

Minutes, New Leaf Market Board of Directors Meeting, April 27, 2009
New Leaf Market Meeting Room, 1235 Apalachee Pkwy, Tallahassee, FL 32301

SUMMARY

Meeting Decisions/Assignments

- The board approved minutes from March 30, 2009 with one correction.
- Friday, May 1 - deadline to turn in a nomination.
- End of May – candidate statements are due
- Steve Richards educated the board on financial audits.
- March sales were up 25%. We had 56 new owners
- NLM birthday party - May 23rd. 10% discount for all members.
- The following reports were approved:
 - **II-C Code of Conduct**
 - **IV-C Financial Conditions**
- Jennifer and Maria will attend the CCMA conference. Chuck may attend.
- May 9th and May 16th - ownership drive

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Call to Order: @ 6:36 pm by Heidi Fox, BOD Facilitator

Present:; Chuck Hungerford, President; Candice Parker, Vice President; Joshua Youngblood, Secretary/Treasurer; Jennifer Agabiti-Hall, Director; Madelon Horwich, Director Jim Terrell, Director; Larrane Hartridge, General Manager; June Wiaz, Director; Jeannette Reed, Director; Heidi Fox, BOD Facilitator; Ashley Arrington, Recording Secretary.

Absent: Maria Cobian, Director

Introductions: All in attendance gave brief introductions.

Owners Forum: None

Agenda Review: See Attachment

- Move audit report to below Minutes Approval

Minutes Approval: The board approved minutes from March 30, 2009 with one correction. Ashley will make the correction and reprint them for signatures.

Audit Discussion – Steve Richards

- Does NLM need a financial audit?
- Chuck – other co-ops believe that it is necessary for a financial audit to occur annually. What are the pros, cons, and costs?
- Steve – I have been the CPA for NLM for over 20 years. The purpose of an audit is to give assurance to people that the financial statements are free of ‘material misstatement’. We try to take a sample to see if all the things that make up the financial systems actually work.
- The cost could run anywhere from \$8,000-\$15,000
- The pros and cons will depend on what you want. It may be that you only want to audit a certain section or a certain procedure.
- With as many internal checks and balances that you have already in place, I believe that you are better off than most businesses your size. I believe that you have a lot of controls already in place.
- Joshua – outside of a red flag situation is an audit gong to tell us more than we already know?
 - Steve – Not really except that part of the audit is an examination of internal controls which gives you information about your strengths and weaknesses.
- Jeannette – Should we have an audit performed on behalf of the owners in order to serve their best interest?

- Larrane – there are times to do an audit, but not on a regular basis.
- Steve - A review is different than an audit. We essentially do a review with CoCoFiST (sp?). You could do a review for \$4,000-\$5,000. It is much more limited than an audit.
- Jeannette – I want to make sure that we are doing what the membership expects us to do.
- June – It sounds like doing a review is unnecessary because of the analysis done by CoCoFiST and an audit is unwarranted at this time. It may be more responsible to our owners is to not spend money on an audit.

President’s Report: See Attachment

- The President’s report was sent out to all BOD members via email.
- Madelon – what does CCMA stand for?
 - Consumer Cooperative Management Association

General Manager Report - Larrane

- March sales were up 25%. We had 56 new owners
- This Thursday we are having a retreat with all my managers and department managers. They are laying out the goals for the year.
- NCGA group was here. We gave a presentation to a group of GMs on our expansion. They gave us a standing ovation after their reviews of the store.
- We are going to have the floors re-done. We are going to rework the bulk section and extend the produce. More lighting will be added to the bulk section.
- Starting in Jan we are going to quarterly newsletters. We are going to email newsletters to save paper.
- We are having a birthday party May 23rd. 10% discount for all members.
- Candice – Did we ever contribute to the Weaver Street Co-op that is in financial trouble?
 - They sent me a financial report. I contacted the credit union to offer \$5,000 but they would only take \$25,000.

Board Decisions:

- **Board Policy Governance Reports**
 - **II-C Code of Conduct**
 - Jim sent out the report to all BOD members via email.
 - Jim Terrell’s report dated April 27, 2009 asserted ‘in compliance’
 - Madelon – do we not need to write out interpretations of the policy?
 - Jim - I didn’t write them because the policies in this section seem clear.
 - Approved
- **GM Policy Governance Reports**
 - **IV-C Financial Conditions**
 - Larrane sent out the report to all BOD members via email.
 - Larrane Hartridge’s report dated April 27, 2009 asserted ‘in compliance’

- Approved

Board Discussions:

- **Elections**
 - We had our two candidate forums. We have at least 3 candidates, and hopefully a couple more.
 - Friday, May 1 is the deadline to turn in a nomination.
- **Ends**
 - The latest draft went out via email.
 - Chuck wants some more discussion on items 2 and 3 to possibly make them less owner centered.
 - Joshua changed #3 and left #2 alone.
 - Chuck - Ultimately we are out there to make the whole world a better place. We are broader than our owner base.
 - Joshua - Do we want to include the interests of our members in our ends?
 - Larrane – I think we should think more globally.
 - Candice – our policies are globally broad
 - Larrane – I will use the old ends until June, so don't worry about rushing the revision.
 - Chuck - On #3 I don't think we lose anything by saying 'people' or 'community' instead of cooperative owners and customers.
- **Webinars**
 - Jeannette participated in a webinar on board budgets.
 - She was excited about the information and brought copies for all BOD members to review.
 - We do not currently have a policy on the budget.
 - We may want to consider forming a budget committee.
- **Board Budget**
 - Chuck passed out copies of the budget that he and Larrane worked on.
 - Chuck will add up the expenditures so that the board will see how much they have left on each item.
 - Do we want to form a committee to think about a different way to develop the budget? Chuck would prefer not to have a policy on the budget.
 - Larrane and Ben are working on the store budget so it would be helpful to approve this budget so that it can be factored in when forming the store budget.
 - Jeannette would like a discussion on board budgets at the May meeting.
- **CCMA Update**
 - Jennifer and Maria agreed to go to CCMA. Chuck may attend.
- **Ownership Drive**
 - May 9th and May 16th - ownership drive

Upcoming/Current Issues:

- **NLM Birthday Party – May 23rd**

Review Meeting Decisions/Assignments:

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Calendar/Monitoring Schedule:

- **III-E GM Performance Eval – Candice**
- **II-J Annual Planning - Joshua**

June 1st, 2009 Agenda Items:

- **Closed meeting – III-E**
- **Webinar – GM compensation**
- **Ends**
- **Board budget**
- **Discussion on policy interpretation on monitoring reports.**

Meeting Evaluation: All participants were given an opportunity to evaluate the meeting.

Adjournment: Meeting was adjourned at 8:20pm

Respectfully Submitted,

Ashley Arrington, Recording Secretary

Approved by Board of Directors on _____ as witnessed by,

Chuck Hungerford, President

Joshua Youngblood, Corporate Secretary/Treasurer