amanda, seconded by Ollie, the Board voted all in favor to accept the EL 9 report and agreed the report was on time with reasonable interpretation of sufficient data and in compliance.

**EL 1 – Financial Condition and Activities:** Ollie noted the current ratio graph with a large increase in 2023. This was from pandemic relief funds. Greg said margin erosion has improved and new systems help stay ahead of this. Amanda noted the increase in member-owners which should not be taken for granted as City Market is seeing a decline. Barbara asked about member-owner demographics, Greg said that the Co-op does not have much information on that but 80% of those responding to the most recent customer survey last year were member-owners. Survey results are still being studied for other information.

**Executive Session:** At 7:53, on a motion by Amanda, seconded by Samantha, the Board voted all in favor to go into Executive Session for continued EL 1 review. At 8:12, on a motion by Amanda, seconded by Ollie, the Board voted all in favor to come out of Executive Session.

On a motion by Amanda, and seconded by Barbara, the Board voted all in favor to accept the EL 1 report and agreed the report was on time with reasonable interpretation of sufficient data and in compliance.

**Adjournment:** At 8:13, on a motion by Amanda, seconded by Cody, all voted in favor to adjourn the meeting.

Respectively submitted by Victoria DeWind