

**Open Harvest Cooperative
Board of Directors Meeting
Wednesday, October 5, 2016 6:00 – 8:10 p.m.
Two Pillars Church, 1430 South Street, Lincoln, Nebraska**

Present: **Board Directors:** Brandé Payne (Board Chair), Mary Hansen (Secretary), BJ Birkel, John Christensen, Barbara DiBernard, Bob Hutkins, Ellen Dubas. **Staff Members:** Amy Tabor (General Manager), Brian Furby, Co Nygren (Finance Manager, present for the Annual Financial Review). **Member-Owners:** Matt Pirog. **Other:** Dave Thomsen (Gardiner Thomsen Certified Public Accountant, present for the Annual Financial Review).

Informed

Absences: Ross Brockley, Megan Jackson (Vice Chair).

Uninformed

Absence: None.

6:00 pm **Welcome, Introductions and Announcements:** The Chair called the meeting to order, welcomed board members, staff and Member-Owners.

6:03 pm **Approval of September Minutes and October Agenda:** The Chair presented the draft September board meeting minutes and the October agenda for approval. The Chair noted that the CPA and the Finance Manager would arrive at 7:00 p.m. and asked that the sequence of agenda items be adjusted if needed to accommodate their arrival.

Consensus Items: The board approved the September meeting minutes and the October agenda with the possible change in sequence of agenda items.

6:05 pm **Reserved Member-Owner Comments:** None.

6:05 pm **General Manager Monthly Report:** The board and GM discussed the GM'S report, which was available electronically to the board prior to the meeting.

The GM and managers continue to analyze sales patterns and to strategize how to increase sales. The GM reported that labor and other expenses are being closely monitored.

GM's Consumer Cooperative Management Intensive (CCMI) Presentation:

The GM gave a presentation on her participation in the CCMI course for new GMs and those on track to become GMs. Her project for the course was the completion of a strategic plan with Open Harvest staff. She reported that the course has provided her with valuable information, articles and resources. The GM said the main understanding she gained from the course was to build a culture of accountability across all levels. Another valuable result was the acquiring of a strong support system and peer group with other GMs.

GM Follow-up Report on Non-Compliant Policies (L1.1, L1.12): The board and GM discussed the report on non-compliant policies L1.1 and L1.2, which was available electronically to the board prior to the meeting.

Receipt of the GM's Follow-up Report on Non-Compliant Policies: The Chair asked that the board acknowledge the receipt of the GM's report. The board acknowledged receipt of the GM's report.

L5 Policy Monitoring Report (Engagement of Member-Owners and Customers): The GM presented the L5 monitoring report which was available electronically to the board prior to the meeting.

Approval of L5 Monitoring Report: The Chair asked for questions or concerns regarding the GM's monitoring report. None were given. The Chair asked for acceptance of the report as compliant.

Consensus Item: The board accepted the GM's L5 monitoring report as compliant.

6:50 pm **Policy Revision(s): L4 - Member-Owner Rights and Responsibilities:** No revisions were presented.

6:50 pm **Board Operations Committee Report:** The Chair noted that the quarterly report from CBLD Consultant Marilyn Scholl was received and made available electronically to the board prior to the meeting. The Chair reported that she will write the board's Annual Report for the upcoming Annual Meeting and send it to the board for feedback.

6:55 pm **Finance Committee: L1 Revision Update:** The proposed policy change is not yet complete. The Finance Committee will meet prior to the next board meeting to review the first quarter financial report which will be available October 21.

7:00 pm **2016 Annual Review presented by Dave Thomsen, Gardiner Thomsen, CPA**

Mr. Thomsen and the Open Harvest Finance Manager arrived at the board meeting. Mr. Thomsen handed out copies of the 2016 Annual Review. He reviewed the report with the board. He noted that the financial figures from the last two years are very similar and noted that the losses of the last two years are an ongoing concern.

Receipt and Acceptance of the 2016 Annual Review. The Chair asked if there were any questions or concerns regarding the receipt of and acceptance of the Annual Review.

Consensus Item: The board acknowledged receipt of and accepted the 2016 Annual Review prepared by Dave Thomsen, Certified Public Accountant.

