

Approved January 18, 2011

**Grain Train (GT) Natural Food Cooperative
Board of Directors December 21, 2010 Meeting
Horizon Book Store, (basement meeting room) 6:00 PM**

Attending: John Paul Westbrook (J.P.) - President, Amy Maus - Vice President, Trisha Shattuck - Secretary, Allie Greenleaf Maldonado, David Heidtke, Maggie Daniels, Renee Allen

Absent: Hal Willens - Treasurer

General Manager (GM): Robert Struthers

Employee and Member/Owners attending: Elizabeth Gertz Looze - former Board Member, Troy Smith - Front end store manager, Laura Cherven - GT Media & Design

Time Keeper: Amy

Secretary: Trisha

Our Mission: The Grain Train is committed to empowered individuals, vital communities and a healthy planet. As a Natural Foods Cooperative, we are the trusted source in northern Michigan for high quality, local, organic and natural products at a fair value to our membership and community.

Meeting called to order: (6:02) Quorum determined

Open member forum: Elizabeth Gertz Looze addresses the board.

Approval of minutes from the November 16, 2010 Board meeting.

Motion: Amy motions to approve the minutes. Allie seconds the motion. J.P. Abstains Six directors vote to approve the minutes. (AM, TS, AGM, DH, MD, RA) Motion passes.

New Board Meeting Location!

Next meeting: January 18, 2011, 6:00 PM at the GT Offices, 2nd floor above the Traverse Pie Company, far end of the hall.

General Manager's Report: Provided via e-mail and discussed.

Employee Personnel Policy Committee: J.P. forms the Board EPPC to evaluate revisions to the Employee Personnel Policy. Committee comprised of Allie, Renee, Trisha & Dave.

Board task: Define the parameters of a proposed audit.

Old Business:

Personnel Policy discussed during the GM's report. Formation of a Personnel Policy Review Committee established. Trisha, Dave, Renee & Allie to work with Robert on this review. Former Member Owner's issue from November 13, 2006; discussion postponed.

Review of the Policy & Procedures document created by M. Nuorala & C. Livingston dated August 24, 2009 unresolved.

Health Item: Adding employee health insurance coverage was a major priority of the Board and the General Manager and an affordable plan with a good mix of coverage was established.

Tabled: Accountant Review - Robert to compile list of three area CPA firms.

Tabled: At J.P.'s urging, the Board tables arrangements to employ a staff /Board intern.

Other old business:

Attorney Matthew Lesky requests the Board resolve to convey language to the Emmet County Prosecutor's Office indicating that Mr. Lesky represents as legal council, the Grain Train Board and the cooperative, and as such should receive court-related communications directly.

Motion: Allie motions for the Board to support the following language:

We the Grain Train Board of Directors hereby authorize the Emmet County Prosecutor's Office to communicate with our attorney, Matthew W Lesky, regarding any and all matters related to the investigation and/or prosecution of crimes alleged to have been committed by Carrie Livingston. The Grain Train Board of Directors has retained the services of Matthew W Lesky to deal with all matters related to and arising out of Carrie Livingston's alleged criminal activity. We respectfully request that all correspondence, notices and inquiries regarding the above referenced matter be provided to Matthew W Lesky.

J.P. seconds the motion. Unanimous approval.

New Business:

J.P. presents a letter from Steve Bartha regarding additional billings associated with the on-going investigation and court proceedings into alleged embezzlement by the former General Manager, Ms. Carrie C. Livingston.

Amy and J.P. request that Robert Struthers, (GM) prepare a total of Steve Bartha's charges for review by the Board.

Committee Updates:

GMM (General Membership Meeting) Jan. 8, 2011, doors open 5:00 PM

Tabled: GMM Meeting Thursday, December 30th, GT offices 9:00 AM

GM Evaluation Committee: Renee updates BOD on GM evaluation committee. Two meetings with Bob have transpired utilizing his input and engagement of objectives of evaluation and bonus structure for 2011. Joel Kopischke; CBLD consultant (Cooperative Board Leadership & Development) has been contacted and he offers framework for bonus structure and evaluation tie ins. Renee asks for an expanded committee – Trisha and Allie and Dave join. Next meeting to be determined by e-mail.

Tabled: Finance Committee update; Hal as chairman is absent.

Robert Struthers (GM) proposes to change the current Grain Train Cooperative Fiscal Year End of September 30th, to match the end of the calendar year by closing out the books twice; once at the end of September and again at the end of December.

Motion: J.P. motions for the Board to support changing the Grain Train Cooperative fiscal year end from the end of September to the end of December to match the end of the calendar year. Trisha seconds the motion. Unanimous approval.

Enter Closed session: 7:43 PM

Amy motions to enter Closed Session. Renee seconds the motion. **Topic:** Former employee's request.

Exit Closed Session: 7:50 PM

J.P. motions to exit Closed Session. Renee seconds the motion.

Adjournment: 7:50

J.P. motions to adjourn. Renee seconds the motion. Unanimous approval.