

**Open Harvest Board of Directors
Meeting Minutes
October 3, 2011, 5:30 – 7:30 p.m.
Irving Rec Center, 2010 Van Dorn Street
(Approved Nov. 7, 2011)**

Present **Board Members:** Barbara DiBernard, Sara Moshman, Bob Hutkins, Jon Ferguson, Maggie Pleskac, Steven McFadden, Vicki Newman, David Murphy, Gail Kendall, Carla McCullough, Miles Bryant, Ingrid Kirst, John Christensen

Staff: Colleen Nygren, Kelsi Swanson, B.J. Birkel, Sherri Clark, Danica Zobeck, Mary Rachael

Member Guests: Melissa Garcia, Flame Alligator

Absent: Jon Ihrig, Keith Dubas

5:35 p.m. Chair, Carla McCullough called this meeting to order, welcomed Guests, Staff and Board Members, followed by introductions. Announcements included Gail Kendall reporting the possibility that the BOD meetings could be held at St. Matthews Episcopal Church on 24th Street.

5:45 p.m. Consensus Items: The Minutes of the September BOD meeting and the Agenda for the October BOD meeting were introduced for approval. Approval of September Minutes with changes. Approval of October Agenda with changes that include Jon Ferguson reporting on behalf of the Board Election Committee and the Executive Session both to be moved to the November BOD meeting.
No Reserved Member Comments requested.

5:49 p.m. GM, Kelsi Swanson presented the GM Report, including a recap of the General Assembly and Conference she just attended, announcing that the store will be audited by 6 to 8 other GMs through NCGA in the near future, and an explanation of redemptions from the past from 2004 to 2011. Membership and Outreach Manager, Sherri Clark announced that as part of the current membership drive, there will be a membership table in the store staffed by herself and she encouraged BOD members to volunteer to help staff it. The goal is to sign up 150 new members. Currently there are 3,009 active members (down 41) with 45 members that have not currently renewed and 86 memberships that are considered abandoned (they have not renewed in 2 years).

New Open Harvest Calendar shared and passed around. B.J. Birkel announced that the printing of the calendar and newsletter is being done in the store and Kelsi Swanson reported that money is being saved by the store doing their own printing vs. sending it out.

- 6:03 p.m.** GM, Kelsi Swanson reported on L4 (Financial Condition, 4th Quarter and Year End 2010/2011). Report included that the 4th Quarter L4.5 was non-compliant (“The goal for net income from operations for the 4th Quarter 2010/2011 was \$10,557.10. The actual net income for the 4th Quarter 2010/2011 was <negative> -\$2,337.03.”) as was 4th Quarter L4.6 (“The goal for sales growth for the 4th Quarter 2010/2011 was \$20,442.99 or 1.72%. The actual sales growth for the 4th Quarter 2010/2011 was <negative> -\$47,373.14 or <negative> -3.99%.”). Also reported that Year End L4.5 was non-compliant (“The goal for net income from operations for 2010/2011 was \$24,020.99. The actual net income for 2010/2011 was <negative> -\$20,296.51.”), as was Year End L4.6 (“The goal for sales growth for 2010/2011 was \$350,123.20 or 7.78%. The actual sales growth for 2010/2011 was \$157,806.53 or 3.6%.”). Discussion included non-compliance was due to overestimating the budget and that in the future, the reporting should include a plan of action and a reason for non-compliance. The GM agreed that she will add an addendum to reporting the L4 both Quarterly and Year End and present it at the November board meeting. The BOD agreed that L4 was non-compliant. No further concerns expressed for L4, pending the addendum report in November.
- 6:16 p.m.** Colleen Nygren reported on Financial Statements and Review for the fiscal year 2010/2011. Report included Balance Sheets for 6/30/2011 and 2010 covering Assets, Liabilities, and Members’ Equity, Statements of Operations, Statements of Members’ Equity, and Statements of Cash Flows for years ended 6/30/2011 and 2010. No concerns expressed for this report of Financial Statements and Review for the fiscal year 2010/2011.
- 6:25 p.m.** Colleen Nygren distributed a handout with various scenarios for Member Loan Maturity Distribution and Repayment Schedule, including scenarios with no changes and early pay back on 4% loaners. Discussion included the need to speak with the bank and having the Finance Committee review options, but Colleen Nygren recommended to the BOD that a decision be made in the Spring of 2012, whether or not to make changes. BOD decided to include an article in the Annual Report.
- 6:38 p.m.** GM, Kelsi Swanson reported Budgeted August Sales were \$383,464 (1st quarter budget of \$1,150,392.80/3) and Actual August