7:20 pm Membership Structures Committee Report: The committee discussed the report that was available electronically prior to the meeting. Plans for the Annual Meeting were reviewed. The committee asked that revision of its charter be postponed to allow for further understanding and discussion of the board's role in member-owner engagement. The Chair suggested a strategic discussion on the topic at a future board meeting.

7:30 pm **Annual Meeting Agenda:** The Chair presented the proposed agenda for the Annual Meeting that was included in the Membership Structures Committee report. Volunteer Recognition was added to the agenda.

Proposed Annual Meeting Agenda:

Welcome
Annual Report by the Board Chair
Annual Report by the General Manager
Volunteer Recognition
Member-Owners' Questions and Answers
Adjourn

Approval of the Annual Meeting Agenda: The Chair asked if there were any questions or concerns about the proposed Annual Meeting Agenda.

Consensus Item: The board approved the proposed Annual Meeting Agenda.

7:35 pm **Board Self Evaluation Planning: G Policies (G1-G8)—Board Process:** The Chair discussed the board self-evaluation report that was available electronically to the board prior to the meeting. The board discussed the report and the G Policies.

Approval of Board Self Evaluation and Monitoring of G Policies—Board Process: The Chair asked if there were any questions or concerns about the board self-evaluation report or the G Policies. Board members agreed that the board is performing adequately and that meetings are well run and functional. It was noted that the board needs to continue to strive for improvement. The Chair asked that the board approve compliance with the G policies. No additional questions or concerns were given.

Consensus Item: The board approved compliance with the G policies.

7:50 pm **Board Elections Planning: Term Reorganization:** The Chair discussed the proposed plan for board term reorganization that was available electronically to the board prior to the meeting. The proposal evens out the number of board members up for re-election each year and separates board leadership so that the chair and vice chair are not up for re-election during the same year.

Approval of Board Term Reorganization Plan: The Chair asked if there were any questions or concerns about the proposed reorganization plan. There were none.

Consensus Item: The board approved the proposed plan for board term reorganization.

7:55 pm **Board Officer Elections Planning:** The Chair reminded the board that the Annual Election of board officers would take place at the November board meeting. She noted that while all three current officers are willing to serve another term, all board members are welcomed and encouraged to nominate others or self-nominate.

8:00 pm **Review Outstanding Action Items**

Completed Action Items:

8/16—1 Membership Structures Committee recommended board discussion of member-owner engagement prior to committee charter revision.

9/16—4 Board members completed and returned the board self-assessment form.

9/16—5 Board discussion of member-owner engagement will occur as a strategic discussion.

9/16—6 The Chair presented a plan to adjust board terms that was approved by the board.

New Actions Items:

10/16—1 The Finance committee will meet to review the first quarter financial report

10/16—2 The Chair will plan a strategic discussion of member-owner engagement.

10/16—3 The Chair will plan a strategic discussion on conducting an audit versus a review

8:05 pm **Guest Member-Owner Comments:** Open Harvest needs to both appeal to the Co-op’s core Member-Owners and shoppers and find ways to expand the core by appealing to those who would want to become a part of the Co-op community.

8:10 pm **Adjourn**

Action Item	Description	Assigned to	Date Opened	Date Due
7/16 – 2	Present proposed L1 policy revisions for approval.	Finance Committee	7/6/16	9/7/16
8/16 – 3	Research legal requirements regarding audits.	GM	8/3/16	9/7/16
9/16--1	Continue planning and making arrangements for Annual Meeting.	Membership Structures Committee	9/7/16	10/27/16
9/16—2	Include the recognition of volunteer Member-Owners in the Annual Meeting presentation.	Membership Structures Committee	9/7/16	10/27/16
9/16 – 3	Send thank-you cards to volunteers.	GM and Board Chair	9/7/16	10/27/16
10/16--1	Review first quarter financial report.	Finance Committee	10/16	11/2/16
10/16--2	Plan strategic discussion of Member-Owner engagement.	Chair	10/16	2/17
10/16--3	Plan strategic discussion of a financial audit versus a review.	Chair	10/16	2/17