



## Board of Directors Monthly Meeting

Monday, October 26, 2015; 5:30 pm - 9:13 pm

232 South Main Street, Goshen

Goshen, IN 46526

**In attendance:** Ava Breniser, Robin Ebright-Zehr, David Gerber (must leave at 7:00 pm), Tim Martin, Vicki Mast, Phyllis Miller, Amanda Qualls

**Absent:** Eric Amt, Brian Wiebe

**Others Attending:** Brad Weirich, Ben Beyeler, David Gleysteen, Laura Gleysteen and David Shenk

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**5:00 pm:** Board shared dinner and team building. Many thanks to Phyllis Miller for providing the dinner.

**5:30 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.

**5:35 pm:** Approve or amend agenda

- **Motion:** To accept agenda as amended (see ‘Consent agenda’ for more information on amendment)
- Tim Martin moves and Vicki Mast seconds  
No discussion  
Motion passes: 7 in favor; 0 oppose; 0 abstain

**5:39 pm:** Consent agenda

- Consent agenda
  - Minutes of September 21, 2015 Board Meeting
  - Amendment to agenda: Addition of discussion of coolers
  - Board self monitoring--compliance

- **Motion:** To accept consent agenda  
David Gerber moves and Ava Breniser seconds  
No discussion  
Motion passes: 7 in favor; 0 oppose; 0 abstain

**5:40 pm:** Board decisions

- GM Monitoring: Brad
  - X.6 Staff Treatment
    - A staff survey was conducted and results reviewed by a third party (not an employee of Maple City Market). For any question for which the average score was below 3.25, we are judged to be out of compliance.
    - Discussion of the compliance of the X.6 report and next steps (compliance, lack of compliance, consequences, etc.).
    - Presentation about the survey results by David Shenk (supporting documentation provided).
      - There has been substantial change, at the full-time and part-time staff level and in the management structure of the organization.
      - There was a substantial shift in focus from the start of 2015 to the end of 2015. The beginning was all about the move (“Let’s wait to make decisions until after the move.”) and now there is more focus on the long-term financial health of the market.
    - The version of the document in the board folder on dropbox is incomplete; Brad to update post meeting.
    - There is a request for SMART (specific/measurable/attainable/relevant/time-bound) goals for each of the questions for which we are out of compliance (below 3.25 score). Right now, we’re lacking the M (measurable).
    - **Motion:** To accept X.6 with acknowledgement of non-compliance and consequences (to re-survey each question that was out of compliance in six months [review in April]).  
Ava Breniser moves and Vicki Mast seconds  
Discussion: “I am interested in working at MCM for a long time” was up a lot (positive movement on the staff survey), which is great; there were several areas that we really improved in, which is good.  
Motion passes: 7 in favor; 0 oppose; 0 abstain
  - X.1 Financial Condition & Activities–X.1.1 through X.1.4
    - We don’t have anything measurable in terms of where we’re heading by when. Brad interpreted this as being a part of the policy already (must head toward growth immediately--this is the measure).
    - There has been a recommendation from consultants that we lower X.1.3 to 20% from 27%.
    - By the next quarterly review of these numbers, we will show a rise in sales.

- **Motion:** The report is accepted with the acknowledgement of non-compliance with consequences (quarterly review of the report).  
Tim Martin motions and Robin Ebright-Zehn  
No discussion  
Motion passes: 7 in favor; 0 oppose; 0 abstain

### 6:35 pm: Break

### 6:43 pm: New business or comments from the community

- The community is interested in the ends discussion.

### 6:46: Changing Landscape...Ends discussion. Defining “Healthy.” How can MCM survive?

- Maslow’s hierarchy of needs. Right now, we’re in the second tier of the pyramid:



- There are scary times ahead for co-ops. Everyone is undergoing the same kind of challenge we are with respect to their product line. This feels similar to the 1970s, when there was a transition from a buyer’s club to a co-op business (we had to think like a business, and a lot of people left). Co-ops have to look at the co-op advantage. One third (1/3) of smaller co-ops will go out of business in the next ten years. We need to shift from food fundamentalists to food progressives. Are we going to shift to meet the public’s need for education and community and health?
- We need a better product mix than we have now; we have to offer choice.
- People still have an erroneous idea about what we are (really don’t understand membership).
- We need to get people in the door to change minds and habits over time.
- It is hard to understand the mid-level shopper if you aren’t it.
- Let’s try to create a new disruptive business model; following the trend is not disruptive. Let’s make new contacts and strengthen and grow our core.
- David Gerber departs (only six voting members for the remainder of the meeting).
- Community input:
  - The co-op came together because we had a group of people that had a need and we served to fill it. Years ago, this worked because conventional grocery stores

weren't focusing on this group. We need to focus on the owner-members needs now. This is much more difficult to do as we scale up in size. We must have a balance of educating people enough to have a viable business. Can we focus on our core shoppers?

- With the co-op model there is a community orientation. Have we been working with dieticians, naturopaths and others that work with people getting healthy? If you are going to change the mix, think about why you would do that. If it's to open up the store to WIC, that's a great reason. We need to have community outreach and open up with specific outcomes. Let your core members know why you're changing; the health fundamentalists appreciate community outreach--they recognize that there are gateway foods for health. Core shoppers have left and there has been frustration around MSG, high-fructose corn syrup, treatment of staff, etc.
  - NCG recommends good/better/best, and that's what we're trying to move towards.

**7:52 pm:** Continuation of board decisions

- ~~Fundraising Committee Charter–Eric~~ (Eric not in attendance)
- CAFÉ Committee–Vicki
  - Vicki is passing the torch to Tim (he is chair). There has been discussion of changing the name as well. No objections to Tim taking over.
  - For board in the store, it is likely that that program will start off on member Wednesdays.
- Calendar Review–Phyllis
  - Working on calendar review.

**8:00 pm:** Discussion

- Board:
  - Retreat review–Phyllis
  - Feedback on Cooperative Café–Ann Arbor Oct 24–Brad, David and Phyllis
  - Possible Equity System changes–table for now
  - ~~Update on Non-Profit Status–Eric~~ (Eric not in attendance)
  - Conversation with Carol Collins. Financial benchmark interpretation for Board–Phyllis
- GM Reports: Brad
  - Finance Report
  - State of the Market
  - Freezer [agenda addition]
    - The freezer is failing; it is Brad's recommendation that we replace it proactively rather than wait for a catastrophic failure.
    - **Motion:** Approve purchase of new freezer unit up to \$8,500  
Tim Martin moves and Ava Breniser seconds

No discussion

Motion passes: 6 in favor; 0 oppose; 0 abstain

- Board logistics: mailboxes, name tags
  - Mailboxes are now located next to the restrooms; the board doesn't have to ask to access materials.
- Newsletter changes
- Proposal—change board meeting to 4th Monday (from 3rd)
  - Proposal is accepted without objections
- Updates (brief):
  - Website bios and photos
- Upcoming Events:
  - November 19th Speaker Series at the Lerner

**8:21 pm:** Executive session opens

**9:11 pm:** Executive session closes

**9:12 pm:** Calendar review

- Next meeting November 16, 2015 [change in date per earlier meeting decision; next meeting will now be held on November 23, 2015]:
  - GM Policy Monitoring:
    - X.
  - Board Policy Monitoring
    - G.7 Accountability of GM
  - Readings:
    - TBD
- Looking ahead

**9:13 pm:** Movement to adjourn