

**Ozark Natural Foods
Board Meeting Minutes**

Tuesday July 22nd
6:30 p.m.

Board Members Present: Joshua Youngblood, Hank Kaminsky,
Tuesday Eastlack, Colleen Pancake,
Ben Ozanne, Danielle Dotson, Todd Scarborough

Board Members Absent:

Staff Members Present: Alysén Land, Gary Cook, Alexa McGriff

Facilitator: Kathleen Trotter

Consent Agenda

Minutes:

- **Motion** to accept the report was **made, seconded and passed unanimously**

Floor Reports

President's Report:

- Met with Thane (CDS consultant) to affirm a productive retreat agenda.
- Met with General Manager Alysén Land for regular check in/store update and also offered congratulations to her on 21 years at ONF.
- Apologized for any confusion over the Comment Form and clarified the intent.
- Owner Services Committee reviewed response from the recent owner survey on how to engage with owners including the possibility of aligning the AOM with the Midtown Music Festival in September. The committee discussed ideas to get owners involved in big decisions such as the Expansion Space, including forums, and possibly coupons as incentive.
- Noted progress on the Strategic Planning goals set in the past couple of years- more owner engagement; hearing from more people; responding to owner ideas; providing more transparency and out-going communication about board activity. The board retreat will focus on more ideas, to prepare for big decisions ahead in working toward a community-minded store and creating a work plan strategy for board work.
- Welcomed to the meeting K.C. Dupps Tucker, L.L. M and Kristy E. Boehler, L.L.M. from the Law Group of Northwest Arkansas and noted their new business affiliation.

GM Report:

- Alexa (Marketing Manager) prepared a survey to Owners regarding the possible date change of the AOM as well as linkage questions (dinners, meetings, etc.) that was posted on-line and in the store, the day after the last board meeting.
- July OAW sales were up 3.4% from the previous year. Operations went smoothly.
- Continuing with expansion space plans regarding the kitchen, community room and offices. Staff are generating ideas/vision with Mike (Store Manager).
- Whole Foods has broken ground and is tentatively set to open fall 2015. ONF has a short term and long term plan to deal with the impact of Whole Foods opening.
- New website set to launch Aug 1st, will include board portal for secure access to board information.
- Next Owners Forum on Sept 18th focusing on ideas the Expansion Space.

Reporting and Board Decisions

B.3 Financial Condition:

- Report and attachments were sent and reviewed prior to meeting.
- Alysen presented the report and answered a few questions from the Board.
- Alysen asked the board-
 - What new goals do they want, especially with regard to net income?
 - Noted that income will be affected by Whole Foods' arrival.
 - Need to research Co-op norm to set realistic targets.
- **Motion** to accept the report was **made, seconded and passed unanimously.**

Barbara Moorman's request for return of retained patronage:

- Barbara Moorman received her equity back and requested her retained patronage.
- **Motion was made** to return Barbara Moorman's retained patronage with a promissory note for the payment to be made over a 7 year period and will require the Return Patronage form to be signed.
- **Motion** was **seconded and passed unanimously.**

Bylaws and Policy Committee Report:

- Committee met June 30th and July 21st. Written report was submitted via email.
- Committee continues to meet twice a month. Once the entire Bylaws have been reviewed, the Board will have to meet and review proposed changes.

Perpetuation Committee Report:

- Committee reviewed calendar with both April and September options for AOM.
- The committee suggested two dinners when recruiting Board candidates, one to solicit potential candidates and the second for confirmed candidates.
- Next committee meeting set for Thursday, August 21st at 12:00PM.

Discussions

Dinner with the Board:

- Dinner with the Board on June 30th, 3 owner couples joined 2 board members and the deli manager to discuss future plans and elicit ideas and input.
- The Expansion space was discussed and owners shared their ideas for the space.
- It was noted that phone calls got a better response than email or letter invitations.

Board/Management Retreat Aug 3rd

- Agenda will focus on growth and how to move forward.
- Gm and the management team will give a presentation in the morning.
- Discussion will include best practices for co-ops, the Boards role, and calendar creation, board portal communication protocol and refocusing on goals.

Committee Charters:

- Three Committees have submitted charters (Owner Solutions, Linkage, Policy)
- The Board will have to have the drafts reviewed by July 29th and submit notes for review 2 weeks prior to next meeting
- The Board will vote on Committee Charters at the August 26th Board Meeting.

Board Budget

- Danielle met with Gary to review the Board's budget as it currently stands.

- Both month-to-month and year-to-date numbers were reviewed and the Board is on track for year-to-date.

Board Policies

The board discussed the policies and evaluated how they are doing based on the policy guidelines.

C3 Delegation to the GM

Noted room for improvement with regard to board making operational decisions. Agreed to monitor this carefully.

D4 Board Meetings- was recently updated.

D3 Annual Governance Cycle – was recently updated.

Upcoming meeting dates

- August 26th

Meeting adjourned at 8:15 pm

Meeting Moved to Executive Session

Owner Comments

Linda- stated dissatisfaction with the board's responsiveness to owners and believes that bylaws are being broken but didn't state which. A disparaging remark directed at the General Manager was also made.

Sue- Does not believe that the nominating committee matrix leads to an open process for selecting nominees for board membership and asked the board to reconsider that process.

Nancy- asked for clarity on the deadline for submitting owner comments. The Board verified the form can be filled out anytime up until the meeting starts.