

Open Harvest Cooperative

Board of Directors Meeting Minutes

Wednesday, November 4, 2015

6:00 – 8:00PM

Two Pillars Church, 1430 South Street

Present	Board Directors: Carla McCullough (Board Chair), Brandé Payne (Vice Chair), Megan Jackson (Secretary), Ross Brockley, John Christensen, Barbara DiBernard, Ellen Dubas, Mary Hansen, Bob Hutkins, Steven McFadden, Kat Shiffler, Nick Svoboda, Molly Phemister. Staff Members: Kelsi Swanson (General Manager). Member Owners: Nicole Saville (staff) and Matt Pirog (staff).
Excused Absence	Board Directors: Sarah Disbrow
Unexcused Absence	
6:00 pm	Welcome, Introductions, Announcements: The Board Chair called the meeting to order, welcomed board members, staff, and member owners.
6:03 pm	Consensus items: Approval of minutes and agenda: The Chair presented the draft October board meeting minutes, the Annual Meeting agenda and the November agenda for approval. Consensus items: The board approved the October meeting minutes, the Annual Meeting agenda and the November agenda with the addition of a member equity redemption request.
6:04 PM	Reserved Member Comments: No Member Owners asked to reserve time for comments this month.
6:05 PM	Member Equity Redemption Request: Member number 1098 requested a redemption equity request of \$190 with a note to say a portion of their redemption would be used to purchase a life membership at the co-op in their new community and a portion would be given back to Open Harvest as a donation.

6:10 PM

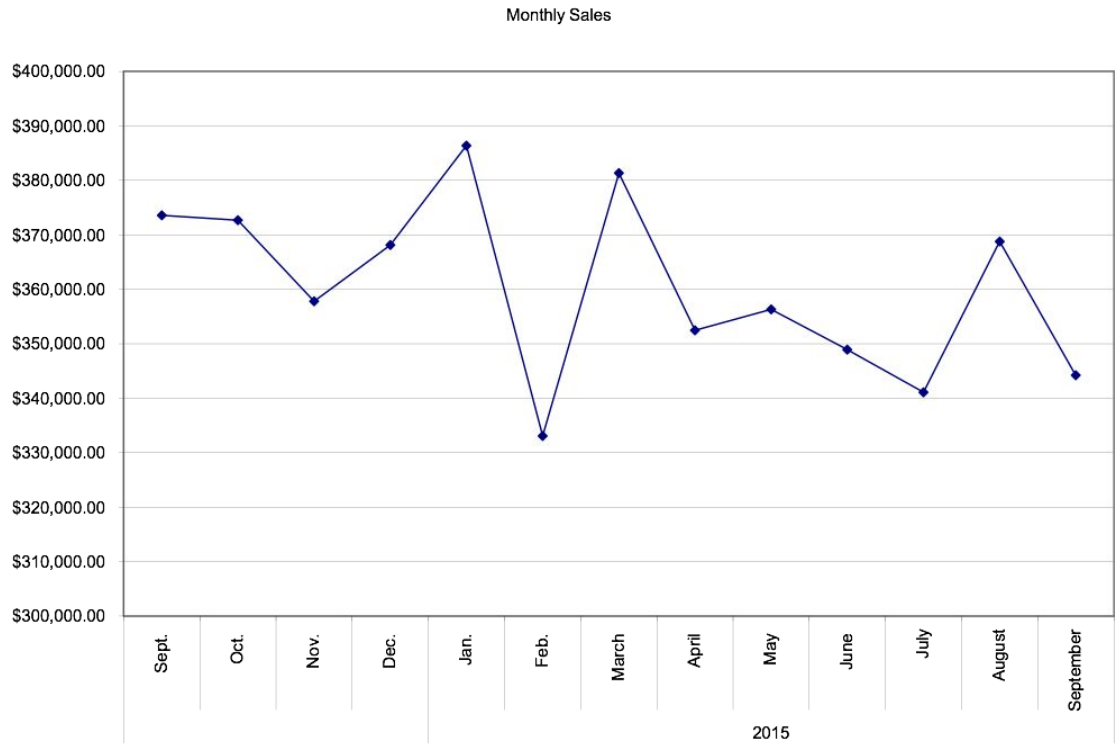
GM Monthly Report: The GM discussed the highlights of her monthly report, which was distributed prior to the meeting.

