



**DNF Board Meeting**  
**November 20th, 2024 5:30-7:45 pm**  
**Rocky Mt Retreat Center**

Present:

Members: Hadley, Wes, Sheryl, RyanE, RyanL, Danny, Jenni; Employees: Joe, Mads, Jacob L

Time	Subject	Facilitator
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**5:30 I. Call to Order**

**II. Membership Comments or Questions**

Board

- **Issues Raised:**
  - Member said we have the best food in deli.
- **Action Taken: None**
- **Action Required: None**

**III. Minutes Approval from last meeting**

Hadley

- **Issues Raised: None**
- **Action Taken: Hadley made a motion to approve the October minutes, Sheryl seconded, motion carried.**
- **Action Required: None**

**IV. Agenda Approval**

Wes

- **Issues Raised: None**
- **Action Taken: Wes made a motion to approve the agenda, Sheryl seconded, motion carried.**
- **Action Required: None**

**5:40 V. Old Business**

- |    |  |        |
|----|--|--------|
| A. | Danny will meet with Joe by October 30th   | Danny  |
|    | <ul style="list-style-type: none"> <li>● <b>Issues Raised:</b> Will cover in feasibility.</li> <li>● <b>Action Taken:</b></li> <li>● <b>Action Required: None</b></li> </ul>   |        |
| B. | Danny will go into the decision and action items log and add columns   | Danny  |
|    | <ul style="list-style-type: none"> <li>● <b>Issues Raised:</b></li> <li>● <b>Action Taken: Not done</b></li> <li>● <b>Action Required:</b> <ul style="list-style-type: none"> <li>○ <b>Danny will go into the decision and action items log and add columns</b></li> </ul> </li> </ul> |        |
| C. | Sheryl will send statements (missions (Co-op, BOD, and Ends) to TerryL   | Sheryl |
|    | <ul style="list-style-type: none"> <li>● <b>Issues Raised: None</b></li> <li>● <b>Action Taken: Done</b></li> <li>● <b>Action Required: None</b></li> </ul>  |        |
| D. | Sheryl will send contact information of BOD members for interviews   | Sheryl |
|    | <ul style="list-style-type: none"> <li>● <b>Issues Raised: None</b></li> <li>● <b>Action Taken: Done</b></li> <li>● <b>Action Required: None</b></li> </ul>  |        |
| E. | Board members and GM to coordinate w/ TerryL pre-retreat meetings  | Board  |
|    | <ul style="list-style-type: none"> <li>● <b>Issues Raised: None</b></li> <li>● <b>Action Taken: Done</b></li> </ul>  |        |

- **Action Required: None**
- F. Take Policy A out of the annual review on the BOD calendar Hadley
  - **Issues Raised: None**
  - **Action Taken: Done**
  - **Action Required: None**
- G. Wes to remind Ryan E about scheduling a finance committee Wes
  - **Issues Raised: None**
  - **Action Taken:**
    - Wes emailed Ryan today with the zoom meeting saying he failed to remind him.
  - **Action Required: None**
- H. Joe to formulate patronage dividend plan and share w/ Board Joe
  - **Issues Raised: None**
  - **Action Taken: Done, Very nice**
  - **Action Required: None**
- I. If needed, Wes to contact governance committee regarding by-laws Wes
  - **Issues Raised: None**
  - **Action Taken: None**
  - **Action Required: None**
- J. Wes will establish a bylaws game plan and reach out to all parties involved Wes
  - **Issues Raised: Done**
  - **Action Taken:**
    - Done, plan is in play
  - **Action Required: None**
- K. Joe will reach out to Tom (contractor) to check on gutter project Joe
  - **Issues Raised: Done**
  - **Action Taken: None**
  - **Action Required: None**

