DNF Board Meeting Minutes

August 19, 2026 | 5:30-7:45 p.m.
Rocky Mountain Retreat Center

I. Call to Order

Issues Raised:
Danny called the meeting to order at 5:30 p.m.

Action Taken:
None.

Action Required:
None.

II. Check-in Question

Issues Raised:
No substantive check-in discussion was recorded.

The DNF Board Mission Statement was read aloud.

Action Taken:
None.

Action Required:
None.

III. Membership Comments or Questions

Issues Raised:
Board members shared feedback gathered during recent tabling and conversations with members and shoppers.

Ryan reported that several people expressed positive feedback about the deli, including the ABC sandwich and overall deli quality. One shopper noted that they sometimes skip ordering lunch because of the wait time, though they had recently learned that sandwiches can be ordered ahead by phone.

Ryan also shared positive feedback from first-time shoppers regarding the friendliness of DNF staff and the welcoming atmosphere of the store.

A visiting member who does not live in Durango told the Board that she has maintained a DNF membership for several years because she enjoys shopping at the Co-op when visiting family in town.

Board members noted that tabling has been useful for increasing awareness of Harvest Fest and creating opportunities for direct member engagement.

Action Taken:
None.

Action Required:
None.

IV. Minutes Approval from Last Meeting

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

Action Taken:
Danny made a motion to approve the July 15, 2026 meeting minutes. Ryan seconded the motion. Motion approved.

Action Required:
None.

V. Agenda Approval

Issues Raised:
The Board noted that formal agenda approval had been inadvertently skipped earlier in the meeting.

The Board amended the Policy Governance section to reflect review of B1 - Financial Condition and Activities and C2 - The Board's Job. The Board also moved the Finance Committee update ahead of the Policy Governance discussion so that the financial review could inform consideration of B1.

Action Taken:
Danny made a motion to approve the agenda with the amendments. Don seconded the motion. Motion approved.

Action Required:
None.

VI. Old Business

A. Replacement Front Entrance Door - Joe

Issues Raised:
Joe reported that the door contractor had lost DNF's replacement-door order despite having previously deposited DNF's $6,000 payment. The company later located the payment information and indicated that a new order for the replacement door had been placed approximately one month earlier.

Joe also reported a separate billing dispute with the company involving a prior repair invoice and a lien notice. That issue was subsequently resolved.

The existing front entrance door is now no longer functioning automatically and remains open during store hours. The Board discussed the operational urgency of replacing the door, particularly because the open entrance affects refrigeration efficiency and will become increasingly problematic as colder weather approaches.

Installation of the replacement door will also require coordination with DNF's contractor because the existing opening must be modified before the new door can be installed.

Action Taken:
None.

Action Required:
Joe to continue following up with the door contractor regarding the status and installation timeline of the replacement door and provide the Board with updates as information becomes available.

B. Board Officer Document - Ryan

Issues Raised:
Ryan reviewed the remaining revision regarding external committee members and confirmed that the Finance Committee information had been updated.

Action Taken:
The Board confirmed that the Board officer document revisions are complete.

Action Required:
None.

C. Road Construction Financial Impact Communication - Joe

Issues Raised:
Joe reported that he had drafted the communication regarding the financial impact of the road construction project but had not yet sent it to the Durango City Council.

The Board reiterated that the purpose of the communication is not to seek reimbursement, but to document DNF's experience and encourage the City to consider ways to better support local businesses affected by future construction projects.

Ryan shared an example of a municipal program used elsewhere that encouraged customers to continue patronizing businesses located within construction zones and offered to send information about the program to Joe as a possible constructive example to include.

Action Taken:
None.

Action Required:
Joe to finalize and send the road construction financial impact communication to the Durango City Council, copying Local First and the Board.

Ryan to send Joe information about the example municipal construction-impact program discussed during the meeting.

D. Staff Appreciation - Danny/Mads

Issues Raised:
Mads reported that he was continuing to compile the proposed staff appreciation gift options. Once the list is complete, it will be provided to Danny so that the employee selection form can be created.

The staff appreciation event remains scheduled for September 12, 2026.

