



DNF Board Meeting
Feb. 18, 2026 5:30-7:45 pm
Rocky Mt Retreat Center

Time	Subject	Facilitator
-------------	----------------	--------------------

5:30	I. Call to Order	Sheryl
-------------	-------------------------	--------

	Check-in Question	Sheryl
--	--------------------------	--------

DNF Mission Statement

Durango Natural Foods is a cooperatively owned grocery, providing our community with quality local, natural and organic foods and products at a reasonable cost. We are committed to offering excellent customer service and education, while upholding the cooperative principles.

Cooperative Principles

- Voluntary and open membership
- Democratic member control
- Member economic participation
- Autonomy and independence
- Education, training, and information
- Cooperation among cooperatives
- Concern for the community

	II. Membership Comments or Questions	Board
--	---------------------------------------------	-------

Issues Raised:

Board members discussed interest in making member engagement more interactive, including adding more fun contests and other engaging elements to encourage participation.

Action Taken:

None.

Action Required:

None.

	III. Minutes Approval from last meeting	Ryan L
--	------------------------------------------------	--------

Issues Raised:

Review of January 2026 meeting minutes.

Action Taken:

Motion to approve the January meeting minutes made by Sheryl and seconded by Jackson.
Motion approved.

Action Required:

None.

IV. Agenda Approval

Sheryl

Issues Raised:

Review of February 18, 2026 meeting agenda.

Action Taken:

Motion to approve the agenda made by Sheryl and seconded by Jackson. Motion approved.

Action Required:

None.

6:10 VI. Old Business

- A. Danny will circulate the finalized COI form to the full board via signature software to connect with Danny regarding the status of the document. Danny

Issues Raised:

Status check on distributing the finalized COI form to the full board for review and signature via signature software.

Action Taken:

Board members who had not completed the document reviewed it during the meeting.

Action Required:

Danny to confirm all board members have completed the COI via the digital signature software.

- B. Sheryl to schedule GM review meeting with Executive Committee members Sheryl

Issues Raised:

Status update on scheduling the GM review meeting with Executive Committee members.

Action Taken:

Sheryl reached out to Executive Committee members to identify a meeting time.

Action Required:

Sheryl to confirm the meeting date/time once responses are received and circulate the invite/details to the Executive Committee.

- C. Joe to forward his email thread and/or documented conversation with Lily to the board for reference. Joe

Issues Raised:

Board requested documentation of Joe's communications with Lily (City project manager) regarding prior signage commitments and related follow-up.

Action Taken:

Joe sent the email thread/documented communication to Sheryl. During the meeting, Sheryl forwarded the materials to the full board.

Action Required:

None.

- D. Danny to provide an update on the Strategic Plan Tracker at the next board meeting Danny

Issues Raised:

The board noted the standing request for a Strategic Plan Tracker update and that Danny was not present to provide it.

Action Taken:

None.

Action Required:

Danny to provide a Strategic Plan Tracker update at the next board meeting.

- E. Ryan to develop and share initial ideas for potential special events aligned with the Co-op's mission Ryan

Issues Raised:

Ryan shared initial ideas for events that align with the Co-op's mission and could build community engagement.

Action Taken:

The board discussed potential event concepts, including a fermentation club and a neighborhood cleanup.

Action Required:

Ryan to set up a Special events committee to discuss potential ideas for events including the 2026 Harvest Festival. Ryan will set up a meeting with Tomas, too, to begin planning for an Earth Day neighborhood cleanup event.

- F. Jackson to convene the feasibility committee Jackson

Issues Raised:

Status check on convening the Feasibility Committee.

Action Taken:

Jackson confirmed the Feasibility Committee has been convened.

Action Required:

None.

- G. Sheryl to share a KSUT contact with Joe Sheryl

Issues Raised:

Status check on sharing the KSUT contact with Joe.

Action Taken:

Sheryl confirmed the KSUT contact information was shared with Joe.

Action Required:

None.

- H. Ryan to create a shared document for committee updates to streamline reporting Ryan

Issues Raised:

Follow-up on the action item to create a shared document for committee updates and whether it is being used.

