DNF Board Meeting
July 15, 2026 | 5:30 to 7:45 p.m.
Rocky Mountain Retreat Center

Time	Subject	Facilitator

5:30 I. Call to Order — Sheryl

II. Check-in Question — Sheryl

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

III. Membership Comments or Questions — Board

Issues Raised:
The Board discussed the completed road construction project and access through the new entrance. Don noted that DNF is the only store in the affected area without a dedicated left-turn lane following completion of the project.

Sheryl shared feedback from a friend regarding the prices of certain products. Her friend expressed interest in compiling a list of items they consider cost-prohibitive at the Co-op.

Ryan noted that he had observed similar affordability concerns with some products.

Ryan also shared positive feedback regarding the new staff name tags and the Staff Picks promotions currently being offered in the store. Ryan noted that he had previously emailed Joe and the management team to express his appreciation.

Action Taken:
None.

Action Required:
None.

IV. Minutes Approval from last meeting Ryan

Issues Raised:
The Board reviewed the June 17, 2026 meeting minutes.

Action Taken:
Motion made and seconded to approve the June 17, 2026 meeting minutes. Motion approved.

Action Required:
None.

V. Agenda Approval Sheryl

Issues Raised:
The Board reviewed the July 15, 2026 meeting agenda.

Action Taken:
Motion made and seconded to approve the agenda. Motion approved.

Action Required:
None.

6:00 VI. Old Business

A. Joe to provide another update on the replacement front door at the next Board meeting. Joe

Issues Raised:
Joe reported that DNF had paid a $6,000 deposit toward the replacement front entrance door but had not recently received responses or scheduling information from the contractor.

Joe confirmed that DNF has a contract for the project. The current door remains operational but is unreliable, increasingly expensive to repair, and dependent on parts that are difficult to obtain.

Action Taken:
The Board requested that Joe continue seeking an update from the contractor.

Action Required:
If the contractor does not respond within one week, Joe to provide an update to the Board and circulate the project contract for review.

B. Danny to remind Ryan to update the Board officer roles in the Board Drive.

Issues Raised:
Ryan confirmed that the Board officer document had been updated and that the existing document link remained unchanged.

Ryan noted that one final line regarding external committee members needed to be revised based on information Don provided by email.

Action Taken:
Ryan completed the primary officer-role updates.

Action Required:
Ryan to complete the remaining revision regarding external committee members.

C. Explanation from placement change at River Days? Mads

Issues Raised:
The Board revisited concerns regarding DNF's vendor placement at River Days.

Action Taken:
The Board agreed not to pursue the matter further for the current year.

Action Required:
Mads to discuss DNF's vendor placement expectations with River Days organizers before the 2027 event.

D. Jackson's plan to convene the governance committee to track policy amendments like

B4 + C8 from last meeting. Jackson

Issues Raised:
Jackson noted that his plan for convening the Governance Committee and tracking policy amendments would be addressed during the Committee Updates section.

Action Taken:
None.

Action Required:
None.

6:25 VII. GM report/questions, comments GM/Board

Issues Raised:
The Board discussed a nationally reported parasite outbreak associated with packaged lettuce. Joe reported that DNF had not experienced significant product loss because the Co-op bags much of its produce in-house and does not rely heavily on the affected packaged products. Management continues to monitor food-safety information and supplier notices.

The Board discussed the Fresh to Flourish and Double Up Food Bucks programs. Joe reported that the programs collectively generate approximately $10,000 to $13,000 in monthly produce sales and approximately $250,000 annually. He estimated that the programs represent roughly 20 percent of monthly produce sales and noted that Fresh to Flourish is bringing new shoppers into the Co-op. Management is working with front-end staff to help those shoppers understand membership opportunities.

Sheryl asked about Joe's increased involvement with Paylocity. Joe explained that the software combines payroll, timekeeping, and scheduling functions but has required substantial staff time because of its complexity and inconsistent workflow. Joe has resumed more direct responsibility for payroll administration while Mads continues to support the system as needed.

Ryan asked how management estimated the revenue lost during the road construction project. Joe explained that the estimate of approximately $30,000 to $50,000 was based on weekly sales declines compared with the Co-op's prior sales trajectory and stronger recent sales after construction impacts eased. The estimate remains approximate.

The Board discussed communicating the financial effects of the construction project to the City. Management has already shared information through Local First, but Board members supported providing the information directly to the City Council as well.

