August 21st & 22nd, 2014 (Thursday & Friday after Monday evening Board meeting): Dark clouds continue forming; Root & Pat planning to recall entire board begins to take shape; Brian backs away out of fear for his job (Geoff's prior pattern as DNF Board president for several years has been to fire GMs on the spot with no notice or reason given). Geoff wants to get announcement out Friday.

In time-chronological order (not reverse email reply order)

Date: 8/21/2014 10:39 AM

From: Kim To: Root & Pat

Subject: RE: Resumes for Kim and Brian

Hi Root & Pat.

I chatted with Brian and he wants to stay out of anything to do with getting rid of the present Board.

I personally believe the Board is out of touch with the membership and at least needs to be reorganized. We need a Board who will create a 5-10 year plan, lead us into the future and help voice the membership and community's needs. We need a business professional or two who can read and analyze the financials and ask the hard questions. We need a voice from the farming community and from someone who believes in the Durango lifestyle and keeping Durango local. We need people who want to represent DNF, to throw events, show up and present themselves and the coop model.

I have attached my resume as well as a brief history of myself and where I see myself in 5-10 years with the coop.

Best, Kim



Kimberly Wiggins
Co-General Manager
Finance & HR
Durango Natural Foods Co-op
575 E 8th Ave., Durango, CO 81301
p: 970-247-8129 extension 115
accounting@durangonaturalfoods.coop

Date: 8/21/2014 10:59 AM

From: Kim To: Pat Cc: Root

Subject: RE: DNF Info

Hi Pat,

I am not sure what other options there are, perhaps voting off Geoff may be an option but that may make an uncomfortable situation for anyone who joins the Board after that. I agree that the rest of the board could have stood against Geoff, but they followed him and never tried to change their path. I was surprised with a few Board members who I got along well with turning on me during and after the 8/18 board meeting. These are people who are natural practitioners and work daily with people...



Kimberly Wiggins **Co-General Manager** Finance & HR **Durango Natural Foods Co-op** 575 E 8th Ave., Durango, CO 81301 p: 970-247-8129 extension 115 accounting@durangonaturalfoods.coop

Date: 8/21/2014 3:44 PM

From: Root To: Kim Cc: Pat

Subject: RE: Resumes for Kim and Brian

Kim, thanks for your resume and statement, which I haven't had a chance to go over yet. I respect Brian's desire to stay out of the fray and whatever Pat and I and other members are doing; however, please ask him to send me his resume. That just gives us what his background is and doesn't involve him with the board issues we are dealing with. It's important we know the capabilities and experience of the two principal staff members: Kim and Brian. Right now we have no idea what Brian's

If necessary, I can come over and discuss it with Brian.

Thanks, Kim; and thanks to Brian for sharing your resume with us, if you will please,

Root

background is.

Date: 8/21/2014 4:25 PM

From: Root [note: some communications relate to me as both a DNF member and professional business consultant, volunteering my time and expertise on behalf of the membership; thus my logo signature shown here and elsewhere, but not necessarily consistently]

To: Kim [note: Kim has been corresponding with Root & Pat from her formal position as Co-GM and DNF Accountant, serving the needs of key members Root and Pat on the future of DNF and where to go from here; thus her continual use of her DNF logo signature block throughout and her efforts to keep us informed of any developments, via bcc where needed]

Cc: Pat

Subject: 2014 YTD & Projected Financials

Kim,

I understand you're working on 2014 YTD (say to end of July) to send us. Could you please add a column, at least for the major account categories for a Projected 2014 full-year. We could simply take first 7 months through July (end the time period there) and multiply those numbers by 12/7 as a simple

projection; of if you run it right to days in August, do it by days: 365/232 for up to Aug 20th. But you may know better about any seasonality that would make the simple projections better with more accurate forecasts for the remaining months (Aug – Dec) by account. Anyway, I'll just do a simple unless you can update our 2014 YTD with a proforma for the rest of the year added in. Maybe show the two columns (YTD and Projected Aug-Dec) and a Total Proforma column.

