

**Ozark Natural Foods
Board Meeting Minutes**
February 18th, 2014
6:00 p.m.

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

Board Members Absent:

Staff Members Present: Alysén Land

Facilitator: Kathleen Trotter

Consent Agenda:

- Dec. 17. 2013 Minutes
- Board policy changes: C3 & D3
- Change in ownership from Rex Russell (*deceased*) to wife Judith R. Russell
- Change in ownership from Richard C. Miller (*deceased*) to wife Carole Anne Miller
- Return of retained patronage to Scott Linton in the form of a seven year promissory note.
- **Motion made, seconded and carried unanimously** to approve consent agenda.

Floor Reports

President's Report:

- Sue and Gary facilitated the Financial Forum and did an excellent job.
- A retreat date and further board training is being coordinated with C.D.S.
- Bylaw Revisions and the Strategic Plan were discussed by the President and Treasurer with Legal counsel and our CDS consultant.
- Bylaws will be topic for AOM; must be compliant with state law but allow us to grow.

GM Report:

- Strong Holiday sales through Christmas and New Year's.
- Delivery trucks were delayed by ice.
- Snow affected sales. January and February sales were still good.
- Start of 90 day trial of new store opening hour of 7AM Monday – Saturday
- Change over to new warehouse issues being addressed.
- Peachtree accounting system is working well and being backed up in 3 locations, one offsite. Accounting files are being re-built.
- New computers were acquired for finances and bookkeeping.
- Full store staff meeting was Jan 19th and included dinner and awards.
- The staff worked extremely hard the last two quarters to meet Open Book Financing goals and came within a 1/2 week of sales so the bonuses were awarded!

Reporting and Board Decisions

B.3- Financial Conditions:

- Report and attachments were sent and reviewed prior to meeting.

- The report included 14 million in sales in 2013, 11.1% sales growth and that Accounts Payable was the only debt.
- **Motion** to accept the B.3 report was **made, seconded and passed unanimously.**

B.1 Staff Relations:

- Report and attachments were sent and reviewed prior to meeting.
- The report included staff survey results, which the board discussed.
- **Motion** to accept the B.1 report was **made, seconded and passed unanimously.**

B.2 Business Planning & Financial Budgeting:

- Report and attachments were sent and reviewed prior to meeting.
- Discussion acknowledged how the 5 year business plan included in the report reflects the board's visioning.
- **Motion** to accept the B.2 report, was **made, seconded and passed unanimously,** with the addition that B.2 be reviewed by the Policy Committee with particular attention to the word "feasibility" for further definition or removal.

Board Decisions:

- The board affirmed a decision to return the retained patronage of Marilyn H. Jones (deceased) to her heirs in care of the Marilyn H. Jones Living Trust. The discussion occurred over email.
- **Motion** was **made, seconded and passed unanimously,** to affirm the decision by the board to return the retained patronage of Marilyn H. Jones to her estate.

Discussions

January 18th Financial Forum Review

- Discussion of the recent financial forum and ways to increase attendance and owner involvement included suggestions such as scheduling for a different time of year and announcing topics as far in advance as possible.

NCGA-DC Loan Fund

- Loan Fund information was given to the Board prior to the meeting.
- Details were discussed on how it would impact co-op start-ups and ONF.
- The goal of 20 million dollars has almost been raised by the NCGA.
- **Motion was made, seconded and carried unanimously** to empower the General Manager to loan the NCGA-DC loan fund up to \$75k at her discretion.

BOD Education:

- The Pricing Structure and Margin Guide were presented and explained for the Board.
- The formulas were explained to determine cost increases within each department.

AOM Final Check-In:

- There will be a table staffed by non-candidate Board members at AOM starting at 11am.
- Business meeting starts at 1pm.

Dinner with the Board/Owner Linkage Plan:

- The Board discussed reinstating "Dinner with the board" and how to approach it.

- Suggestions included hosting a dinner every 3 months and sending out invitations based on certain criteria (age, new owners, long term owners, etc.).

Board Policies

D.9 Board Code of Conduct

- Read and discussed its relationship to the Bylaws.
- This policy needs work as it has no consequences noted for violations of the policy.
- Needs work and in some places to be consistent needs the grammar fixed.

D.5 Board Monitoring

- There was a suggestion to move this to a survey via Survey Monkey to gather statistics. The Board secretary and scribe will research this possibility.

Closed Session Discussion:

Strategic Planning process

Agreed to discuss at the April, May and June meetings when the new board is in place.

Upcoming meeting dates

- March 25th, 2014

Meeting adjourned at 9:00 pm

Owner Comments:

Linda expressed dissatisfaction with the board election process.

Phil expressed concern about board behavior at the recent financial Forum, (was not present himself).