

## Durham Co-op Market Board of Directors Minutes

**Event: Board Meeting**

**Date: Wednesday, August 21st, 2019**

**Location: Lyon Park Community Center**

**In attendance:** Summer Alston, Elizabeth Figgie, Amelia Freeman-Lynde, Jack Hill (Consumer Owner), Lenore Hill, Beth Katz, Tracy Kondracki (Bookkeeping Provider from Green Bean Counters), Drew Peng, Leila Wolfrum (GM)

**Absent:** Yamina Muhammad, Julian Xie, Alisa Johnson

**Meeting called to order:** 7:00pm

**Board Vote: Removal of Board Member for Non-attendance**

*Reference is made to July 2019 board packet “Board Meeting Attendance” (pg. 29) and DCM Bylaws Article VI, Section 8.*

The Board reviewed the particularities of the situation and best ways to move forward. Motion to approve the removal of Worker Owner, Yamina Muhammad, due to more than 3 unexcused absences: Amelia; Seconded: Beth

Board discussed bylaws detailing acceptable participation with board meetings, including a more specified look at absences, board member expectations, and board functionality. Board discussed the potential need to review current policies and equal practices around Board Elections.

**Review & approve minutes from July 10<sup>th</sup>, 2019 meeting:** Board reviewed minutes, and provided opportunity for discussion.

Motion to approve: Amelia; Seconded: Lenore

**GM Monitoring Report – B1: Financial Conditions (FQ4 2018):** Board reviewed report and gave initial feedback.

GM gave overview of report, detailing accurate numbers and improved reporting format which makes the numbers easier to explain.

The Board discussed the breakdown of report items and addressed questions. Board discussed concerns regarding cash information and margin improvements. The Board feels confident in moving forward in the target direction with accurate points of reference. GM reviewed further details regarding sales, margin, and budget for previous year. Board reviewed adjusted budget.

Tracy verified the accuracy of the report.

Board addressed questions regarding margins, price changes, shrink, and inventory turns and discussed these areas in detail. GM explained strategies around pricing decisions and ways of gaining feedback. Sales reports play a huge role in how to set or adjust pricing, as well as data comparison with other co-ops. GM shared further details on product selection and sales growth.

GM discussed improved reporting methods moving forward. Board discussed coming annual report and plans to present the 2018 adjustments with forthrightness. GM and Board are confident that we have strengthened our financial capacity.

Board briefly reviewed audit timeline. Review will occur this year with plans to run an audit in 2020.

Motion to approve: Summer; Seconded: Lenore

### **GM FYI Discussion:**

Dividends: GM reviewed details regarding preferred shares and interest rates. GM proposed paying back the accrued interest from 2011 and 2012 and discussed the financial commitment involved in this plan. Interest pay backs are separate from owner share dividends, which we are not yet in a position to pay back. GM proposed board action.

Motion to approve GM's preferred share dividend proposal: Amelia; Seconded: Beth

Neighbor Day: Free nachos! Board plans to be there to facilitate election interest.

**Board Self-Monitoring Survey – D3: Delegation to the GM:** Board reviewed report. No concerns or issues.

### **2019 Board Committees Discussion:**

**Policy Register Update:** No updates available.

**Effective Worker-Ownership:** Committee work combined with Nominations & Elections. Committee presented improvements for a more streamlined elections process, including combined information that benefits both consumer and worker owners. Board discussed logistics of voting, including online and in-person options. Board discussed further details regarding worker owners, especially related to online voting and expectations to speak at the annual meeting. The committee reiterated their interest in setting the same expectations for every board member.

Board is working with marketing team to create an informational handout. Committee discussed post-election onboarding process and ways to make this more friendly and effective. Board intends to connect with new board members the Monday after election results and hopes to establish a board buddy system.

**FY 2019 General Manager Evaluation:** Survey was distributed with similar format as last year. Results will be available shortly. Evaluation is based on monitoring reports. GM requested some minor changes regarding timeline for next year. GM and board discussed further details.

**Other Business:** Board followed up monitoring report, discussing how Durham Co-op compares to other stores related to sales growth and margins. GM highlighted various factors that influence comparison data with other stores.

Preferred stock shareholder requested the stock be reassigned to children. Two shares are currently jointly owned. GM and Tracy will craft notarized letter in order to reassign shares  
Motion to approve process: Lenore; Seconded: Amelia

**Meeting Adjourned:** 8:56pm

**Attachments:**

**Reference Materials**

*DCM 2019 General Manager Monitoring Report Compliance*

*DCM 2019 Board Calendar*

*DCM 2019 Board Meeting Attendance Record*