



Board of Directors Monthly Meeting

Monday, April 25, 2016; 5:38 pm - 8:35 pm

232 South Main Street, Goshen

Goshen, IN 46526

In attendance: Robin Ebricht-Zehr , David Gerber, Phyllis Miller, Amanda Qualls, Brian Wiebe

Absent: Eric Amt, Vicki Mast

Others Attending: Brad Weirich, David Shenk, Jay Little, Greg Koehler ([Purple Porch](#) GM), Chris Hebron (Purple Porch President), Nick Licina (Purple Porch VP), Molly Moon (Purple Porch Board Member)

5:00 pm: Board shared dinner and team building. Many thanks to the Maple City Market deli staff for providing the meal.

5:38 pm: Go around the room to introduce ourselves to the meeting attendees. There are several members from South Bend's Purple Porch Co-op board in attendance, as well as the Purple Porch GM, and other community attendees.

5:42 pm: Declaration of quorum

- Preliminaries:
 - Check-In: "Are we prepared to act on everything before us?"
 - Commitment to stay on task
 - Ends reflection: Because of MCM: Owner-members and customers in the Michiana region will be healthier; there will be a local, sustainable food system in Michiana; the local environment & resources will be responsibly shared, protected and restored; there will be a locally-owned cooperative business; there will be a thriving model that inspires other businesses in the Great Lakes region.
 - Board Commitment:
 - Increase board communication with members
 - Be more visible in community as board members
 - Board in the store
 - Engage friends and colleagues re Co-ops: Advocate
 - Focus groups
 - Invite members to meetings
 - Board project dreaming--capitalization

- How did we do this month?
- Video from CBLD library
 - What did we take from the video? The “I own it” owner campaign was really great; the hero’s journey spoke to us; the risk and fear that is involved in change resonates.

5:56 pm: Approve or amend agenda

- **Motion:** To amend the agenda with the addition of an executive session
David Gerber moves and Brian Wiebe seconds
No discussion
Motion passes: 5 in favor; 0 oppose; 0 abstain

5:58 pm: Consent agenda

- **Motion:** To accept the consent agenda as it stands. Consent agenda includes: Minutes of March 28, 2016 Board Meeting; Board Self Monitoring–compliance (G.6 Board Meetings).
Brian Wiebe moves and Robin Ebright-Zehr seconds
Discussion about the minutes and the financial data placed in the work week folder. The minutes from March read that we would put those in the private mcm folder, but the data was put in the work week folder. We will discuss more at a future meeting (determine where we want that data).
Motion passes: 5 in favor; 0 oppose; 0 abstain

6:03 pm: Board decisions

- GM Monitoring: Brad
 - Report on areas of October’s Staff Survey below 3.25 rating.
 - We moved in a positive direction in several areas, but in a negative direction in two areas, both related to staff orientation and training. There had been changes to the orientation and training system late last year, but these scores suggest that more changes might be needed.
 - Going forward, there will be a more planned and intentional pairing/on the job training program.
 - There will also be the addition of handbook training (one-on-one or group sessions to increase familiarity with the handbook).
 - Handbook revisions are coming in 2016.
 - **Motion:** To accept this report as compliant based on the provided results
Brian Wiebe moves and Phyllis Miller seconds
Because some of the answers to the questions moved in the ‘negative’ direction, we should not state that this report is ‘compliant.’
Modified motion: To accept the consequence of the non-compliant report as completed with the intention to re-monitor in September (when this policy is traditionally monitored).

No discussion

Motion passes: 5 in favor; 0 oppose; 0 abstain

- Next month, we will be discussing a modification to the above policy to remove the CDS qualification or add an exemption for financial feasibility.
- X.1 Financial Condition & Activities (full policy)
 - We are currently monitoring this every quarter
 - This month was very successful; we would have had a positive month had we not had a move adjustment (~\$8,500). There was no actual loss (the money only existed on paper, with our accountant), but Brad still noted we were not in compliance as a result of the loss.
 - Our sales have stayed steady, which is encouraging, considering the ‘new normal.’
 - **Motion:** To accept X.1 as non-compliant, continuing quarterly review
Robin Ebright-Zehr moves and David Gerber seconds
Commendation to Brad for the significant improvement
Motion passes: 5 in favor; 0 oppose; 0 abstain
- Addition to X.8 Communication to the Board: Phyllis
 - Change X.8 to add new point 7: Fail to supply the board with regular financial statements that are readily understandable and useful for its strategic leadership, governance responsibility and fiduciary role.
 - **Motion:** To add the above new point (to become point 7) to X.8 (Communication to the Board)
Brian Wiebe moves and Robin Ebright-Zehr seconds
It is the entire board’s fiduciary responsibility to the market. Discussing the difference between this new proposed point and point 1. Might we add point 7 as a nested set to point 1? No; it serves a different purpose. Proceeding to vote.
Motion passes: 5 in favor; 0 oppose; 0 abstain