SALES

September 2015 Sales: \$344,213

Original Budget: \$352,803 (1st qtr. budget of \$1,058,410/3)

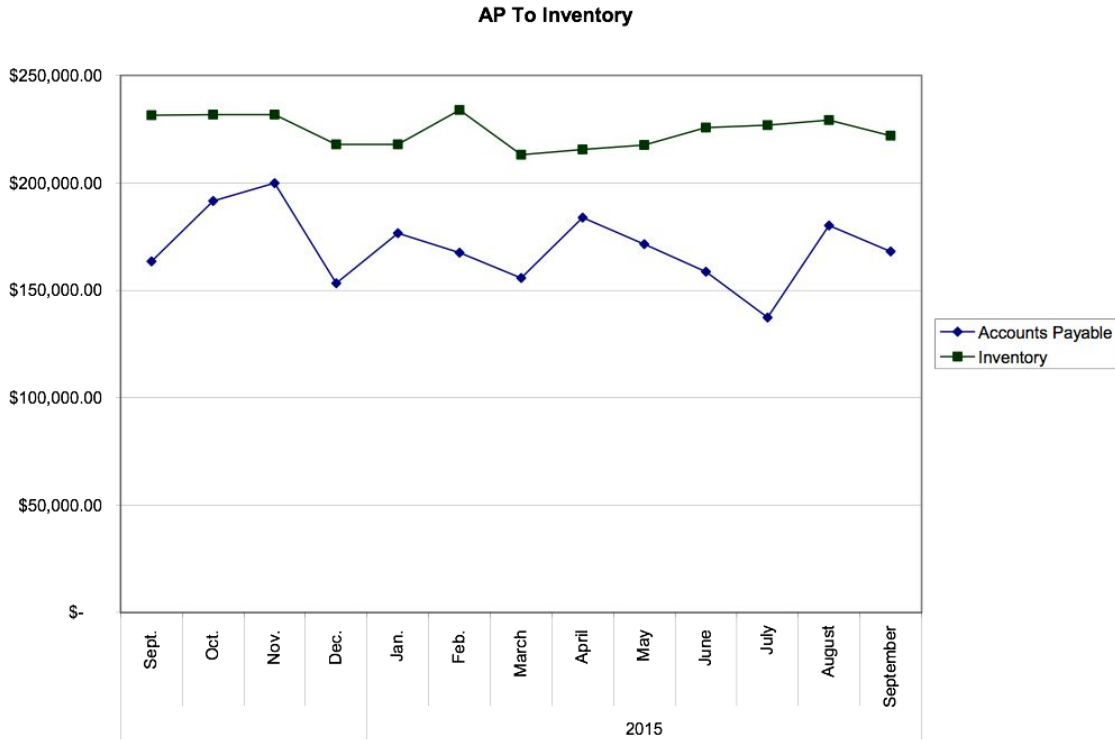
September 2014 Sales: \$373,584



AP TO INVENTORY RATIO

Accounts Payable as of September 30, 2015 was \$168,072 and the last inventory was \$221,969. This is a ratio of .76.

Date	9/14	10/14	11/14	12/14	1/15	2/15	3/15	4/15	5/15	6/15	7/15	8/15
Ratio	.71	.83	.86	.70	.81	.72	.73	.85	.79	.70	.61	.79