Sales were \$380,361. Accounts Payable as of August 31, 2011 was \$159,729 and the last inventory was \$281,544, for a ratio of .57. Wages and Salaries for August 2011 were 20.15% of store sales, or \$76,659. Wages and Salaries budgeted for the 1st quarter was 20.02% of store sales, or \$76,148. Total Operating Expense for August 2011 was 39.58% or \$150,547. Total Operating Expense budgeted for the 1st quarter was 39.02% or \$148,417. GM, Kelsi Swanson reported on L9 (Owner Engagement) citing compliance.

Membership and Outreach Manager, Sherri Clark reported on L9.3.1 current Owner Membership statistics for the time period of September 1, 2010 – September 1, 2011:

3,045 ~ Total Member Owners

849 ~ Members renewing

645 ~ Members abandoned/dropped

464 ~ New Members

\$339,662.50 ~ Member equity.

Discussion included BOD stating that the raw numbers are helpful but that trend numbers would be useful. No concerns expressed for L9, approved as compliant.

6:46 p.m.

BOD Members reported on G1 – G7 (Board Self Evaluation):

G1 ~ Miles Bryant and Barbara DiBernard report compliance.

G2 ~ Gail Kendall, Jon Ihrig, and John Christensen report compliance.

G3 ~ Steven McFadden and Carla McCullough report GM Review process changes need to be done to the 2011 calendar and recommend changes with communication between Committee Chairs and BOD.

G4 ~ Sara Moshman and Bob Hutkins report compliance and commented that G4.2.4 Annual Report to Members is being addressed.

G5 ~ Jon Ferguson and Ingrid Kirst report compliance.

G6 ~ Keith Dubas and David Murphy recommend that the Policy Committee look at G6.1.4 and G6.1.6 as they could be deleted, and G6.2 needs to be revised, also questioned G6.3.1 regarding Charters for Committees, G6.3.4 regarding Committee Minutes, and G6.2.6 regarding the preservation of documents. Discussion included BOD and Committees utilizing Google Docs and the option of Committee Chairs writing up Annual Reports.

G7 ~ Vicki Newman and Maggie Pleskac discussed Board Candidates, questioned G7.2.3 regard compensation being voluntary and the interpretation of G7.3.

Written electronic reports were requested and Chair, Carla McCullough will compile them.

7:12 p.m. Annual Member Meeting Committee Report: Maggie Pleskac reported that the upcoming Annual Member Meeting will be on October 23rd, from 5:00 – 7:00 p.m. at the Auld Center. The Committee has decided to hire childcare and a clown during the 1 hour Meeting time. Currently the Committee has spent \$1,541.56 of their \$2,000 allotted budget. Invites will be mailed and emailed 2 weeks prior to the Meeting.

7:15 p.m. Policy Committee Report: Ingrid Kirst reported that the Committee is currently looking at the Ends and looking into alignment of Ends Statement with the Mission Statement. Revised Ends were read by Ingrid Kirst and feedback is being sought by the BOD and Staff. Discussion included a possible retreat with both the Staff and the BOD regarding the aligning the Ends Statement with the Mission Statement. An email will be sent out to both Staff and the BOD and a decision will be made regarding a possible retreat. Decision on the revised Ends was tabled until a further date.

Bylaws Committee Report: No report.

Guest Members' Comments: No comments.

7:32 p.m. The meeting adjourned.

Next Meeting: November 7, 2011, from 5:30 – 7:30 p.m., at the Irving Rec Center.
November meeting Agenda items will include: Monthly GM Report, Monitor L4 (Financial Conditions, 1st Quarter), Revise G1 – G7 (Board Self Evaluation), Committee Reports, Final Report/Evaluation of Annual Member Meeting, Review BOD Calendar, Board Priority for Building Wisdom in November is "Trends," including a review of the 2011-2012 Annual Business Plan (p. 7-20), and plan review of 3-5 year plan.
Additional Agenda items are requested two weeks prior to BOD Meeting. Guest Members may request time during Reserved Member Comments for comments relating to a specific Agenda item for that Meeting by contacting the Chair, Carla McCullough at harvest@openharvest.coop.