Thanks,

Root Routledge, PhD Alpine Analytics, President

970-382-0711

Root@AlpineAnalytics.com



Date: 8/21/2014 4:41 PM

From: Kim To: Root Cc: Pat

Subject: RE: 2014 YTD & Projected Financials

Hi Root & Pat,

I have attached 2014 January – July Financials, the 2014 Budget I wrote as well as our business plan (we projected a 5% increase in sales, we are at 3.6% YTD sales growth).

Please note, to open the 2014.Budget Forecast you will need the password - [***]

Tomorrow if I have time I can work on projecting the rest of 2014 out.

Thanks,



Kimberly Wiggins Co-General Manager Finance & HR **Durango Natural Foods Co-op** 575 E 8th Ave., Durango, CO 81301 p: 970-247-8129 extension 115 accounting@durangonaturalfoods.coop

Date: 8/21/2014 4:56 PM [Root reply to Kim; cc: Pat]

Thanks so much, Kim. I can work on some projections from what you've sent me using your quarterly budget estimates to get some kind of graphic estimate of "annual scale" how we're doing for 2014; so don't spend any time on that.

Need to know this one detail: Geoff said there would be a \$10,000 head-hunter search cost to find a new GM. Has any of that amount been spent? How much? If none of it's been spent yet, it's all a potential saving if we drop this search idea. Let me know on this one as soon as you can.

ılting for \$150. To my knowledge that is all the
L

Thanks Kim. Just went through your resume and statement. Wow! Don't even think about leaving, because once all this dust settles you'll be glad you stayed. Can you give me Brian's email address and office phone please?

Thanks for all your help. I'm going to write up a business analysis of the DNF financial status using several graphs you'll like, based on the financials you sent me; as well as a more formal analysis and exposure of how terrible this proposed "merger" really is. Pat and I are moving on several fronts, so it will all come together soon. I'll be working on wording of the petition; but especially the "why" part, incorporating results of my analysis.

I'm glad they haven't spent hardly any of the \$10,000 search budget yet, because we will grab that as a planned waste of money that was saved. Root

Date: 8/22/2014 8:14 AM [Next morning, Kim reply to Root]

Hi Root,

Brian's info is: brian@durangonaturalfoods.coop; His work number is: 970-247-8129. He will not be back in the store until Monday, he is taking a 3 day weekend.

Just an FYI, Brian and I never heard the \$10,000 GM search amount before that meeting. [Kim is responsible for managing the budget and this off-budget stuff, she has said, is often typical of this board, including all the funds expended trying to prepare a sale of DNF.]

[And at 1:40 PM: Kim responds about membership numbers with a spreadsheet for past several years.] Here is what I have for the time being. If Evid can get me data prior 2010 I'll let you know.

Thank you for your hard work Root!

Kimberly Wiggins

Date: 8/22/2014 12:36 PM [Friday afternoon]

From: Goeff To: Kim

Subject: Email blast [Geoff wants to get announcement out to membership about merger]

Hi Kimberly,

We would like to send out an email to the membership today if possible. Please call me when you have a moment.

Geoff

Date: 8/22/2014 1:27 PM [Kim reply to Geoff with bcc to Root; 2:08 PM: Root FW to Pat – "Heads up Pat!"]

Hi Geoff,

Brett does not work Fridays and unfortunately I am unable to do the e-mail blast. Would Monday work? If so you could send me the content or send it directly to Brett @ outreach@durangonaturalfoods.coop

Kim

An extremely hectic week: Began with scrambling to prepare for Monday Board meeting with petitions to stop merger; concludes Friday with continual developments all week and ominous signs on the horizon. Kim has stepped forward with courage, always looking out for the members' interests, which has put her in the crosshairs of Board president Geoff Wolf.