

Durham Co-op Market Board of Directors Minutes

Event: Board Meeting

Date: Wednesday, August 8th, 2018

Location: Lyon Park Community Center

In attendance: Elizabeth Figgie (BA), Amelia Freeman-Lynde, Jack Hill (Consumer Owner), Lenore Hill, Tyler Jenkins, Alisa Johnson, Miriam (Consumer Owner), Drew Peng, Tonya Post, Paul Robinson, Frank Stasio, Leila Wolfrum (GM)

Absent: Beth Hopping, Queen Riley

Meeting called to order: 7:09pm

Approve minutes from Wednesday, July 11th, 2018 Meeting: Motion to approve: Amelia;
Second: Lenore

GM Monitoring Report – B1, Financial Conditions: GM presented report and reviewed areas of compliance and non-compliance. GM reflected on quarter's financial wellbeing. The store consistently exceeds expectations, and sales trajectory continues to be positive. GM highlighted specific changes that have led to improvement, including margin adjustments.

Board discussed Ballpark and influence on store's financials.

Board discussed areas of profit loss and intentions to focus and continue improvement on gross margin for coming year. Sales growth is great. GM reviewed specific operational costs, and Board discussed areas of concern.

GM covered reset updates, highlighting expenses and cash damage. Reimbursement through loan will be initiated soon. No other areas of significant change or concern.

Board discussed ownership growth rates and target numbers as well as ownership sales tracking and analysis. Board highlighted upcoming Fall Owner Drive.

Board discussed loan package details and payback timeline. Payments will begin soon.

Board discussed details regarding community investor.

GM discussed financial reporting structure and ongoing frustrations with the current set up. Additional help and support is necessary. GM reviewed areas of reporting that are in need of

improvement and described plans to address these issues. A third party book keeping service has been arranged to assist with quarter end reports and will work with finance department to develop reporting practices. GM is hopeful of moving towards solutions. Board discussed reporting details and future opportunities to arise once financial goals are met.

Motion to approve: Frank; Second: Amelia

GM FYI Report: GM presented FYI report.

GM gave update on the reset, which is nearing completion. Despite an exhausting week, there were no major hiccups with the reset. GM has received generally positive feedback from customers and staff regarding changes thus far and shared these with the Board. Staff has successfully navigated changes and assisted customers through the transition. The store was successful in establishing and following through on plans. The major construction remained within budget, with only a few minor extra expenses. GM will provide specific numbers on additional expenses later. The coffee bar in particular has received great responses from staff and customers. Staff is excited about menu changes. The reset should be largely complete by the end of this week, with only touch ups following.

GM reviewed outside changes, including drainage upgrade in picnic area, trench drain and rain garden installment, and addition of external lighting. Outside improvements are separate from reset budget.

GM reviewed summer sales. Sales did not drop as expected in summer months, and have been successful despite reset construction.

GM presented fourth year staff anniversary sock design. Additional designs will be available in the store for purchase.

Review and discuss board committee progress:

Annual Meeting Planning: Annual meeting scheduled for Sunday, November 4th. Preparation is underway and progress has been made on agenda and the evening's activities.

Nominations and Elections: Preparation is behind schedule. Board discussed broad timeline for the next couple of months, including candidate attendance at Board Meetings, application deadline, candidate statement details, and Board Member meet ups. The Board discussed presence at Neighbor Day as a hopeful opportunity for nominations and elections outreach.

GM Evaluation & Compensation: The evaluation process is nearing completion, and should be finished by next meeting once the Board has a necessary data and a few more Board Member responses.

Long-term Strategy: Committee presented charter (attached below), stating committee purpose and providing information regarding developments, mission statement, and goals. Board discussed Long-term Strategy committee as an opportunity for growth and support function outside of Board Meetings. Committee intends to provide report periodically, perhaps annually.

Board Self-Monitoring: D3, Delegation to the GM: Board reviewed self-monitoring report. Board discussed report comments. No major areas of concern or incompliance.

Other Business:

GM provided notice regarding:

Neighbor Day: September 9th, discussed previously

Habitat Build: due to schedule before November

Staff float at Durham Pride: September 29th

Research developments on voting by survey: GM is in discussion with IT personnel from other co-ops to gather feedback. Board discussed areas of concern and necessary follow up. Board will vote on final decision at next month's meeting.

Duke Healthcare Changes: Amelia offered information regarding health care and store benefits for staff coverage. Board discussed benefits package and anticipated changes in the future and plans to prepare.

Board Retreat: Confirmed for Saturday, October 27th 9-5pm. Board discussed additional location options.

New board member orientation: Board contemplated necessary changes for recent new board members and those upcoming from annual meeting. Onboarding responsibilities are handled by committee.

Upcoming special guest schedule: Alisa highlighted upcoming guests and community leaders from neighborhood associations. Board looks forward to sharing information and gaining feedback for the Co-op.

Neighbor Day (September 9, 2018): Board discussed Neighbor Day, reviewing details, logistics, and neighboring businesses involved.

Board Retreat with CDS (Saturday, October 27, 2018):

Presentation of C5 code of conduct form: Tyler gave notice of his recent hire under the supervision of Leila's husband and advised the Board of potential conflict of interest, revising his C5 Code of Conduct form.

Meeting Concludes: 8:51pm

Attachments:

• Reference Materials

o DCM 2018 General Manager Monitoring Report Compliance

o DCM 2018 Board Calendar

o DCM 2018 Board Roster & Attendance

Charter

Long-Term Strategy Committee

Purpose: The purpose of the Long-Term Strategy Committee is to guide and inform the future growth of the co-op and actualization of its ends. This includes: 1) establishing a guidestar for GM and board reflection when growth opportunities for the co-op arise; 2) sounding board to the GM for development strategy; 3) liaison between GM and board on issues related to trajectory of the co-op; and 4) provide time for critical reflection on long-term strategy objectives outside of monthly board meetings.

Chair: All members will share the responsibility of a chair (unless a chair is nominated by the board)

Membership: Any member of the board can attend committee meetings. The committee will have three standing members elected by the board. All three elected members must be present for any tasks that require a vote.

Meetings: Monthly or as needed

Budget: As established by the Board of Directors

Duties:

- 1) Create guidestar for future growth/development of the co-op, to be updated and submitted to the board for approval annually and/or as needed;
- 2) Serve as an ad hoc committee for deliberating opportunities for the cooperative and its business;
- 3) Explore the culture of the store as it relates to long-term success and stability of the co-op;
- 4) Agenda-setting and triaging for the board's deliberation about long-term planning and strategy