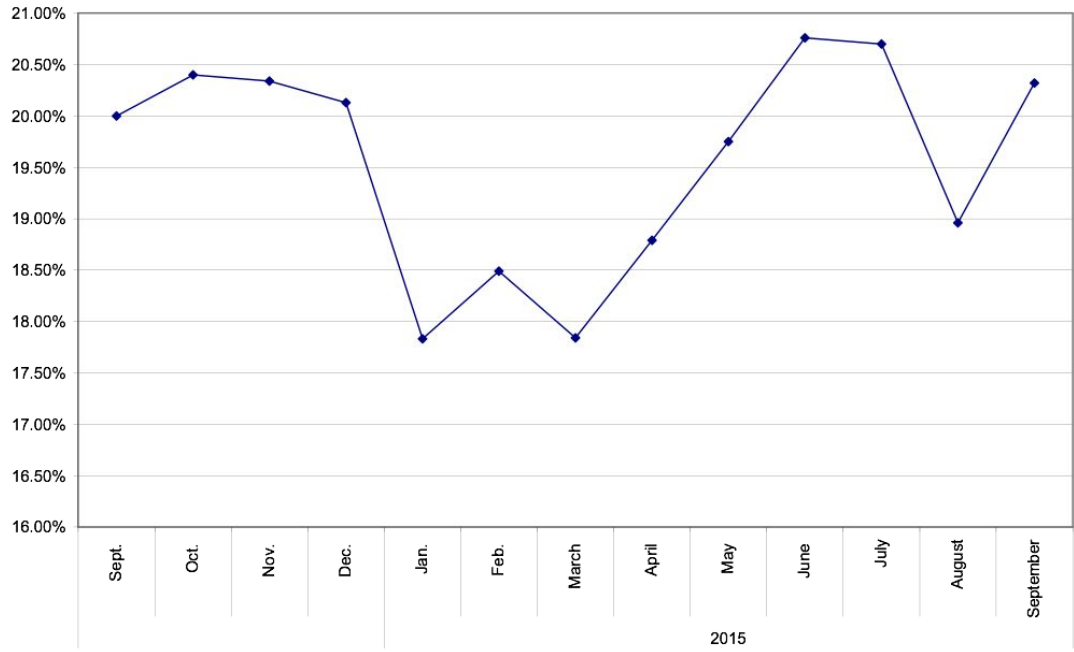


(You want a maximum of .75 or .80 for an AP to Inventory Ratio. More than one means you owe more than the wholesale value of the inventory on your floor)

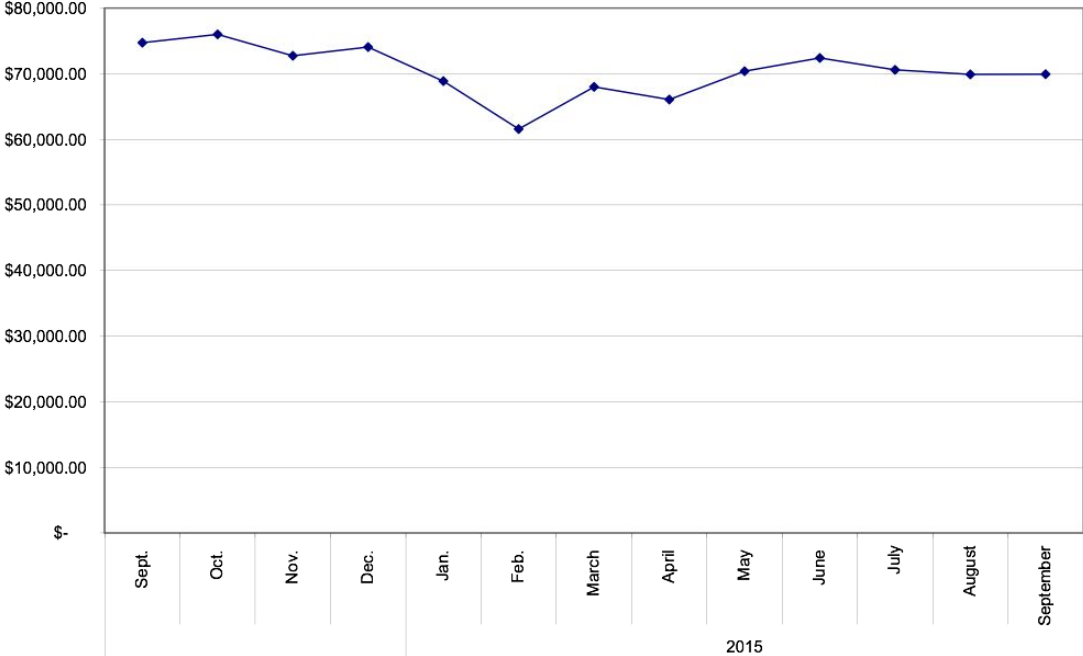
WAGES AND SALARIES

Wages and Salaries for September 2015 were 20.32% of store sales, or \$69,947
Wages and Salaries budgeted for the 1st quarter was 18.90% of store sales, or \$65,056
Wages and Salaries for September 2014 were 20% of store sales, or \$74,734