Ryan asked about the extended outage of the five-door refrigerated case. Joe reported that the compressor required replacement at a cost of approximately $9,000. Installation was delayed because the wrong compressor was initially shipped. The case is now operating.

Joe also discussed recurring icing and drainage problems affecting older refrigeration equipment. The Board noted that future investment in the current store's infrastructure should be considered alongside potential expansion planning.

Action Taken:
None.

Action Required:
Joe to email the Durango City Council with a summary of the road construction project's estimated financial impact on DNF and copy Local First and the Board.

6:45 VII. Policy Governance

B5 (Treatment of Consumers)

Issues Raised:
The Board reviewed B5 – Treatment of Customers and considered the Co-op's systems for responding to customer needs, providing education, maintaining a safe and pleasant shopping environment, and communicating product information.

Action Taken:
Daniel made a motion to affirm compliance with B5. The motion was seconded. Motion approved unanimously.

Action Required:
None.

C1 (Governing Style)

Issues Raised:
The Board reviewed C1 – Governing Style.

Board members noted that Section 2(a) refers to nine Policy Governance principles but lists ten items. The Board also questioned whether "Position of Board" is a recognized Policy Governance principle and whether that language belongs in the policy.

The Board discussed that portions of C1 are broad and difficult to measure. Jackson agreed that the Governance Committee should review the policy as part of its broader policy-revision work.

Action Taken:
Sheryl made a motion to affirm compliance with C1. The motion was seconded. Motion approved unanimously.

Action Required:
Jackson to have the Governance Committee review C1, including the number and naming of the Policy Governance principles and the reference to "Position of Board."

7:00 IX. New Business

A. Update on meeting with business owner/possible expansion — Mads/Joe/Sheryl/Danny

Issues Raised:
The Board agreed to defer detailed discussion of the potential expansion opportunity until the Feasibility Committee update later in the meeting.

Action Taken:
None.

Action Required:
None.

B. Board Message — Jackson

Issues Raised:
Jackson agreed to prepare the next Board Message.

The Board discussed highlighting Harvest Fest, the need for volunteers and Board participation, appreciation for members' patience during the road construction project, and the impact of the Fresh to Flourish and Double Up Food Bucks programs.

The Board suggested connecting these topics to the cooperative principle of Concern for Community.

Action Taken:
Jackson agreed to draft the next Board Message.

Action Required:
Jackson to circulate the draft Board Message to the Board by July 24, 2026.

C. Staff Appreciation — Sheryl

Issues Raised:
The Board discussed its annual staff appreciation gift and confirmed that approximately $1,500 is available in the Board budget. The target value is approximately $30 to $35 per employee.

The staff appreciation party is scheduled for September 12, 2026, from 6:00 to 9:00 p.m. at North Zia Cantina.

The Board discussed offering employees a selection of gifts or gift cards from local businesses. Board members favored collecting employee selections electronically before the event so that gifts could be purchased and presented at the party.

Action Taken:
The Board agreed to use a Google Form to collect staff gift selections.

Action Required:
Daniel to create the Google Form and circulate the proposed gift options to the Board for review.

Board and management to finalize the gift options and distribute the form early enough to purchase gifts before the September 12 staff appreciation party.

D. Katrina/Pat store honoring/recognition Board/Management

Issues Raised:
The Board discussed ways to recognize Katrina and Pat Blair and their longstanding relationship with DNF.

Ideas included a permanent plaque or photograph in the store, small acknowledgments near Turtle Lake Refuge products, a product sampling event, and recognition during Harvest Fest.

Board members emphasized that the recognition should focus on Katrina and Pat's legacy and contributions to the Co-op rather than functioning primarily as product promotion. Management noted that any permanent display or use of retail space would need to fit within store operations and merchandising needs.

Action Taken:
The Board asked management to develop an appropriate approach for permanent in-store recognition and Harvest Fest acknowledgment.

Action Required:
Management to develop recognition options for Katrina and Pat Blair, including a permanent in-store acknowledgment and recognition during Harvest Fest, and provide an update to the Board.

7:15 X Committee Updates

A. Special Events Ryan/Committee

Issues Raised:
Ryan provided an update on planning for the August 22, 2026 Harvest Fest.

Ryan reported that a Board tabling sign-up sheet had been distributed and encouraged each Board member to select two tabling shifts during the weeks leading up to the event. Board members may also coordinate with Jacob regarding possible tabling at the farmers market.

The event received a City grant and an additional donation, bringing confirmed outside marketing funding to approximately $1,500. The committee is awaiting a decision regarding an additional KSUT advertising grant.