Action Taken:
None.

Action Required:
Mads to finalize the proposed gift options and send them to Danny.

Danny to create the staff appreciation Google Form after receiving the finalized options.

E. Recognition of Katrina and Pat Blair - Board/Management

Issues Raised:
The Board continued discussion of a permanent recognition of Katrina and Pat Blair and generally favored a plaque or similar permanent acknowledgment.

The Board discussed potential locations inside or immediately outside the store and noted that the location would help determine the appropriate size and design.

The Board agreed that it would take responsibility for developing the plaque concept rather than placing the full responsibility on management.

Action Taken:
Don agreed to work with management to develop a specific proposal for the recognition.

Action Required:
Don to bring a proposal to the next Board meeting identifying a recommended location, approximate size, proposed inscription, and potential source for the plaque.

VII. GM Report/Questions and Comments

Issues Raised:
Joe reported that he has not observed a continuing negative sales impact from the completed road project, although management will continue watching traffic and sales patterns as Fort Lewis College returns to session.

The Board discussed management's proposal to install mini-split heating and cooling systems in the store. Management reported that the building's existing climate-control system is inadequate during both hot and cold weather, creating uncomfortable working conditions for staff, contributing to temperature-sensitive product issues, and placing additional strain on refrigeration equipment.

Management has obtained three proposals for the mini-split project. The preferred proposal is approximately $53,000 for the equipment and installation, excluding electrical work. An electrical estimate was still pending. Management expressed a preference for working with the existing refrigeration contractor because of the contractor's familiarity with DNF's equipment, service relationship with the Co-op, and additional manufacturer warranty coverage.

The Board discussed potential returns from improved climate control, including better working conditions, reduced product damage, and potentially lower refrigeration repair costs. Management is also investigating available LPEA, state, manufacturer, and other incentives or rebates that could reduce the project cost.

The Board discussed funding the project from DNF's equity reserves. Management reported that sufficient funds are available, although other planned capital expenses, including phone and sound-system improvements, will also draw from those reserves. The Board also discussed establishing a line of credit to provide additional financial flexibility for future equipment needs, including eventual refrigeration replacement.

Joe reported that replacement of the meat and cheese refrigeration equipment remains under consideration, but the existing equipment continues to function. A significant challenge is identifying a company capable of transporting, installing, and commissioning replacement equipment.

The Board also discussed the possibility of revisiting solar energy in the future as DNF increases its reliance on electrical heating and cooling.

Joe provided an update on health insurance research. Management has begun evaluating a benefits option presented through an NCG-related discussion group. Preliminary individual premiums reviewed by management ranged from approximately $639 to $799 per month, depending on the plan. Joe noted that additional research is needed regarding employer contributions, plan structure, and how the option compares with other available coverage.

Joe also updated the Board regarding NCG's proposed standardized chart of accounts. Management expressed concern about preserving DNF's ability to track financial information at its current level of detail and about the disruption involved in transitioning accounting categories. If DNF ultimately adopts the standardized chart of accounts, implementation would likely occur no earlier than the second quarter of 2027. Board members emphasized the importance of clear documentation showing how existing accounts and historical financial information would map to any new structure.

Action Taken:
None.

Action Required:
Management to obtain the outstanding electrical estimate for the mini-split project and provide the Board with the complete project cost for consideration.

Management to continue investigating available rebates, tax incentives, and other financial assistance for the mini-split project.

Joe to continue researching health insurance options and provide additional information as it becomes available.

Management to keep the Board informed regarding any proposed transition to NCG's standardized chart of accounts, including how existing financial information would be mapped to the new structure.

VIII. Policy Governance

B1 - Financial Condition and Activities

Issues Raised:
The Board reviewed B1 - Financial Condition and Activities following the Finance Committee's discussion of DNF's current financial condition.

The Board noted that corrected financial statements showed approximately $50,000 in net income, compared with an earlier figure of approximately $16,000. Sales growth was approximately 6 percent over the prior year, exceeding the budgeted growth rate, and sales margins and cost of goods were reported to be well managed.

