



# DURANGO NATURAL FOODS

## A Co-operative Market

575 E. 8th. Ave | The corner of 8th and College | 970.247.8129  

Regular Board Meeting  
May 22<sup>nd</sup> 2019, 5:30 – 7:30pm  
DNF Office

### MINUTES

**In attendance:** Cathy Cowles, Kelly Rogers, Elise Boyson, Rachel Bennett, Cody Reinheimer, Lucinda Berdon (IGM), Jules Masterjohn

I. **Call to Order and Check In:** 5:37 Cody & all

II. Elise read the **Ends Statement**

III. **Minutes Approval from last meeting**  
Cody moved to approve, Cathy seconded, motion passed

IV. **Membership Comments or Questions**  
No Member-Owners were present other than the Board

V. **GM Update & Financial Report (B1)** Lucinda

Lucinda reported that they have been busy at the store. Sales have been strong – down from 2018, but not as much as previous months. Staff has been completing lots of store resets. A deli specialist from NCG is visiting DNF right now, and offering a lot of valuable input. They are planning new window treatments with outreach messaging, images, etc. The new window films should last about a year.

Lucinda anticipates that the store will be ready for a stepped up advertising campaign by mid-June. It will start with an insert in the Durango Herald in mid-June. Things are moving forward (slowly) with addressing the deferred maintenance on the facility – including putting a new sink in the deli, removing trash that has piled up outside, and triaging projects. Next steps will be enhancing the deli, getting pre-made juices stocked in the morning, having some juices in re-usable jars (not plastic,) enhancing the cheese section, etc.

**Financial Report (B1):** Several areas are currently out of compliance, but we are moving towards improved financial standing. Of note, Accounts Payable are very close to being current, and Member-Owner Equity payments are being deposited in a designated account, rather than used for day-to-day expenses. DNF submits our financial data to the NCG co-metrics program, which enables us to compare our finances with cooperatives across the country.

In the future, the GM will provide brief monthly financial updates, with more in depth (B1) financial reports quarterly. The Finance Committee will meet quarterly.

### VI. New Business

#### A. New Board Welcome

- 1) New and returning Board Members shared their motivation for joining BOD. Themes included strong belief in the values of a member-owned cooperative, supporting local food systems, supporting a community hub, and a desire to move the co-op past the recent crisis and into a successful future.

- 2) The Board discussed our Code of Conduct. New Board Members will complete and upload into the DropBox folder Conflict of Interest Forms, as will any returning Directors who have changes in their Interests.
- 3) New Board Member Training was planned
- 4) New Board Members were invited to ask questions. Discussion followed.

#### B. Stocking our DNF Root Cellar – 50k to go

- 1) We reviewed a “Filling the Root Cellar” plan, outlining how we plan to build a \$100,000 cash reserve fund by September 30, 2019. The plan includes:
  - a) Collecting the increased M-O equity payments, starting June 1, including a call for early payment:
    - i) The Board will send out an email before June 1, recruiting “Co-op Collaborators” who will pay their increased equity early. Co-op Collaborators will be actively recruited from June 1 – mid-July.
    - ii) DNF staff will create supporting printed materials encouraging equity pre-payment, and signage at the register. Clerk will be trained to discuss the increased equity payment with customers.
    - iii) Board members will table at the store in early June to support this
    - iv) Board members who are able will become Co-op Collaborators by contributing their additional equity in a lump sum during this time.
  - b) Donations
    - i) A Member-Owner will host a Fundraiser/ Friendraiser for DNF on June 22. Board Members will attend and bring guests.
    - ii) The Board will actively solicit donations beginning mid-July.
    - iii) Other fundraisers and donations are certainly welcome at other times!
  - c) Grant
    - i) We are still waiting to hear if DNF will be awarded the HFFI grant
  - d) Other options
    - i) The Board has identified other options for raising capital (including a loan and/or increasing our line of credit,) and will analyze our progress in August, to determine if we need to pursue other options
- 2) The officers will coordinate to submit the Plan to NCG by June 1