Labor as % of Sales



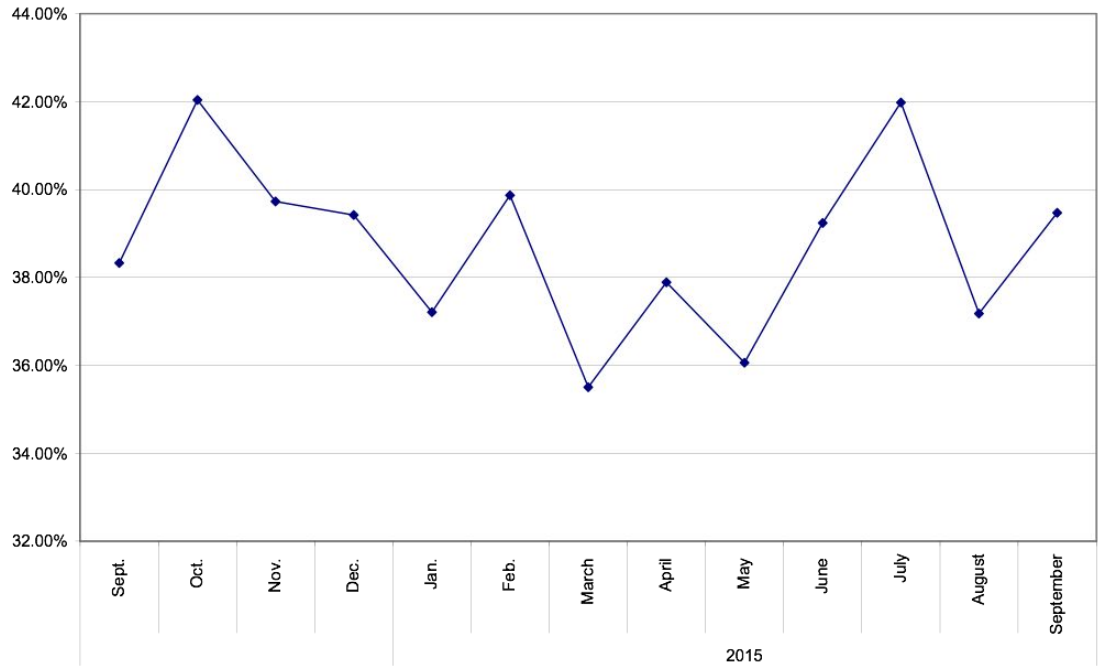
Labor Dollars Spent



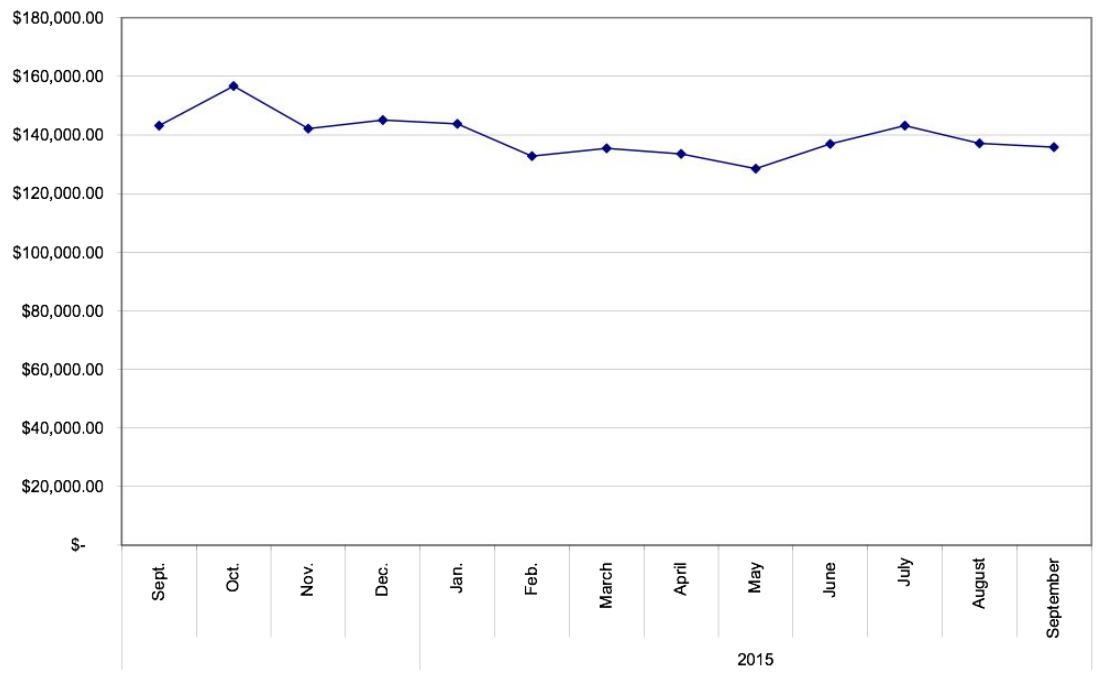
TOTAL OPERATING EXPENSE

Total Operating Expense for September 2015 were 39.47% of store sales, or \$135,857