## 6:00 VII. Committee Updates

- A. Governance Wes
  - **Issues Raised: None**
  - **Action Taken: Done - Bylaws voting is happening!**
  - **Action Required: None**
- B. Executive Sheryl
  - **Issues Raised:**
    - Get going on Joe's contract. It was signed April 1st.
  - **Action Taken:**
    - Put out a questionnaire for Joe, succession plan (in BOD drive not in a folder)
  - **Action Required: None**
- C. Finance Ryan E
  - **Issues Raised: None**
  - **Action Taken: None**
  - **Action Required:**
    - **Ryan E. to schedule next meeting and send out.**
- D. Feasibility Danny
  - **Issues Raised:**
    - Joe and Danny met. Did one purchasing property around 1 million and one where we pay under a lease. Look like we would need 85,000-100,000/ month to make it sustainable by year 3, month 36 (and that's breakeven). High labor costs, realistic growth of a totally new space, etc. We then talked options such as Doughworks (seems off the market right now). Also met with realtor (Dahsa

Greidanus) to discuss Doughworks (or any defined business we could take over w/ a commercial kitchen) or house in between 8th ave tav and the Co-op (listed at 750,000). Could solve problems of parking, storage, deli, and office space. Will put together another financial forecast for if we were to buy the house.

- \*Should be a talking point at December retreat.
- Jenny also reached out to commercial realtor.
- Anything without a commercial kitchen is out the window.
- The red house next to Durango Joes is also one to keep in mind. (Sheryl has made contact.)
- Keeping properties near makes it easier to expand and save space. Invest in the location we have now and we will get more out of it.
- Down the road - look into our juicing operation.
- Also heard the Ore House is closed. Need to confirm. Great location.
- **Action Taken: None**
- **Action Required: None**

E. Special Events Committee

Ryan L

- **Issues Raised: None**
- **Action Taken: None**
- **Action Required:**
  - **Wes will table before the bylaws vote closes (November). Hadley will table the in December.**

## 6:20 VIII. New Business

A. 2025 Board Budget

Board/Ryan E

- **Issues Raised:**
  - Are there items in the BOD budget to be added or taken away from next year's budget?
    - It shows that we are not taking advantage/ doing some of these things (ex: Staff appreciation, professional development, etc.).
    - Joe to go through Quickbooks and see what went into each line to make sure the spending is accurate.
    - We need to review our BOD snack budget and what is actually being spent.
  - Are there financial needs that are important/ that should be considered?
    - Additional BOD training
    - Feasibility insights/ outside expertise - mortgage repayment - open new accounts - etc.
    - Differentiate the consultant line item
    - Columinate, potential consultants, by-laws revision legal review -
- **Action Taken:**
- **Action Required:**
  - **Have the 2025 BOD budget finalized by December BOD meeting. Move to next board meeting action item.**

B. Board Retreat

Board/Joe

- **Issues Raised:**
  - Food:
    - Mads will talk to Matt about DNF deli catering
    - Breakfast (coffee/ food), Lunch (drinks/ food), Evening snacks (drinks/ food)
  - Sheryl will send everyone directions.
- **Action Taken: None**
- **Action Required:**

- **Mads will talk to Matt about DNF deli catering and will bring the food to the retreat.**
- **Sheryl will talk with Mads about food menu.**
- **BOD members send Mads dietary restrictions.**
- **Sheryl to send everyone directions.**

C. November Board Message

Ryan E

- **Issues Raised:**
  - BOD retreat, thank you for voting on the by-laws,
- **Action Taken: None**
- **Action Required:**
  - **Ryan E to send BOD message to BOD members by 11/24 and to management by 11/27.**

**6:40 IX. General Manager Update and Questions**

- **Issues Raised:**
  - Gutter repair - rain barrel solution
  - Registers - working on design and costs
  - Patronage dividends - done by Joe, exciting
- **Action Taken: None**
- **Action Required: None**

**7:00 X. Policy Governance Review**

A. Policy D4: Monitoring GM Performance

Board

- **Issues Raised: None**
- **Action Taken: Wes made a motion to approve Policy D4: Monitoring GM Performance, Jenni seconded, motion carried.**
- **Action Required: None**

B. Policy B1: Financial Condition & Activities

Board/GM

- **Issues Raised:**
  - Plans to increase wages, but as of now, nothing planned due to financials.
  - How are the systems keeping up with margins per department?
    - Every department manager is very aware of their margins.
  - If ever it came down to being in the red or black, would you cut back?
- **Action Taken: Wes made a motion that Joe is in compliance with Policy B1: Financial Condition & Activities, Sheryl seconded, motion carried.**
- **Action Required:**
  - **Joe/ Mads to include in next year's budget scenarios and estimates for new bottom line/ growth. (Road diet anticipation - worst case scenario.)**
  - **BOD members to send Joe any questions.**

