

## **Durham Co-op Market Board of Directors Minutes**

**Event: Board Meeting**

**Date: Wednesday, November 13th, 2019**

**Location: Lyon Park Community Center**

**In attendance:** Summer Alston, Elizabeth Figgie (BA), Amelia Freeman-Lynde, Lenore Hill, Jack Hill (Owner), Beth Katz, Tracie Kondraki (Bookkeeping Provider from Green Bean Counters), Loralyn Milcarek (Owner), Drew Peng, Michael Rodgers, Varun Singh, Leila Wolfrum (GM), Julian Xie

**Absent:**

**Meeting called to order:** 7:10pm

**Welcome New Board Members & Introductions:** Attendees introduced themselves.

Board briefly discussed board logistics and some administrative details, especially regarding cohorts and timeline.

**Review & approve minutes from October 9<sup>th</sup>, 2019 meeting:** Board reviewed October minutes.

Motion to approve: Summer; Second: Amelia

**GM Monitoring Report - B1: Financial Condition (FQ1 2020):** GM presented financial report. Various financial problems amounted to a significant financial impact for this first quarter, the most significant of which are already being addressed. GM explained major factors in financial conditions, including construction, base wage changes, labor reporting, purchasing errors as well as staffing and sales inconsistencies. Issues continue to be present among the front end staff and the department struggles. The store is not in financial jeopardy, but the administrative team is initiating aggressive action to address these problems, within the store and externally.

The GM hired a consultant through NCG, who is leading managers and purchasing staff through trainings for margin repair. The GM feels confident we are taking the right steps toward longtime improvements.

Board discussed areas of concern, specifically addressing product selection and recently opened grocery stores nearby, in addition to further factors impacting sales growth and last year's comparisons. GM expressed difficulty in finding accurate metrics due to positive categories across departments. Board made some suggestions for additional metrics to consider.

Board discussed timeline and expectations for seeing improvements. Every factor has to be handled differently, but we are improving processes daily. GM further explained practices for improving margins, detailing adjustments and new approaches being utilized with product managers. Board discussed various other topics, including manager capacity, compensation, and existing structures for absorbing mishaps.

Board discussed cash conditions. GM wants to see improvements in all categories, particularly in cash. Cash is not in jeopardy, but improvement is needed.

Motion to approve: Summer; Seconded: Michael

**GM FYI Discussion:**

New front end manager, Ashley! GM looks forward to her leadership in the department.

FINI (Food Insecurity Nutrition Incentive) Grant – The Durham Co-op received a grant through RAFI which will apply this year and the next two following. FFA owners get 50% OFF fresh produce in November and December. A few non-FFA owners have given some pushback. GM is assessing the potential to provide this discount all the time.

Second Store Update – GM met with developer at 500 block of E. Main Street in September to discuss location as potential property for second store. The block will consist of several mixed income housing units. County commissioners are excited about the Co-op being involved with the project! GM shared other details from the meeting. Board discussed various particularities of the project.

The store is in good shape for Thanksgiving. Buy a turkey!

**Board Self-Monitoring Survey - C7: Board Committee Principles:** Board reviewed survey results and discussed various aspects of reports in need of further discussion or explanation. Board discussed specific details, such as tracking results and monitoring.

**2019 Board Committees Review & Look-Forward to 2020 Board Priorities:**

Policy Register Review: Took longer than expected but pleased with results! Board briefly reviewed changes.

Annual Meeting Planning / Nominations & Elections: Board reviewed Annual Meeting Planning and Nominations, highlighting successes as well as ways to improve next year. Board was particularly pleased with the number of candidates, how plans were implemented, and Annual Meeting turn out. Board briefly summarized Board Buddie structure for new board members.

Worker-Owner Engagement: Board has still seen limited progress and will return to the drawing board. Board is actively seeking feedback from staff to engage worker owners more and plans attend Bullpen Meeting.

Board will revisit 2020 priorities at next meeting and consider which committees to establish.

**Other Business:** Board will elect officer roles at next meeting including, treasurer, secretary, president, and vice president. Board briefly reviewed roles, which are open to all interested board members, and explained critical functions.

**Meeting Adjourned:** 8:53pm

**Attachments:**

- **Reference Materials**

- o DCM 2019 General Manager Monitoring Report Compliance*

- o DCM 2019 Board Calendar*

- o DCM 2019 Board Meeting Attendance Record*

- **Article**

- o NY Times, "Farm Country Feeds America. But Just Try Buying Groceries There" (11/5/19)*