

Open Harvest Board of Directors

Approved Meeting Minutes

November 2, 2009, 5:30 – 7:30 p.m. at Irving Rec Center
2010 Van Dorn Street

- Present** Ingrid Kirst, Gail Kendall, Jon Ferguson, Cindy Elder, Michael Henry, Pat Steer, Flame Alligator, Melissa Garcia, Alisa Kushner, Dave Eckmann, Maggie Pleskac, Keith Dubas, David Murphy, Jim Nelson, Carla McCullough, Kelsi Swanson, Margot Conrad, Sara Moshman, John Christensen, Miles Bryant, Mary Rachael
- Absent** Bob Hutkins, Mary Jane Gruba, Tim Arkebauer
- 5:32 p.m.** Welcome to guests, staff and Board members, with introductions. Accept consensus items. Changes to Agenda. Approval of October minutes.
GM Report: accounts payable to inventory (1.89), debt to equity (1.94) (1.31 without loan balances), accounts payable (\$168,316.77), and inventory (\$189, 932.81) shared and discussed. Open Harvest owes .89 on the dollar.
- 5:37 p.m.** Board Officer Election: Chair, Vice Chair positions open. According to the By-Laws the Scribe position is no longer. Keith Dubas is willing to continue on as Chair. No objections. Keith Dubas nominated Miles Bryant as Vice Chair. Discussion included the fact that Miles Bryant will be taking a leave for 4 months. Sara Moshman nominated Carla McCullough. No objections. Roundtable reveals a unanimous approval.
- 5:42 p.m.** Annual Audit: Audit accepted for the fiscal year, ending 6/30 /09.
- 5:44 p.m.** L4: Finance Committee met. Dashboard for the 1st Quarter of 2009-2010 shared and discussed including Quarterly Net Income and Quarterly Sales Growth, plus chart of Expansion Expenses. Jim Nelson reported; that the budget for the 1st Quarter included \$5000. of depreciation and \$11,000. of expansion expenses, the projection of the Expansion Expenses is under budget, including expenses yet to be billed and expenses paid to date, the Member Loan money was the first to be spent, then the existing money in various accounts, and lastly the money from Union Bank, which has drastically reduced the amount borrowed from Union Bank (\$240,000 at 6.25% interest).
- 5:53 p.m.** GM Presentation on Expansion: Sales from July 1st to October 31st handout distributed, shared and discussed, including; 4 month

sales increase of 5.88%, and specifics for October sales (10/1 – 10/31 increase of 17.6% and 10/16 – 10/31 increase of 31.04%), goals, increase in customer count, and average basket size comparing 10/08 to 10/09. Discussion included remaining Grand Opening advertising yet to go out and upcoming regular color ads in Lincoln Journal Star throughout the year. Pay It Forward reported at this time – as of October 31st 220 members signed up, 177 from the cashiers and the rest from the mail.

- 5:59 p.m.** Board Volunteering: Sign up sheet passed around for Board members to volunteer prior to Thanksgiving. Volunteer list will also be emailed to Board members.
- 6:00 p.m.** G's Report and Revision of G1, G4, G7: Ingrid Kirst passed out updates to each Board member. Discussion included Keith Dubas proposing that a separate Committee may need to review the Gs and report the conflicts and inconsistencies or make proposals for changes that the Board could act on, asking if anyone would be willing to serve on a new separate Committee. Dave Eckmann suggested that each Board member take a separate G and report back. Keith withdrew his previous proposal of a separate committee and it was decided that a team of two Board members would take a G, critique and assess the Boards performance on that G and make suggestions for potential changes. The teams are as follows:
G1 – Maggie Pleskac and Dave Eckmann
G2 – Alisa Kushner and Jon Ferguson
G3 – Gail Kendall and Ingrid Kirst
G4 – Miles Bryant and John Christensen
G5 – Sara Moshman, Carla McCullough and Mary Jane Gruba
G6 – Davis Murphy and Keith Dubas
G7 – Tim Arkebauer and Bob Hutkins
- 6:20 p.m.** Community Fund: Keith Dubas reported on the previous discussions at the Board meetings and via email regarding changes to the Community Fund vs. retaining it for community activities. Discussion included why the project lapsed and how it was recently brought to the attention of the Board and various community activities that the money could be used for. Miles Bryant proposed that all the money in the Community Fund be given to Community Crops. Maggie Pleskac seconded. Keith Dubas asked Ingrid Kirst to explain the shares in Community Crops and how they work. Ingrid Kirst did so. No questions. \$723.23 agreed to be donated to Community Crops. No concerns.
- 6:36 p.m.** Policy Committee Report: Policy Committee met. Current calendar updated and draft of 2010 calendar passed out. L9 Owner

Recruitment and Outreach, and M2, Accountability of the GM, updates passed out. Recommendations from the Committee included G5, adding a formal 'leave of absence' policy, and the need for each Board member to know specifically about Policy Governance.

- 6:43 p.m.** By-Laws Committee Report: Committee met. Carla McCullough reported on the Annual Owner/Member's Meeting. Discussion included the cost of sending letters to the Membership informing them of the Annual Meeting, as stated in the By-Laws. John Christensen specifically wanted to thank both Dave Eckmann and Miles Bryant for their work at the Annual Meeting.
- 6:50 p.m.** Members Comment Period: Pat Steer shared her concerns about the changes the expansion has made to the store, correlating it to a "corporate panic attack," stating that "it's cold, it's big, and it is not community oriented at all," that she does not like the increase in "impulse buying stuff" and that she is "disappointed that there was just more stuff and not a place for people to sit down and get together," as if we are "trying to compete with corporations and we've become one ourselves," and questioning "what's the difference between Open Harvest and the health section at HyVee?" Flame Alligator agreed, shared her opinions, and stated that "this one member came representing 100s." Jon Ferguson stated that "what we sell is what we are" and that "Open Harvest is selling things that are not part of their Mission Statement" such as batteries that are not reusable and notebooks not made from recycled paper. Keith Dubas encouraged the members to "remember that we are at a moment of transition, but the principles are the same." Miles Bryant concurred. Keith Dubas stated that "95% of the items on the shelves are what the members want and are consistent with coop ideals." Jim Nelson reminded the members that we are in "test mode," and that it was a "raw fact that if the store didn't get bigger it would have closed." Jim Nelson also explained that the non-food items are currently coming from a recently UNFI bought company, Millbrooks, and it is also in "test mode" as to what needs to be on the shelves of coops. Michael Henry stated that "we are testing the wrong things," and that "they are not representing the policy and the buying policy" of the store. Kelsi Swanson reminded the group that the idea of "one-stop shopping and the price of gas" inspired the idea of having these new items available at the store. Miles Bryant discussed the role of the Board and that the Board does not dictate product selection. Members were encouraged to continue to voice their concerns to the GM and various Department Managers.

7:13 p.m. Executive Session

7:34 p.m. Adjourn

Respectfully Submitted,
Mary Rachael

Next Meeting: December 7, 2009 from 5:30 to 7:30 p.m. at Irving Rec Center.