C. Policy C4: Directors' Code of Conduct

Board

- **Issues Raised: None**
- **Action Taken: None**
- **Action Required:**
  - **Table to December BOD meeting.**

**7:20 XI. Adjourn**

- **Wes made a motion to adjourn the meeting, Sheryl seconded, motion carried.**

**Board Executive Session**

Policy Type: Board-Management Relationship  
Policy Title: D4 – Monitoring GM Performance  
Last Revised: November 16, 2022

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*The Board will systematically and rigorously monitor and evaluate the GM's job performance compared to expectations set forth in Board policies.*

1. The Board will acquire monitoring information by one or more of three methods: (a) by internal report, in which the GM discloses policy interpretations and compliance information to the Board; (b) by external report, in which an external, disinterested third party selected by the Board assesses compliance with Board policies; or (c) by direct Board inspection, in which a designated director or committee assesses compliance with the policy.
2. In every case, the Board's standard for compliance will be any reasonable GM interpretation (as described by operational definitions and metrics) of the Board policy being monitored. The Board is the final arbiter of reasonableness but we will always judge with a "reasonable person" test rather than with interpretations favored by individual directors or by the Board as a whole.
3. The Board will accept that the GM is compliant with a policy if he/she presents a reasonable interpretation and adequate data that demonstrate accomplishment of that interpretation.
4. The Board will monitor all policies that instruct the GM. The Board can monitor any policy at any time by any method listed above but will ordinarily follow the schedule outlined in the Board Annual Calendar.
5. The Board will evaluate the General Manager 6 months and one year after the date of hire and annually thereafter, based on a summary of monitoring reports reflecting that evaluation period.
6. The Board shall maintain a Finance Committee for the purpose of financial oversight of the General Manager. This committee will meet at least quarterly to review and discuss the quarterly financial reports, and will ideally consist of community members who possess a professional level of financial understanding, with the Treasurer as the Chair.

Policy Type: Executive Limitations  
Policy Title: B1 – Financial Condition and Activities  
Last revised: July 19, 2023

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*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 Process  
Policy Title: C4 – Directors' Code of Conduct  
Last Revised: October 17, 2018

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We each commit ourselves to ethical, professional and lawful conduct.

1. Every director is responsible at all times for acting in good faith, in a manner which she/he reasonably believes to be in the best interests of the Cooperative, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.
2. Directors must demonstrate unconflicted loyalty to the interests of the Cooperative's owners. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups, membership on other Boards or staffs, and the personal interest of any director acting as an individual consumer or member.
  - a. There will be no self-dealing or any conduct of private business or personal services between any director and the Cooperative except as procedurally controlled to assure openness, competitive opportunity and equal access to "inside" information.
  - b. At a new director's first board meeting, he/she will complete the "Conflict of Interest Disclosure" form, and will verbally report to the whole board the potential conflicts. Any subsequent potential conflicts will be reported to the whole board immediately.

- c. When the Board is to decide on an issue about which a director has an unavoidable conflict of interest, that director shall abstain from the conversation and the vote.
    - d. A director who applies for employment must first resign from the Board.
  3. Directors may not attempt to exercise individual authority over the organization.
    - a. When interacting with the GM or employees, directors must carefully and openly recognize their lack of authority.
    - b. When interacting with the public, the press, or other entities, directors must recognize the same limitation and the inability of any director to speak for the Board except to repeat explicitly stated Board decisions.
  4. Directors will respect the confidentiality appropriate to issues of a sensitive nature and must continue to honor confidentiality after leaving Board service.
  5. Directors will prepare for attend, and participate fully in all Board meetings and trainings.
  6. Directors will support the legitimacy and authority of the Board's decision on any matter, irrespective of the director's personal position on the issue.
  7. Any director who does not follow the code of conduct policy can be removed from the Board by a 2/3 majority vote of the remaining Board.