

Durham Co-op Market Board of Directors Minutes

Event: Board Meeting

Date: Wednesday, February 13th, 2019

Location: Lyon Park Community Center

In attendance: Summer Alston, Amelia Freeman-Lynde, Elizabeth Figgie (BA), Jack Hill (Consumer Owner), Lenore Hill, Alisa Johnson, Beth Katz, Tracy Kondracki (Guest), Yamina Muhammad, Hector Suazo, Leila Wolfrum (GM), Julian Xie

Absent: Drew Peng, Tonya Post

Meeting called to order: 7:10pm

Approve minutes from January 8th, 2018 Meeting:

Motion to approve: Summer; Second: Alisa

GM Monitoring Report – B1: Financial Conditions:

GM reviewed efforts to improve financial reporting over past months and introduced visitor, Tracy Kondracki, from the store's external bookkeeping services. Tracy reviewed issues with Bill.com, the Co-op's bill payment platform. Some significant, long-term issues were discovered. Despite the extent of the issues, this had no effect on cash flow. Since discovering disparities, Tracy and the Finance Department have thoroughly researched and reconciled all bills. Finance staff are now better trained to avoid and notice misentries. Tracy and GM feel confident that future issues will be prevented.

GM provided further information regarding action steps once the errors were detected. External assistance from financial consultants at Green Bean Counters will function as "Finance Manager." GM feels positively about creating distance between finance operations and reporting. GM intends to report on financial data every month for the remainder of the year to ensure accuracy and thorough understanding within the Board.

Board discussed areas of concern, such as expected timeline of external assistance, further repercussions from these issues, impacts on reporting, and consideration of alternative software. GM explained changes in expenses from employment adjustments and ongoing assistance from Green Bean Counters. GM believes there may be other issues in need of improvement. GM plans to communicate with NCG regarding Bill.com issues.

Board discussed changes in reporting and the formatting that will be most communicative for the GM and Board. Board acknowledged current limitations and difficulties in reading reports, highlighting areas of information that need to be added to financial reports.

GM and Tracy reviewed timeline for audit, which is scheduled for upcoming year.

Board discussed whether or not report can be approved. GM reviewed financial status since billing errors have been resolved. Margin, pricing, and ordering work still to be done, but systems continue to improve. Board discussed logistical details regarding monthly reporting.

Motion to approve: Lenore; Seconded: Beth

GM FYI Report & Discussion:

No FYI report due to significant financial duties. GM briefly provided store updates.

The MDI contract is not happening. GM is moving forward with SuperValu account, a conventional distributor operated by UNFI with full organic line. Although this is a last-minute change, the improvements will be the same including significantly more SKUs, replacement of Field Day items, etc. GM is enthusiastic about benefits of working with Super Value. This brand is largely unique to the area. The Board discussed repercussions of product changes with customers, and other areas of concern such as minimums for ordering.

The Kitchen has officially introduced the tacos to the hot bar, and things are running smoothly so far. Kitchen staff continue to improve and incorporate feedback into execution. GM seeks to offer meal options that we can do extremely well.

Board Self-Monitoring Survey – D/D1: Global Board-Mgmt Connection/Unity of Control:

Board reviewed report, overviewing questions and responses. There were no further concerns or questions.

2019 Board Committees Discussion:

Board reviewed charter for Policy Register Committee. Plans are clear for this year, although specific format for reviewing and implementing changes remains to be determined. Board discussed and voted on preferred approach for implementing updates:

1. Consultant-led review of Policy Register at Board Retreat - 7
2. Committee subset to review Policy Register and propose changes to Board - 1
3. Committee-led review of Policy Register at Board Meetings – 0

Suggestions will be passed on to the Board committee.

No other committee charters were submitted prior to Board Meeting. Other committees provided brief updates on recent progress.

Member Engagement Committee provided updates on ideas for greater accessibility.

Worker Ownership Committee reviewed proposed commitments for continued improvements.

Board discussed necessary resources to initiate progress and best practices for directing committee for the remainder of the year. Committee has great opportunity to pave the way for worker ownership engagement.

Other Business:

Review of 2019 Board Calendar: Board highlighted Co-op Cafe where the GM will be speaking! Board retreat is being set up, with updates coming from Tonya.

Upcoming key dates/training:

Other:

Meeting Concludes: 8:57pm

Attachments:

• **Reference Materials**

o DCM 2019 General Manager Monitoring Report Compliance

o DCM 2019 Board Calendar

o DCM 2019 Board Meeting Attendance Record