#### C. Annual Meeting

- a. The Board had a very brief reflection on the 2019 Annual Meeting

#### D. Board of Directors Members

- 1) Member term lengths are determined by election results, as outlined in the Bylaws. These will be posted on the bulletin board in the store.
- 2) Dan Randolph resigned from the Board due to an over-full personal life, effective April 28. Bylaws state the Board will have 7 members. Cathy moved to appoint Don Lewis to Board for a one-year term, Cody seconded, motion carried unanimously.
- 3) Officer Selection:
  - a. Cody moved to appoint Cathy Secretary, Jules seconded, motion carried unanimously
  - b. Cathy moved to appoint Rachel as Treasurer, Elise seconded, motion carried unanimously
  - c. Kelly moved to appoint Cody as President, Rachel seconded, motion carried unanimously
  - d. Cathy moved to appoint Jules as Vice President, Cody seconded, motion carried unanimously

#### 4) Recruitment and Retention

- a. Lucinda stated that the current Board has a lot of work and a big job. She believes that the Board should be compensated, at the minimum with a 15% discount at the register. Rachel gave some background – the Board previously had a discount, and chose to forgo it, approximately 2 years ago.
- b. Cody moved to give Board members a 15% discount at the register, Cathy seconded. Motion carried.
- c. Elise works in social services, and reminded all of us to work to prevent burnout by asking for help and support, rather than building resentment.

#### E. New Signatories for Bank Account

- 1) DNF needs to update signatories on our bank account, since our previous Board Treasurer has completed her term and left the Board. Since Lucinda is an interim GM, it does not make sense to have her as a signatory. When the permanent GM starts, she/he should be one of the signatories.
- 2) At the GM's suggestion, Rachel moved to have Brian Gaddy (Operations Manager) and Kamaljit Punia as signatories. Kelly seconded. Motion carried.

#### F. Beer License Opportunity

Lucinda

- 1) DNF is exploring the option of getting a beer license.
- 2) Since the co-op does not have one owner, the Board Officers have to sign on the Beer License
- 3) The Board discussed this. Lucinda will send more information and the Board will further discuss this option via email.

#### G. Review Policy C1 - Governing Style

- 1) C1 is the governance policy scheduled for review in May. Since the Board was running out of time, this review will happen via email

#### H. New GM Recruitment

- 1) A GM Hiring Committee will convene to establish a GM hiring process and schedule.

#### I. Strategic Plan Formulation

- a. Tabled

### VII. Other Announcements

Tabled

### VIII. Adjourned 816

#### **ACTION ITEMS:**

- Jules will forward the CDS Board newsletter to all, and recommends that we all subscribe
- Lucinda will do a Financial Training with the Board. We'll schedule an hour-long training some evening in the next month or two. Cody will send a doodle poll.
- Jules and Cody will work together to ensure she has access to the DNF DropBox folder
- Cathy will send Conflict of Interest forms to new Board Members, and will ensure that signed forms are uploaded into the DropBox

- Lucinda will deliver a presentation to new Board Members, as part of New Director training. Returning Board members are welcome to attend. Cody will send out a doodle poll to schedule this.
- Board members will table at the store in early June, recruiting “Co-op Collaborators” to prepay their increased M-O equity
- Officers will be in touch about sending the Cash Reserve Fund plan to NCG
- Lucinda will send the Board an email regarding the Beer License
- The Board will work together to ensure that the monthly meeting process works for all. Ideas discussed at this meeting include: keeping the meeting at 2 hours, adding times to the Agenda, having an official timekeeper, and starting the meeting at 5:00. Email conversation to follow.
- Cathy will initiate an email discussion to review Policy C1 – Governing Style, in accordance with the Board Calendar
- Cody will initiate the process of hiring a permanent GM, and will start to pull together a GM Hiring Committee

*Submitted by Cathy Cowles  
May 23, 2019*