Action Taken:

Ryan noted committee updates have been handled via email as needed and the shared document has not been necessary to use.

Action Required:

None.

- I. Ryan to remove the preliminary budget item from the Board calendar and shift Policy B2 budget review to February Ryan

Issues Raised:

Follow-up on updating the board calendar to remove the preliminary budget item and align Policy B2 budget review timing with February.

Action Taken:

Ryan confirmed the preliminary budget item was removed and the Policy B2 budget review was shifted to February. The updated calendar was saved in the Board Drive (Calendar folder).

Action Required:

None.

- J. Joe/Mads to include clearer multi-year summary context (trend/history view) in the February financial packet (B1/B2), consistent with the discussion. Joe

Issues Raised:

Follow-up on the board's request to include clearer multi-year context in the February B1/B2 materials (trend/history view) to support year-over-year comparison and longer-range understanding.

Action Taken:

Joe incorporated a multi-year view into the budget materials, including a five-year projection.

Action Required:

None.

- K. Ryan to create/update a Board Message rotation calendar so the sequence is clear going forward

Ryan

Issues Raised:

Need for a clear, shared rotation calendar so board message responsibility is transparent and predictable month to month.

Action Taken:

Ryan created/updated the Board Message rotation calendar.

Action Required:

None.

6:30 VII. GM report/questions, comments

Joe/Board

Issues Raised:

Joe provided a high-level GM update and noted operational fatigue from ongoing facilities and equipment troubleshooting. Management discussed the transition from The Payroll Department to Paylocity, including early implementation progress (three payroll cycles completed), and the expectation that Paylocity will improve scheduling/timekeeping integration, reporting, and manager responsiveness to missed clock-ins. Joe explained the decision was driven by functionality and service needs rather than cost savings, and that costs are expected to remain roughly comparable, with potential increases if additional modules are added.

Joe discussed continued front door malfunctions, including prior repair costs, incorrect parts delivered previously, and current coordination challenges to replace the door due to an opening-size mismatch (requiring modification of the opening during installation). Joe noted replacement will require coordination with the contractor and a lead time of roughly two to three months once ordered. Joe emphasized refrigeration remains a top facilities priority and reviewed constraints for larger refrigeration replacements, including 220v electrical needs, drainage, circuit capacity, and the operational impact of replacement work. Joe also noted a phone/internet transition is in progress (Spectrum to Clearworks/fiber), intended to improve reliability and potentially reduce credit card processing delays. Joe reported weekly sales are tracked internally, noting several January weeks running above the prior year, while acknowledging weather can affect weekly performance.

Action Taken:

None.

Action Required:

None.

6:45 XI. Policy Governance

Issues Raised:

The Board reviewed Policy B1 and discussed compliance and the extent to which certain “must not” statements are fully within the GM’s control versus subject to Board decisions.

Jackson raised concerns about the wording of the policy, noting that several items are framed as the GM “must not cause or allow” certain conditions, even though the Board can directly influence outcomes through votes and governance decisions. As an example, Jackson referenced the prior Board decision to reduce cash assets by \$50,000 to pay down the loan, noting that

choices like that can impact liquidity and financial condition independent of GM operational control. Jackson suggested that the policy language should more clearly reflect which items are within the GM's authority versus those that can be driven by Board action.

Sheryl noted the Governance Committee will have new leadership going forward and that policy revision work will need clearer ownership and continuity.

Action Taken:

The Board completed its review and discussion of Policy B1 during the meeting.

Action Required:

Wes to add review of Policy B1 language (clarifying GM authority versus Board-driven outcomes) to the next Governance Committee meeting agenda and to consider Governance Committee succession planning.

Policy D2: Accountability of the GM

Issues Raised:

The board reviewed Policy D2 as part of Policy Governance. The discussion was brief and did not include any substantive concerns or proposed changes to the policy.

Action Taken:

None.

Action Required:

None.

6:55 VI. New Business

- A. Board Message Wes

Issues Raised:

The Board discussed themes to include in the upcoming Board Message, noting Wes is responsible for drafting it and was not present at the meeting. Themes included: Wes acknowledging his board departure, continuation of the board's reinforcement of cooperative principles, and encouraging member participation in the upcoming Board elections, including a reminder to vote.

