

**Open Harvest Cooperative**  
**Board of Directors Meeting Minutes**  
**Wednesday, February 7, 2018, 6:00 – 8:30 p.m.**  
**Two Pillars Church, 1430 South Street, Lincoln, Nebraska**

**Present:** **Board Directors:** Megan Jackson (Board Chair), Matt Pirog (Vice Chair), John Christensen, Mary Hansen, Rosina Paolini, Brandé Payne, Ross Brockley. **Staff Members:** Amy Tabor (General Manager), Paula Shafer (Board Administrative Assistant). **Member-Owners:** None.

**Excused absence** Tanika Cooper, BJ Birkel

**6:04 PM** **Welcome, Introductions, Announcements:** The Chair called the meeting to order and welcomed Directors and staff.

**6:05 PM** **Approval of January Meeting Minutes and February Agenda:** The Chair presented the draft January Board meeting minutes and the draft February Board meeting agenda for approval. One typographical error was noted in the minutes.

**Consensus Items:** The Board approved the January meeting minutes with the noted edit, and the February meeting agenda.

**6:07 PM** **Reserved Member-Owner Comments:** None requested.

**6:07 PM** **General Manager (GM) Monthly Report:** The GM discussed the monthly report that was available to the Board prior to the meeting, and provided additional updates on personnel and store operations.

**GM Monitoring Report: L1: Financial Conditions and Activities:** The GM discussed the L1 report that was available to the Board prior to the meeting. The report asserted non-compliance on L1.1 and L1.2 with plans for achieving compliance. The Board discussed the severity, implications, and trends for L1. The non-compliant financial issues are persistent; the same metrics have been non-compliant for two consecutive quarters. In response to concerns about L1, the Board requested that the GM meet with the Finance Committee in March with a further report on margin and progress being made, in addition to the monthly non-compliance progress reporting.

**Non-Compliance Progress Report (L6, L1, and L5):** The GM discussed the Non-Compliance Reports that were available to the Board prior to the meeting. Board discussion to clarify points in the report included staff turnover and empowerment of people in supervisory positions.

The Chair requested receipt of the GM's reports.

**Receipt of Reports:** The Board accepted receipt of the GM report, the non-compliance report on Policies L6.3, L1.1, and L5, and the L1 Monitoring Report.

- 7:02 PM Strategic Conversation Topic - Trends & what they mean for us:** The Chair led a wide-ranging discussion in which directors reflected on trends in the natural grocery market.
- 7:22 PM Policy Revision Discussion L9:** No revisions were recommended.
- 7:05 pm Finance Committee Report:** The committee's report was available to the Board prior to the meeting. The committee requested feedback on the issue of how to notify Member-Owners of the change to the equity redemption policy. The Board agreed that the issue should be discussed with the CDS consultant before a decision is made. The Board Operations Committee will discuss the equity forfeiture mailing with CDS later in February and share that feedback at the next Board meeting.
- 7:23 PM Board Operations Report:** The committee report was available to the Board prior to the meeting. No concerns or suggestions were made to the Board Retreat Agenda, and in sharing the monthly Board Packet with the Board Administrative Assistant.
- 7:41 PM Liquor License Update:** A report on the text amendment was available to the Board prior to the meeting. Since the report was submitted, the City Council moved to suspend the vote as Council Members opposed to the amendment are working on an alternative that may benefit Open Harvest. City Council will be in contact with Open Harvest when progress and/or a decision has been made regarding the vote.
- 7:51 PM Member Owner Engagement:** The committee did not meet in January. The committee will meet in March after the 2018 Customer Survey report has been received. The election committee will need to be established in March.
- 7:56 PM Financial Education Training:** The Board discussed the topic of Gross Margin. Monthly financial trainings are to improve the Board's understanding of the financial measures that the GM reports on. This builds on a similar discussion in January.
- 8:21 PM Guest Member-Owner Comments:** None.
- 8:21 PM Review Action Items:** The Board reviewed and identified the list of completed, continued and new Action Items. The list will be updated and is available in the Board Documents folder.
- 8:24 PM Adjourned.**