

Durham Coop Market Board of Directors Meeting
Wednesday, November 9, 2016
Location: Durham Coop Market

In attendance: Frank Stasio, Drew Peng, Pam Campa, Brand Fortner, Amelia Freeman-Lynde, Tyler Jenkins, Alisa Johnson, Jodi Koviach, Diamond Riley, Nick Williams, Leila Wolfrum (GM)

Absent: April Henry

Location: Durham Coop Market

(1) **Meeting:** Called to order at 7:03

(2) **Minutes**

- October meeting minutes to be reviewed and approved at December meeting in order to give board members more time for review.

(3) **GM Report B2: Planning and Budgeting Update**

- We will defer action on B2: Planning and Budgeting to the December to give board members more time for review the budget, which has been slightly revised.

(4) **GM Report B1: Financial Condition for Q1 2016**

- Sales growth over Q1 2015 is 29% and is in compliance with reporting, however we reported negative net income overall for the quarter and are not in compliance with B1(2). Sales lagged a little more than expected over the summer. We went through several department level transitions, which are now stabilizing. We expect 2nd quarter numbers to be better.

- Regarding B1(4) Debt to Equity Ratio, which is also out of compliance, the GM has had conversations with Self-Help and Wegner on how to treat negative equity on our books. This stems from the original financing of the co-op and construction development with Self-Help. The co-op rolled over \$750,000 as a "donation" to Self-Help that was then used to fund the building and tenant improvements. We need to determine how this impacts the ability to issue dividends to worker and consumer owners. The Board Treasurer and GM will follow-up with the Finance Director and accountant on open questions and report back at the December meeting.

- Loans: The balance on the NCDF loan is \$569,000, we originally held \$250,000 in CINs and we just paid \$80,000 out.
and \$600,000 in preferred shares.

- The Board will defer action on B1 report to the December meeting in order to give members more time for review.

(5) **Role of Officer Roles and Nominating Committee**

- Brand Fortner and Tyler Jenkins agreed to serve as a "nominating" committee to survey current board members on their level of interest in serving as Board Officers. Officer roles include Board President, Vice President, Treasurer and Secretary.

- Moving forward, the Board needs to determine if there is conflict with worker owners Board representatives serving as officers on the board or if duties need to be redefined in order to provide more equitable access to board officer roles. There is a conflict of

interest with worker owner board representatives with serving as Board President, VP and Treasurer.

(7) Board Retreat Debrief

- The Board will do this over the course of the next few meetings as a conversation.
- The following committees will be formally established and to address goals identified during the Board retreat: Ends, Administrative Bylaws Review/Revisions (including officer roles and worker owners), Elections Process for Consumer and Worker Owners, Member Engagement
- We will have a board member report on the board retreat at the December meeting – Amelia Freeman-Lynde has volunteered to fill this role. The Board Retreat summary will be provided to new board members in their on-boarding packet.

(8) Member Elections Update

- Voting will close by the end of the day on Thursday, Nov. 10th.
- Votes will be counted over the weekend and candidates notified on Monday or Tuesday.
- On boarding of new candidates will consist of a board packet of relevant board documents (including the board retreat summary). We will also offer to meet in person with each candidate prior to the December meeting.

(9) CBLD Training in Raleigh

- January 21, 2017 for any new board members that have not been able to attend in the past.

(10) CBLD Contract

- We will renew our CBLD contract for 2017.

(11) Other

- The GM is doing a full policy review of employee handbook in light of the diversity and equity training.
- The GM and staff are completing competitive audits to determine areas in which we need to focus. Also looking at job skills by department in order to inventory skills and provide a roadmap for training, which compliments our badges program.
- Preparing for Thanksgiving push – turkey orders on open!

Meeting adjourned at 8:22 pm