

NFC Board of Director's Meeting Agenda

July 21, 2014

Potluck Dinner

Meeting Time: 5:30 pm. - 8:30 pm

LocationA: Liz Sarno's home

Leadership and visioning: Stephanie opened the discussion with the results of the board survey. It was suggested that we expand on what was in the document with a long strategic planning meeting. The board needs to decide a sustainable forward path since we now have a full-time general manager. There was some discussion about institutional selling, but NFC needs to ensure that a sufficient number of producers are on board with a sufficient supply. Additionally, producers need resources and contracts to move into an institutional market. The NEFU secured a grant that will provide producer training this fall and NFC may be able to ally with NEFU in holding the training session.

Question do we want to be a food hub or transportation. Trucking how do we use the truck to transfer products and for who.

A lengthy discussion was held and the following points were made:

- should focus on serving both consumer and institutional buyers because it makes economic sense
- we are already initiate creative ways to make transportation of products work by careful planning
- need to check out our customer base and amount they order
- we now have one customer from Ogallala who may be moving from a shipment method to possibly a personal delivery. There is quite a large group in Ogallala who will be attending an interest meeting in early September.
- what is the price that meets the economics for institutional buyers?
- HyVee will take small amounts they support local foods.
- if we have a farmer who has a large amount of product, they can list the product so anyone can buy it.
- Consider delivering weekly for institutional buyers
- identify the cities we would reach – Omaha, Lincoln and/or Grand Island?
- Very large institutions, like HyVee, will eventually pit producers against one another and push prices down.
- opportunity to supply schools and assisted living centers, though in larger quantities
- consider that when selling to Whole Foods, they will mark up their products 40 percent, so NFC would be less expensive
- in order to support institutional buyers, NFC would need two trucks, two drivers and a once a week delivery. The question was raised if we would need two drivers? BOD: “Yes.”
- could we lease the routes to a private operator? BOD: “No, since we deliver at cost.”
- the board needs to carefully consider adding a new institutional market before jumping in, so looking at a strategic plan is critical
- a second driver (part time) could also serve as a back-up for Kevin
- our long trailer is old and heavy, and hard on a truck; we need to look at other options
- Beth said that No More Empty Pots has a refrigerated truck we could possibly use for emergencies; she will check into that option.

- the cost of production is critical; grants that subsidize equipment allow start-ups to sell at a cheaper rate hurting a long-term investment by defraying real production costs
- we have a tough culture to overcome with consumers who are use to cheaper institutionalize prices

Strategic Planning Committee

- strategic planning committee members are: Caryl, Steph, Libby, Liz
- Steph will ask Gary to sit in on the committee
- Key points for a strategic plan:
 - need to educate our consumers
 - need to train our producers to set price and cost
 - tell the stories of our producers
 - Jim has a You Tube video with Kevin Fulton, and he will send it to Caryl to put on the site

Dinner break with lots of great local foods from the BOD :)

Checking and Saving Accounts

- Our current checking account is racking up a lot of fees. Caryl spoke with Melissa Grovijohn about a Custom Commercial account, which would lower our fees. So we are in the process of making that conversion.
- Discussion about the importance of safeguarding our monies with a money market account.

Jeremiah made a motion: NFC is authorized to open up money market account at Pinnacle Bank. Lynette seconded. Vote was called. All voted yes. Motion passed.

Small Trailer

- Discussion about the hail damage to the roof of the small trailer that is stored at Ben Gotschall's home
- NFC decided to keep it and use it possibly in the future for storage.
- For now, we will continue to keep it at Ben's place and maintain the same pricing structure for usage.
- Other producers may use the trailer at the same rate, if needed.

Roy made the motion: NFC to keep trailer and accept the payment of \$1,717.41 (INSPRO Insurance). Jim seconded. Vote was called. All voted yes. Motion passed.

Action: Caryl will check on the continuation of coverage for products stored inside the trailer and freezers etc.

GM report

- Caryl now has Amiee Owen's former responsibility of opening the cycle and reminding consumers about the order cycle.
- Wolbach building will be demolished by Dirt Works, a small contractor from St. Edward. The entire building will be completely razed. The town had requested that we leave the front wall,

- but the integrity of building is too far gone and dangerous to leave up.
- NFC still owns the property and Caryl is looking for a buyer.
 - NFC is responsible for the current year property taxes (prorated)
 - NFC will continue to hold property insurance until the property transfers hands
 - NFC is doing well each cycle period with pretty consistent sales
 - Break-even for a cycle is \$5,500
 - Omaha is showing excellent member growth.
 - Yvonne Wilder, site coordinator for Omaha 1, is moving out of state. Caryl is trying to find a new site coordinator to replace Yvonne, but so far no one is interested.
 - Suggested to offer an optional membership renewal to compensate site coordinators. Consensus of the BOD to try this approach.
 - Caryl asked what is her authority on spending for certain items. It was recommended that she has an operational expenditure of up to \$1,200.00.

Libby made the motion: NFC authorizes the general manager can spend operational expenses up to \$1,200.00 before seeking approval from the executive committee. Jim seconded. Vote was called. All voted yes. Motion passed.

Advisory Committee

- Discussion about converting advisory committee members from voting members (per the Bylaws) to non-voting members.
- Discussion to maintain the distribution of board emails to the advisory committee members.

Roy made the motion to change NFC bylaws and strike the word 'voting' and replace with 'non-voting'. Liz seconded. Vote was called. All voted yes. Motion passed.

Needs RESOLUTION during Annual Members Meeting.

Annual Meeting

- Suggested that NFC gives a volunteer recognition for their generous contributions
- Suggested names: "Golden Turnip" "Golden Apple"; the planning committee will keep brainstorming.
- The executive committee will determine the recipient after nominations have been made.
- NFC will announce new directors at the annual meeting.
- NFC members will vote by mail to ensure compliance of voting status.
- Three terms are expiring next month: Roy, Libby, and we have one open slot (Luke's)
- Roy will serve another term
- Libby wishes to step down to the Advisory Board
- Potential candidates: Laura Chisholm, Mark Roh, Brynn Jacobs, Shelly Grimm
- Board members will initiate contact with the potential candidates to determine interest

New Product Categories

- An NFC producer was contacted by Food Cupboard (a discount grocer store in Hastings) about providing deeply discounted products.
- After a producer query, several producers showed interest and are willing to list their 'seconds'.
- Caryl will come up with a category name for these products.

Member Concern

- A disgruntled member's email was discussed and the BOD accepted her comments. NFC will work towards some of her suggestions.
- The BOD will research stockholders' rights under the Bylaws.

Conference Call Meeting: Monday, August 25, 7:00-8:00 pm

Potluck Meeting: Monday Sept. 8, 5:30-8:30 pm, Liz Sarno's home