

Durham Coop Market Board of Directors Meeting
Wednesday, Jul 11, 2016
Location: Durham Coop Market

In attendance: Frank Stasio, Drew Peng, Pam Campa, April Henry, Tyler Jenkins, Jodi Koviach, Diamond Riley, Leila Wolfrum (GM)

Absent: Amelia Freeman-Lynde, Brand Fortner, Alisa Johnson, Jean

(1) Meeting: Called to order at 7:06 pm

(2) Introductions: Board Members, Consumer Owners, and newly elected Worker Owner Board Representatives were introduced

(3) Minutes: June 8, 2016 minutes approved

(4) GM Report B2: Business Planning and Financial Budgeting

- Discussion around the B2 report focused primarily on the FY 2017 budget. The budget includes multi-year projections (1- and 5-years) based on a year over year growth projection of 32%.
- In the next fiscal year we will achieve a reasonable rate of growth and positive net income. Cash flow will be steady. Our debt to equity ratio is acceptable, will continue to be so, and all loans are current on payments.
- The FY2017 budget shows our expenses increasing as well as sales. As the coop becomes more profitable we can double down on our coop values in terms of increasing wages and managerial salaries. We will also likely increase the number of employees. Base wage is now at \$10/hour and all employees that were employed at the time of the anniversary party received a 2% wage increase. We have also invested in improving systems of communication in the store, including a consultant on open book management and the diversity and equity consultant.
- As we move forward into the second year of operations the coop should be thinking ahead to where we want to be in 3- to 5-years. We have the store capacity to double or even triple sales in our existing space.
- We are looking to roll out additional programming in the next year that will increase incremental sales, including the Instacart shopping app, which we're looking to implement soon. The initial sign up period is 6 months and then can renew for another 18 months after that. The GM has been getting feedback from other coops currently using Instacart and it is generally favorable.
- We have funding in the budget for professional development. We have clear path planning in place and we're actively working to build a workplace culture in which employees have a clear path for advancement and professional development opportunities. (see below)
- The board moved to defer the approval of the B2 report in order to provide members time to review and digest the report and proposed budget. The Board Treasurer will continue to review the budget and provide assistance in resolving some outstanding items.

General Update:

- We are moving forward with implementation of a culture and diversity in the workforce training program. Consultants met with the management team to craft questions to assess the culture of the coop workplace. They then met one on one with all employees to gather feedback. The result is a report on how employees feel about working at the coop. The report was presented and discussed with GM and Finance Manager with recommendations for implementation, including training for GM, managers and all staff component and as well as creating a "clear path" for professional development.
- We are adjusting our 3rd Qtr 2016 numbers due to some discrepancies in valuation of inventory in the wellness department. This will likely move our numbers from showing a small quarterly profit to a loss.

(5) Worker owner enrollment and elections

- Welcome new board members, Diamond and Jean!
- We had 15 eligible employees and 15 enrolled. We now have 14 worker owners.
- There is a general positive feeling about the process and the staff is excited to have worker owner representatives on the board.

(6) GM review process

- We will be conducting the GM review using process outlined by CDS. The process entails developing and submitting a RFP to the GM for a compensation evaluation and justification.
- We can use the Policy Governance reports as a measure of GM performance.
- A sub-committee was formed to review the process and develop the RFP.
- Timeline is to complete RFP in next 2-3 weeks and allowing the GM several weeks.

(7) FY2017 Board Budget

- The draft board budget reviewed by the Board and GM.
- The discussion surrounded the need for board trainings – we will have at least four members that will need to attend CDS training next year. The Board Treasurer will reassess the training budget to ensure we have adequate resources.

(8) Board Retreat Fall dates

- Dates for the board retreat were discussed briefly – the board Treasurer will reach out to the new worker owner representatives to identify potential dates that work for the board retreat.

(9) End of Meeting: 8:45am

Minutes prepared and submitted by Jodi Koviach