Action Taken:

None.

Action Required:

Wes to draft the Board Message incorporating the discussed themes and circulate to the Board for review prior to publication.

7:20 VI. Committee Updates

- A. Governance Wes

Issues Raised:

No updates were reported.

Action Taken:

None.

Action Required:

None.

B. Executive

Sheryl

Issues Raised:

Sheryl noted she sent a calendar invite to Executive Committee members to schedule the GM review meeting.

Action Taken:

Sheryl will send a calendar invite to the Executive Committee.

Action Required:

None.

C. Finance

Danny

Issues Raised:

The Board noted the Finance Committee did not meet because Danny was traveling for a family emergency. Ryan reminded the Board that Joe's day off is Tuesday and the Board should avoid scheduling meetings on Tuesdays. Board members emphasized the importance of Joe taking his scheduled time off.

Action Taken:

None.

Action Required:

None.

D. Feasibility

Jackson

Issues Raised:

Jackson reported the Feasibility Committee held its first meeting to discuss operational priorities and the feasibility process, including development of proposals for evaluation. Joe shared an initial concept for a customer-facing juice bar/café storefront and described the potential to expand DNF's community culture and customer experience. Jackson invited Board members to participate in developing the proposal and noted that members who contribute to writing the proposal will not be assigned to evaluate the portions they authored.

Action Taken:

None.

Action Required:

Jackson to send an email outlining proposal development roles and how Board members can participate; interested Board members to respond to Jackson if they would like to contribute.

E. Special Events Committee

Ryan L

Issues Raised:

Ryan noted it is time to begin planning for the Harvest Festival. The committee discussed whether to scale the event back this year (e.g., less of a large party format). Mads and Joe discussed potentially engaging Kiki as an event planner again and noted the need to confirm expected costs and whether a preliminary budget will be developed. The committee also discussed tabling to support Board election outreach.

Action Taken:

None.

Action Required:

Ryan to schedule a Special Events Committee meeting.

7:45 XII. Meeting Adjourn

Issues Raised:

None.

Action Taken:

Motion to adjourn made by Sheryl and seconded by Tomas. Motion approved.

Action Required:

None.

Policy Type: Executive Limitations

Policy Title: B1 – Financial Condition and Activities

Last revised: July 19, 2023

With respect to the actual, ongoing financial conditions and activities, the General Manager must not cause or allow the Cooperative to be unprepared for future opportunities, the development of fiscal jeopardy, or key operational indicators to be below average for our industry.

The GM must not:

1. Allow sales growth to be inadequate.
2. Allow operations to generate an inadequate net income.
3. Allow liquidity (the ability to meet cash needs in a timely and efficient fashion) to be insufficient.
4. Allow solvency (the relationship of debt to equity) to be insufficient.
5. Allow growth in ownership and owner paid-in equity to be insufficient.
6. Default on any terms that are part of the Cooperative's loans.
7. Allow late payment of contracts, payroll, loans or other financial obligations.
8. Incur debt other than trade payables or other reasonable and customary liabilities incurred in the ordinary course of doing business.
9. Acquire, encumber or dispose of real estate without Board approval.
10. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
11. Use restricted funds for any purpose other than that required by the restriction.
12. Allow financial record keeping systems to be inadequate or out of conformity with Generally Accepted Accounting Principles (GAAP).

13. Transact capital expenditures greater than \$10,000.00 per month without approval of the Board and fail to disclose said capital expenditures.

14. Fall out of good NCG membership standing nor fall out of line with any applicable national NCG purchasing contract requirements.

Policy Type: Board-Management Relationship

Policy Title: D2 – Accountability of the GM

Last Revised: October 26, 2015

The General Manager is the Board's only link to operational achievement and conduct.

1. The Board will view GM performance as identical to organizational performance so that organizational accomplishment of Ends and organizational operation within Executive Limitations will be viewed as successful GM performance.
2. The Board will not instruct or evaluate any employee other than the GM.