 Total Operating Expense budgeted for the 1st quarter was 38.6%, or \$132,866
 Total Operating Expense for September 2014 were 38.33% of store sales, or \$143,182

Operating as % of sales



Operating Dollars

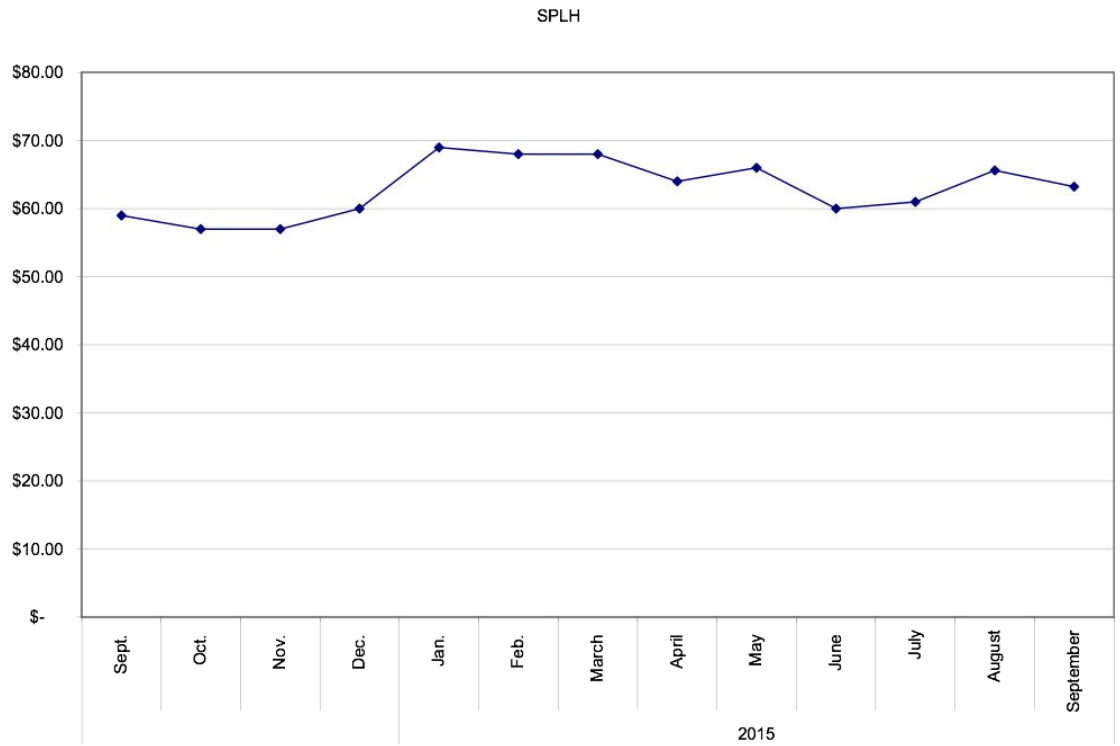


TOTAL STORE SALES PER LABOR HOUR (SPLH)

