

Durham Co-op Market Board of Directors Minutes

Date: Wednesday, May 8, 2024

Location: Online via Zoom

In attendance: Summer Alston, Josh Collier, Lenore Hill, Kim Ionescu, Anwar Simon, Matt Colley (GM), Teri Riley (BA). John Bonvechio joined at 7:24 pm.

Absent: Donna Frederick

Meeting called to order: 7:05 pm

Agenda Review: No changes

Team Building Question: The Board completed this.

Review and approve minutes from March 13 meeting: Approved

Motion: Motion to approve March minutes: Anwar

Second: Second: Josh

Ayes: Summer, Kim, Lenore

Nays: None

Abstentions: None

FYI Report Q&A

- Matt attended the NCG spring meeting and found it enjoyable. This is his third meeting and it gets better each time. He has more experience and NCG has hired more support people. Matt was vocal about NCG providing more support and training for various levels of managers.
- Met with the 10 NC GMs and they talked about creating a cooperative arrangement for distribution. Retiring GM at Weaver Street, Ruffin Slater, plans to focus on this heavily in his first year of retirement.
- CX survey went live today. Will be good for specific in-store feedback, and also gives NCG customer feedback so they can help guide Matt.
- New server installed and functioning. Three security cameras installed, three more to go.
- Next: new scale, then new POS.

GM Monitoring Report – B6: Staff Treatment and Compensation

- Matt talked about getting staff training in place, active, and consistent. Need the mechanism of how to trigger the training and who will facilitate it – likely Teri Riley.
- Durham livable wage is now \$23.81 per hour, a \$5.41 increase from last year. Now only 16% of the staff is earning this level of wage.
- In his peer group at the NCG meeting DCM was about in the middle of the pack.
- A livable wage is a DCM policy goal and it will be very difficult to get there.
- John mentioned Scott Galloway's book *The Algebra of Wealth* as an interesting resource. YouTube video: <https://www.youtube.com/watch?v=qEJ4hkpQW8E>
- Matt reported most of the staff feel pain around the wage issue and conversations abound, especially about the cost of rent.
- Anwar discussed savings pools/joint savings programs. It could be an opportunity to do this on a store-wide level, using gift cards that can only be used in the store.

Motion to approve: I make a motion to approve the B6 Report: Lenore

Second: Summer

Ayes: John, Josh, Kim, Anwar

Nays: None

Abstentions: None

GM Monitoring Report – B1: Financial Condition

- Really proud of the margin results, though margin minus labor is low. The margin target is too low compared to our peers. Need to be at a 36% general margin.
- Inventory turns were fine. Growth has been about 1%, this last quarter was 1.2%.
- Owner equity – achieved benchmark this quarter. Net income – negative \$60K.
- The group discussed the unfilled Marketing Manager position and if filling that role help increase sales. Matt has an increased understanding of all the duties of the job and does envision filling the role.
- Matt does not have a time frame yet but plans to post the position and see what kind of candidates apply.
- The group discussed linking the B1 and B6 reports. Ways – a way to increase staff wages would be to have fewer staff or increase marketing.

Motion to approve: I move to approve the B1 report: Summer

Second: Lenore

Ayes: Josh, Anwar, Kim, John

Nays: None

Abstentions: None

Nominations and Elections Committee Report

- Committee Members: Donna, Anwar, John, and Kim.
- The committee has discussed how to be more visible in the community, possibly at the Beaver Queen pageant, also the CROP Walk or other places. Having a table at the store for Board members to staff.
- Wants more participation and feedback from the rest of the Board. Discussion about best ways to increase participation/communication. Would using a different form of communication help, like an instance message app? Considerations: WhatsApp, Snickett, Slack, Teams. Good for quick accountability checks and conversation. It's very easy for the group to lose momentum between meetings. Some folks are interested; some don't want another source of communication/information. The group decided to give it a try, using Snickett and WhatsApp. Lenore will set up for the group.
- Timeline for the Annual Meeting – proposed for October, a month earlier than usual. This gives less time to find Board candidates. Can be a good thing, so there's a greater sense of urgency.

Co-ops in Conversation

- Anwar is working with a group that brings various kinds of co-ops together.
- Event: May 22, 3-5 pm, Solidarity Hub, focusing on grocery co-ops. Matt is on the panel. Will also be on Zoom.
- Purpose: bring people together.

GM Compensation Committee Report

- Committee: Josh, Summer, Kim

- Working on RFP for GM compensation evaluation and review. Working with Columinate on how to make the process more strategic and streamlined over a multi-year process.
- Considering conditional pay increases based on performance markers, with salary tied to the health of the Co-op.
- Josh will call the committee together to discuss once he gathers information.
- The committee will ask the GM for the RFP, then discuss that at the Board. Wants this wrapped up before any new Board members join.
- Want to have employee compensation to move in step with GM compensation. Also want to stay competitive in the market for GM compensation. We are not there yet and want to have a sustainable path toward market competitiveness.
- May meet with Ben/Columinate for input. Input given that Columinate could be doing a good bit of the work Josh is doing.
- The committee plans to finish this phase of the work by the end of May.

Board Self-Monitoring Surveys – C3: Agenda Planning & D2: Accountability of the GM

- Particularly low response this month from Board.

Board Budget

- Discussed proposed Board budget. Could cut back Columinate in the budget, not necessarily getting value for the cost.

Upcoming Events, Reminders, and Action Items:

- CDL 101 Mini Session – not enough interest to make it worthwhile at this time. May be good for new Board members.
- Co-op Events – Pop Up Market Event later in May.

Meeting Adjourned: 9:07 pm