The Board also discussed increased payroll expenses, capital reserves, equipment repair costs, outstanding member loans, and DNF's overall debt-to-equity position.

Management and Board members clarified that DNF's primary limitation on pursuing expansion is not access to financing, but organizational and management capacity to plan and execute a major expansion project responsibly.

Action Taken:
Danny made a motion to affirm compliance with B1 - Financial Condition and Activities. Ryan seconded the motion. Motion approved.

Action Required:
None.

C2 - The Board's Job

Issues Raised:
The Board reviewed C2 - The Board's Job.

The Board noted that it had found itself out of compliance with C2 during the prior year because a required

Board orientation had not been held. Board members confirmed that an orientation was completed during the current year.

The Board also reviewed provisions related to GM compensation, strategic visioning, Board retreats, policy monitoring, and the Board's multi-year strategic work plan.

Board members concluded that the Board is currently meeting the requirements of the policy.

Action Taken:
Danny made a motion to affirm compliance with C2 - The Board's Job. Jackson seconded the motion. Motion approved.

Action Required:
None.

IX. New Business

A. Potential Expansion Opportunity - Board/Management

Issues Raised:
Management reported that DNF had informed the owner associated with the potential expansion opportunity that the Co-op could not meet the accelerated timeline required to pursue the opportunity.

The Board clarified that DNF's decision was based primarily on organizational and leadership capacity rather than an inability to obtain financing. Board members emphasized that the Co-op should continue preparing for future expansion opportunities rather than allowing the conclusion of this particular opportunity to end the broader expansion-planning process.

The Board agreed that additional discussion would continue through the Feasibility Committee.

Action Taken:
None.

Action Required:
The Feasibility Committee to continue developing DNF's expansion-readiness planning independent of any specific property or business opportunity.

B. Jackson Hart Resignation/Potential Board Appointment - Danny

Issues Raised:
Jackson discussed his resignation from the Board due to increased professional responsibilities and limited capacity to continue contributing at the level he believed the position required.

The Board reviewed the current bylaws regarding vacancies and confirmed that a vacancy occurring between annual elections may be filled by appointment of the Board.

Danny and others recommended Caroline McCulloch, who participated in the most recent Board election, as a potential appointee. Danny reported that Caroline had expressed interest in serving and understood that an appointed director would need to participate in the next election.

Board members expressed support for moving forward with Caroline's potential appointment once Jackson's resignation becomes effective. The Board discussed providing Caroline with an abbreviated onboarding process if appointed.

Action Taken:
The Board agreed to consider Caroline McCulloch for appointment through an electronic Board vote after Jackson's resignation becomes effective.

Action Required:
Danny to confirm Caroline's continued willingness to serve and circulate the proposed appointment to the Board for an electronic vote after Jackson's resignation becomes effective.

If appointed, Board leadership and management to coordinate onboarding for Caroline.

C. Board Message - Ryan

Issues Raised:
The Board discussed content for the next Board Message.

Suggested topics included thanking members for participating in Harvest Fest, directing members to the annual report online, acknowledging Jackson's departure from the Board, and welcoming Caroline if her appointment is approved before publication.

Action Taken:
Ryan agreed to prepare the next Board Message.

Action Required:
Ryan to circulate the draft Board Message to the Board by August 24 and provide the finalized message to management by August 28.

D. Recognition of Katrina and Pat Blair

Issues Raised:
This item was addressed under Old Business.

Action Taken:
None beyond the action recorded under Old Business.

Action Required:
See Old Business, Section VI.E.

E. Vendor Invoice Issue - Mads/Joe

Issues Raised:
Management provided an update regarding a vendor who had contacted the Board about outstanding payments.

Management reported that DNF's records showed that checks had been issued and that the problem appeared to involve delivery or receipt of the payments rather than a broader failure to process vendor invoices.

Management reported that the matter had been resolved.

Action Taken:
None.

Action Required:
None.

F. Website Update/Action Plan - Jacob/Management

Issues Raised:
Jacob reported that he is taking responsibility for completing the new DNF website.

The basic website structure has already been created. Jacob will update the site with current content and graphics and assume responsibility for maintaining the content once the new site is launched.