September 2015 Total Store SPLH was \$63.22

September 2014 Total Store SPLH was \$59

10/14	11/14	12/14	1/15	2/15	3/15	4/15	5/15	6/15	7/15	8/15
\$57	\$57	\$60	\$69	\$68	\$68	\$64	\$66	\$60	\$61	\$66

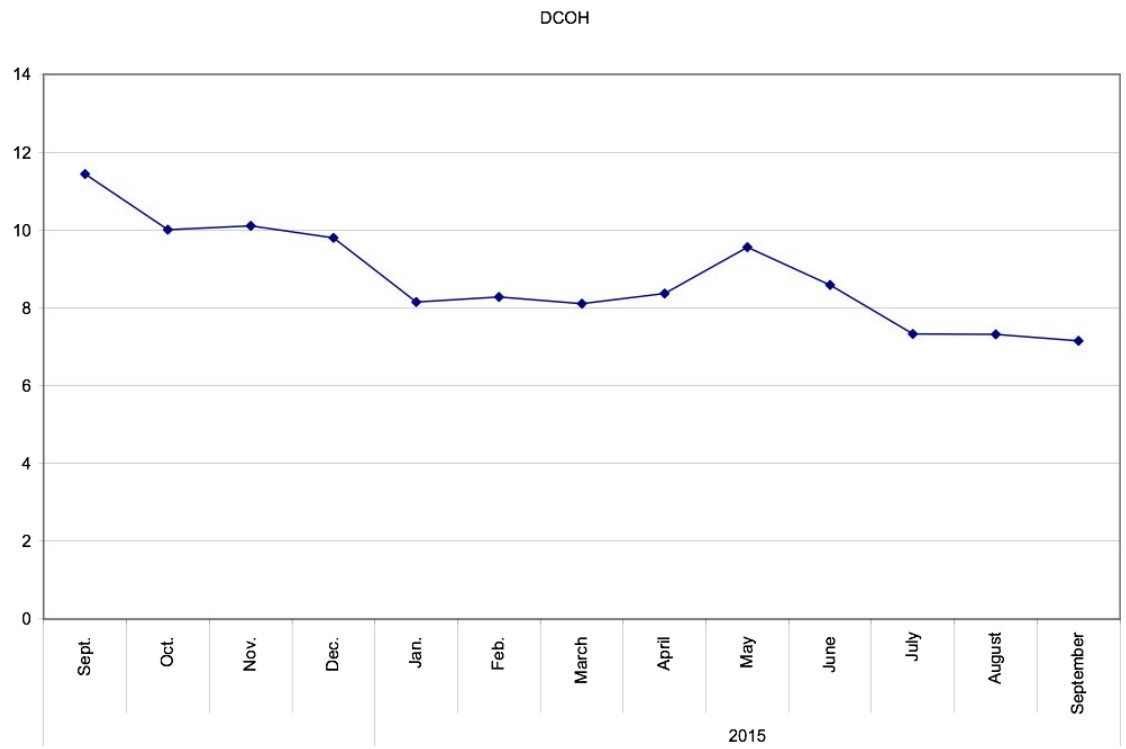


****DAYS CASH ON HAND (DCOH)**

September 2015 DCOH 7.15

September 2014 DCOH 11.44

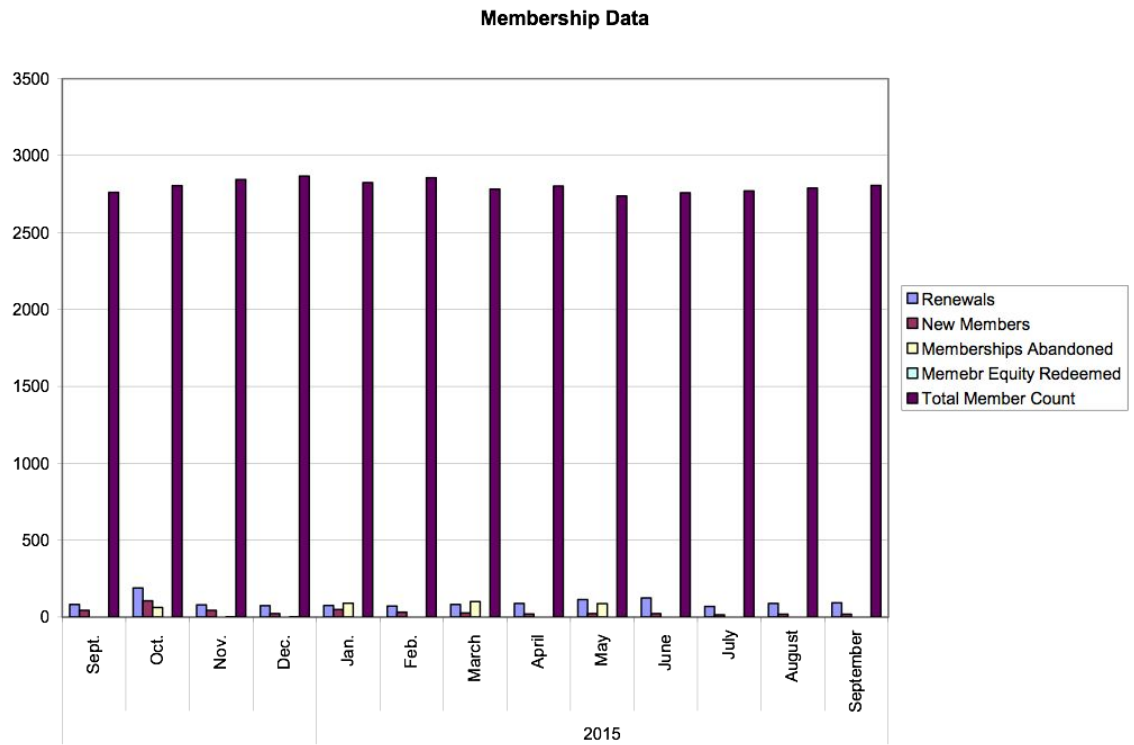
10/14	11/14	12/14	1/15	2/15	3/15	4/15	5/15	6/15	7/15	8/15
10.01	10.11	9.8	8.15	8.28	8.11	8.37	9.56	8.59	7.33	7.32



MEMBERSHIP NUMBERS

September 2015

- Renewals – 92
- New Members - 18
- Memberships Abandoned - 0
- Member Equity Redeemed - 0
- Total Member Count - 2807



SUMMARY

- October is our Member Owner drive month; our goal is to get 400 new and renewing signups. There are still a few days left in the month, but it looks like we are closer to reaching 300 new and renewing member owner signups.
- We had an All Staff Meeting in October, revised copies of the employee handbook were presented and the new handbook was implemented.
- Store holiday hours have changed, we will not open late or close early on any days except Christmas Eve when the store will close at 6pm. The store will only be closed for two holidays, Christmas Day and Thanksgiving Day.
- Store improvements projects continue after CE Pugh's visit.
- This year's Annual Report is near completion; it will be ready for this year's Annual Owner Meeting on November 8th.
- I will be presenting information to the Board about NCG's member agreement revisions.

OUTREACH ACTIVITIES SUMMARY

- Annual Owner Meeting, November 8th 11-2pm, Chez Hay
- Holiday Harvest Farmers' Market, November 22nd 10am-2pm, Park Center Banquet Hall, 2608 Park Blvd
- Holiday Sample Weekend' November 21st & 22nd, 11-3pm
- URBAN HOMESTEAD CLASS SCHEDULE
 - DIY HERBAL BODY CARE, November 3rd, 6:00-8:00 PM, Antelope Park Church of the Brethren

