

## Durham Co-op Market Board of Directors Minutes

**Event: Board Meeting**

**Date: Wednesday, October 9th, 2019**

**Location: Lyon Park Community Center**

**In attendance:** Summer Alston, Elizabeth Figgie, Amelia Freeman-Lynde, Alisa Johnson, Garver Moore (Board Candidate), Drew Peng, Julian Xie, Leila Wolfrum (GM)

**Absent:** Lenore Hill, Beth Katz

**Meeting called to order:** 7:05pm

**Introductions:** Board members and guest briefly introduced themselves.

**Review & approve minutes from September 11<sup>th</sup>, 2019 meeting:** Board reviewed minutes and requested a few minor edits.

Motion to approve: Alisa; Seconded: Summer

**GM Monitoring Report - B5: Treatment of Customers:** GM presented monitoring report, reviewing notable data as well as offering comparisons with similar co-ops. Similar to some past reports, GM feels there could be better metrics in place for tracking policy compliance but is unsure of what those metrics might be. GM offered feedback on areas where the policy is weak and could be improved. GM highlighted areas of success as well as those in need of improvement within the store.

Board discussed Halloween candy.

Board discussed report, asking questions regarding areas of concern, including realistic limitations to customer satisfaction, quantifying customer counts, and growing basket size.

Board briefly discussed more specific ways to track customer satisfaction and feedback. Administrative staff plans to set up NCG survey in the near future. Board discussed particular metrics involved in the survey.

Motion to approve: Amelia; Seconded: Summer

### **GM FYI Discussion:**

Annual Meeting: GM and Marketing team are having a planning meeting this week to nail down the details. GM is open to Board input.

Business School: GM reviewed business school orientation. GM is feeling optimistic and looking forward to growth and learning.

Weaver Street: GM visited the new store in Raleigh. GM gave feedback on store strengths and highlights. Board discussed store details areas of interest.

Q1 Financials: There are several factors that will result with poor Q1 financials, which will be reviewed at next month's meeting.

Sales did not meet our budget, which GM expects was greatly affected by road construction. Construction surrounding the store is extensive and the impact of this particular phase was greatly underestimated. Our growth percentage drop lines up with when construction got rough.

Departments continue to see ongoing margin problems. GM has not seen anticipated improvements, so more aggressive steps are taking place in order to see change. July in particular was a bad month, and margin issues in various departments are adding up. GM contracted with NCG personnel and is expecting to have assistance for the next 6 months. GM is communicating strategically with managers regarding financial data.

Labor reports have been inaccurate throughout the summer due to reports not having been updated with most recent wage changes. It was difficult to identify the issue itself as well as the cause of the problem. Additionally, managers staffed up for labor in September with expectation of increased sales and weekly customer counts, but numbers remained consistent. GM is actively working with managers to track weekly labor and sales reports in order to get labor numbers where they need to be. GM feels the store is still in a good position to finish out the year with stronger numbers.

GM briefly detailed other factors impacting budget.

New Store Location: GM had several meetings this week regarding potential second-store locations. Site developers are working on an affordable housing block on E. Main St. and think the Co-op would be a good fit for retailer space. The area is being redeveloped and developers are interested in bringing in businesses that are committed to benefiting the community. GM will continue to keep an eye on the location and stay in contact with developers.

The second location is downtown but doesn't have as much potential. It may be possible to conduct a market study for both locations.

Board asked for more details regarding construction, labor and margin, the upcoming holiday season, the fiscal year budget, and anticipated dividend payments and discussed these matters further.

**Board Self-Monitoring Survey - C7: Board Committee Principles:** Board briefly reviewed self-monitoring survey. Board discussed and clarified survey language and highlighted other areas in need of improvement.

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

Policy Register Review: Committee presented updates. Board discussed and agreed to review and approve changes at this meeting. Board briefly reviewed, discussed, and approved individual changes. Board reviewed reasoning behind changes and any areas in need of clarification.

Motion to approve discussed changes to Policy Register: Alisa; Seconded: Amelia

Annual Meeting Planning / Nominations & Elections: The board is enthusiastic about the slate of candidates for this year, particularly with three open seats. The board discussed various logistical details and offered a few suggestions for the Annual Meeting. Board briefly discussed ways to make it a more kid-friendly event.

With no worker owners currently on the candidate slate, the board briefly discussed plans for onboarding worker owners later this year.

Board plans to discuss dividends at the meeting.

Other Business:

Housing bond information session at Lyon Park next week with the mayor, from 7-8:30pm.

Upcoming officer elections!

Meeting Adjourned: 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*