6:35 pm: Discussion

- GM Reports: Brad
 - Finance Report
 - Already discussed when discussing X.1
 - Courageous Leadership presentation
 - Co-ops are being hit in areas where we have traditionally been very strong. All grocers are beginning to address natural food and organic food demands from their customers, which creates challenges for food co-ops. Brad is not interested in exerting his own opinion on the market; he is interested in hearing what members want, looking at the competitive landscape, and making decisions at the co-op that keep it relevant (and financially viable).
 - Three areas to address: Pricing and promotion, product offerings, and improved productivity.

- Community comments: More farm to consumer; more producer interaction with owner/members of the co-op is great (and a space in which Martin's and others cannot compete).
 - Many see price as a significant barrier to co-op shopping.
 - Good/better/best: We've been talking about moving in this direction for some time, but we've had a lot of backlash in the 'good' area. How can we move in that direction more with better buy-in?
 - We need employees to be efficient and effective.
- State of the Market
- Annual Meeting Planning: Amanda
 - Trouble zeroing in on a date this year. We had settled on June 11, but Arts on the Millrace will be happening that day. We may be moving to Sunday, June 12.
- Board Recruitment: Brian
 - Board members, GM, and operations manager to write down two names of possible board members and provide to Brian. Brian and others will take next steps with names (determine top candidates, reach out, etc.)
- Board resignations
 - **Motion:** To accept the immediate resignations of Tim Martin and Ava Breniser David Gerber moves and Robin Ebright-Zehr seconds
No discussion
Motion passes: 5 in favor; 0 oppose; 0 abstain
- Board size change
 - **Motion:** To reduce the size of the board from nine (9) to seven (7) members Amanda Qualls moves and David Gerber seconds
No discussion
Motion passes: 5 in favor; 0 oppose; 0 abstain
Note: The Maple City Market board is now a board of seven (7).
- Board discussion
 - Capital Project Proposal?
 - Co-op presentation: October plans for Co-op Month - Phyllis
 - Food for Change
 - Board gathering: Phyllis
 - Fundraising Committee Update
- Ends Review/Monitoring
- Upcoming Events:
 - Annual Meeting: 6/11/16 (possibly moving to 6/12/2016)
 - CBLD 101: 7/9/16 in Chicago, Illinois
 - Board Leadership: 5/14/16 in Mt. Pleasant, Michigan
 - Board Retreat: Currently looking for a date

7:26 pm: New business and comments from the community

- The Elkhart School system will be starting a farm program, which has the possibility to really benefit co-ops.

- Co-ops invite change and discussion, which is something that Kroger and other large chains do not do.

7:29 pm: Break

7:37 pm: Conversation with visitors from the [Purple Porch Co-op](#) in South Bend, Indiana

- Came here to learn about policy governance; if this is what it looks like, I'm all for it. What is the purpose of the "must not/cannot phrasing"?
- Is policy governance a living document? Yes.
- Did you consult CDS to start on policy governance? The things that are most unique to MCM are our ends. Many of the other elements (the policies) came from a model, and then we modified them. In 2012, we got a template from CDS and started from there.
- Can you talk more about reasonable interpretation? The GM must name their reasonable interpretation. The board must then determine whether or not that interpretation is reasonable (it isn't about what the board or certain individuals *want*, it's about reasonability).
- Do the reports become the annual evaluation? Yes. GM performance = organizational performance.
- The format of the motions was informative (motion to discussion to modification, etc.).
- What level of financial information is appropriate to give to owner/members? That is an ongoing discussion.
 - What would you provide at the annual meeting? Similar to what the GM of the Purple Porch provides.
- Can you tell me more about your consulting relationship with Thane and CDS?
[discussion]
- What about emergency succession and turnover? Does policy governance help? Yes; in various ways. There is a GM succession policy.

8:15 pm: Executive session opens

8:35 pm: Executive session closes

8:35 pm: Meeting adjourns