	<ul style="list-style-type: none"> ○ Soup-er Suppers, November 17th, 6:00-8:00pm ○ Mini Harvest Market Classes, November 22nd, various times between 10-2pm • RECENT DONATIONS: Community Crops Farm to School Summit, March of Dimes Chef Auction, Open Harvest Members at the Annual Meeting, Asian Community Cultural Center • UPCOMING EVENTS: Holiday Harvest Market December 13th
	The board approved renewing CBLD for the next fiscal year after a \$2,000 discount was provided. Kelsi is also looking into applying for a \$500 grant. Two members stood aside.
6:15 PM	Monitor L1 (Financial Condition and Activities, 1st Quarter). The GM discussed the highlights of her L1 report, which was distributed electronically prior to the meeting. She reported non-compliance due to the store's cash flow deficiency.
6:25 PM	<p>Monitor ENDS. The GM passed out the monitoring report on the Ends Policy and discussed highlights of the report including purchases from local producers contributed to 29.4% of total store sales; close to 40% of products sold in the store are certified organic; we continue to be an educational resource for consumers with our newsletter, <i>The Dirt</i>, as well as staff members presenting at community and health related events; this year all Non-GMO products have been labeled; we provided donations and sponsorships to 33 different local nonprofit groups; and several events have been organized and carried out through this last year including the Seed Swap, CSA Fair, and Urban Homestead Series.</p> <p>A board member asked about the status of acquiring a liquor license. Many roadblocks stand in the way of making progress, including limited time for the GM to pursue several avenues. Continued work will likely be taken on by the Strategic Planning Committee.</p> <p>Consensus item: The board approved the Ends Report with no concerns.</p>
6:40 PM	Finance Committee (meeting report): The committee chair reported that the committee met for a brief meeting. Formatting changes had been made to P & L Report. The committee discussed where the greatest areas of sales loss were and where improvements need to be made. The committee discussed adding the auditor's summary of the financial report to the October minutes and agreed to do so. Also discussed were recommendations from our CBLD consultant that could be made to the GM's financial reports including adding goals to the graphs.
6:45 PM	Strategic Planning: The GM reported as committee chair. The committee discussed conducting a survey to members to provide guidance for the committee's plans and priorities. The committee also discussed prioritizing the need for additional seating for deli service, an area that has experienced growing sales.

7:00 PM	<p>Annual Meeting (final plans, board volunteer sign up): The committee chair requested volunteers for the Annual Meeting and for members to bring items for the potluck. Details such as food, music, and the kids' activities were discussed.</p> <p>The GM recommended the requirement for 30-days written notice of the Annual Meeting is too long and should be changed to a 30-day announcement with an invitation to be sent out 2 weeks prior to the Annual Meeting.</p>
7:05 PM	<p>40th Anniversary (meeting report): The committee met with the Annual Meeting committee to review day-of events, including having a co-op timeline on the wall for members to indicate their place in the co-op's history.</p>
7:10 PM	<p>Election (meeting report): The committee chair reported that dates have been reviewed for the election timeline. Applications will be available online by the Annual Meeting. As of now, there is one open seat with members resigning before their terms expire. Other directors, whose terms are ending in May 2016 are not running for re-election.</p>
7:15 PM	<p>Policy (meeting report, review Board calendar, committee charters): The Board Calendar had been e-mailed to the Board for review. If any changes are needed, let Steven know before the December meeting package comes out.</p>
7:20 PM	<p>Board Operations (Bylaws process update, meeting report, CBLD): The proposed Bylaws have been presented to Member Owners prior to the vote at the Annual Meeting. In October, the committee discussed Board officer elections, recruiting for the Secretary position and transitioning to a new Board Chair in December. The Board Officer elections will be held at the end of the meeting in December so the current Board Chair will facilitate that meeting.</p>
7:35 PM	<p>Monitor G1-G8 (Board Process): A survey on board governance with a self-evaluation was sent to board members prior to the meeting. A summary of the survey was passed out and discussed.</p>
7:45 PM	<p>Guest Members' Comments: A member made comments about the future of the co-op and how outside factors like the ongoing drought in California may affect the co-op. A board and staff retreat could be a good option for visioning.</p>
7:50 pm	<p>Executive Session – Personnel: Kelsi submitted her resignation as GM. Her last day will be December 31, 2015. The Board thanked her for her years of hard work under trying circumstances. The Board Operations committee has a call with Marilyn scheduled for the next day, during which a timeline for interim management and initiating the GM search.</p>
8:00 pm	<p>Adjourn</p>