The committee reported that only a limited number of vendors had been confirmed. Board members were encouraged to review the prospective vendor list and contact businesses or organizations with which they have personal connections.

The Board discussed distributing posters, sharing event information through personal and professional networks, and using updated talking points during tabling. Board members were asked to be available for setup, the event, and breakdown on August 22 to the extent possible - 12 to 8:30 p.m. is ideal.

Jacob reported that the alcohol license application was being submitted.

Action Taken:
None.

Action Required:
Ryan to confirm that all Board members have access to the tabling sign-up sheet and encourage each member to select two shifts.

Ryan to circulate the [prospective vendor list]() and the [Harvest Fest marketing and poster-distribution list]().

Board members to assist with vendor outreach, poster distribution, tabling, and promotion of the event.

Ryan and Jacob to ensure that Harvest Fest tabling materials and talking points are current. Ryan will update them and send to Jacob.

B. Governance — Jackson/Joe/Mads

Issues Raised:
Jackson reported that he had contacted Wes and scheduled a meeting to discuss prior Governance Committee work and invite Wes to continue participating as a non-Board committee member.

Jackson plans to review prior policy-revision work, establish a regular quarterly committee schedule, and create a standardized process for reviewing and recommending policy changes. He had looked for committee notes in the folder but was having a hard time finding them - he will double check.

The committee intends to maintain a policy change log showing existing language, proposed revisions, Board compliance decisions, and links to approved policy versions. The Board discussed moving detailed policy review into the Governance Committee so that full Board meetings can focus primarily on decisions and votes.

Action Taken:
None.

Action Required:
Jackson to convene the Governance Committee, establish a quarterly meeting schedule, and develop a standardized policy-review process and change log.

Jackson to check with previous committee members regarding meeting minutes from past meetings.

Jackson to incorporate the Board's requested reviews of B4, C8, and C1 into the committee's work plan.

C. Finance — Don/Danny

Issues Raised:
The next quarterly Finance Committee meeting and B1 review is scheduled for August 18, 2026, at 5:30 p.m.

The Board discussed using the Finance Committee to begin considering potential financing tools associated with expansion, including loans and lines of credit.

The Board clarified that Mads will prepare and present the November 2026 B1 monitoring report.

Action Taken:
The November B1 assignment was added to the Board calendar.

Action Required:
Mads to prepare the November 2026 B1 monitoring report.

D. Feasibility — Lauren

Issues Raised:
Danny summarized a recent meeting concerning the potential expansion opportunity. The prospective

owner is interested in leaving the existing operation and is considering several possible transaction structures.

The committee discussed two primary options: purchasing selected business assets and leasing the property, or leasing the property and necessary equipment without purchasing the existing business entity. Board members expressed a preference for avoiding acquisition of the existing entity and its liabilities.

A significant outstanding question involves an approximately $105,000 Small Business Administration loan and whether a sale, closure, asset transfer, or lease arrangement would cause the loan to become immediately due.

The Board discussed preliminary lease terms of approximately $15,000 per month, including equipment and property taxes but excluding utilities and insurance. Board members noted that the proposed rate requires further analysis and negotiation. The committee also needs comparable lease information and clarity regarding maintenance, replacement, and removal of equipment.

The prospective arrangement may include an option to purchase the property after the lease term. The proposed terms and purchase price require additional review and should not yet be treated as agreed-upon terms.

The Board discussed a possible goal of determining whether to submit a nonbinding letter of intent within six to eight weeks. Before doing so, the Co-op would need a basic pro forma, preliminary build-out estimates, financing scenarios, and a clearer operational plan.

Preliminary discussion suggested that improvements could require an investment of several hundred thousand dollars. Potential funding sources could include existing cash, loans, and a line of credit.

Board members identified staffing capacity as a central concern. The Co-op would need to determine who would lead development and manage the potential location without undermining management of the existing store. The Board also discussed future health-insurance obligations if expansion increases the Co-op’s employee count.

Action Taken:
None.

Action Required:
Lauren to schedule another Feasibility Committee meeting promptly.

Danny to investigate the Small Business Administration loan provisions, comparable lease rates, and the proposed lease and equipment terms.

The Feasibility Committee and management to develop a preliminary pro forma, build-out estimate, financing scenarios, and staffing plan before recommending whether the Board should pursue a nonbinding letter of intent.

7:45 XI. Meeting Adjourn

Issues Raised:
None.

Action Taken:
Motion made and seconded to adjourn the meeting. Motion approved.

Action Required:
None.