The goal is to have the updated website operational by the September Board meeting.

Action Taken:
None.

Action Required:
Jacob to continue completing the new website with a goal of having it operational by the September Board meeting.

G. Annual Report - Joe/Board

Issues Raised:
The Board reviewed the annual report materials provided by Joe and discussed feedback that had been submitted prior to the meeting.

Joe asked that future annual reports should involve greater collaboration between the Board and management rather than relying primarily on the General Manager to develop the report.

Board members discussed beginning the process earlier in future years and providing greater Board input regarding the information and messaging included in the report.

Action Taken:
The Board agreed to use a more collaborative process for future annual reports.

Action Required:
Board leadership and management to begin planning the 2027 annual report earlier and establish a more collaborative process for developing its content.

X. Committee Updates

A. Executive Committee - Danny

Issues Raised:
No substantive Executive Committee update was provided.

Action Taken:
None.

Action Required:
None.

B. Special Events Committee - Ryan/Committee

Issues Raised:
Ryan provided a final planning update for Harvest Fest on August 22.

Board members were reminded to select shifts for the Board table during the event. Board members were also asked to remain available for setup and to assist with the entrance and welcome table as needed during the event.

Ryan reported that several additional event-day volunteers were still needed, particularly for afternoon entrance and welcome-table coverage. Volunteers receive a meal and drink ticket.

The Board recognized the increased promotion of Harvest Fest this year, including work by Kiki, Jacob, DNF staff, Board members, partner organizations, and grant-supported advertising.

Ryan reported that volunteers had been secured to assist with event breakdown.

Action Taken:
None.

Action Required:
Board members to complete Board-table sign-ups and assist with setup, member engagement, and other event-day needs as available.

Board members to continue sharing the remaining Harvest Fest volunteer opportunities through their networks.

C. Governance Committee - Jackson/Joe/Mads

Issues Raised:
No substantive policy work update was provided because of Jackson's resignation.

The Board discussed transferring Governance Committee information and current work to whoever assumes responsibility for the committee.

Action Taken:
None.

Action Required:
Jackson to provide a brief transition of current Governance Committee work and available documentation to the incoming committee lead.

D. Finance Committee - Don/Danny

Issues Raised:
The Finance Committee update was moved earlier in the agenda so that it could precede the Board's review of B1 - Financial Condition and Activities.

The committee reviewed corrected financial statements and DNF's current financial position, including sales growth, margins, payroll expenses, reserves, debt, equipment costs, and longer-term capital needs.

Action Taken:
None.

Action Required:
None.

E. Feasibility Committee - Lauren/Committee

Issues Raised:
The Feasibility Committee reported that DNF was unable to pursue the recent potential expansion opportunity within the timeline requested by the prospective owner. The committee emphasized that the primary constraint was organizational and leadership capacity rather than DNF's overall financial position.

The Board discussed the importance of continuing expansion planning even without a specific opportunity immediately under consideration. Board members expressed a desire to develop a more structured expansion-readiness process so that DNF can respond more effectively when future opportunities arise.

Potential planning needs discussed included a business plan, preliminary financial modeling and pro formas, an operational and staffing model, equipment and facility planning, and a clearer division of responsibilities between the Board and management.

The Board discussed the possible use of outside consultants to provide specialized analysis and assistance without immediately adding a permanent staff position. Board members emphasized that operational consultants or contractors should be coordinated with management, while the Board should continue providing strategic direction and representing member-owner priorities.

The committee also discussed resources that may be available through National Co+op Grocers and other cooperative or grocery-industry organizations. Management noted that some NCG development services are designed for larger projects, but additional resources may be available and warrant further investigation.

The Board agreed that the Feasibility Committee should continue meeting and maintain momentum on long-term expansion planning.

Action Taken:
The next Feasibility Committee meeting was scheduled for September 9, 2026, at 5:30 p.m.

Action Required:
Mads to investigate potential NCG and other cooperative or grocery-industry resources that could assist DNF with expansion planning and report back as information becomes available.

The Feasibility Committee to continue developing a structured expansion-readiness framework, including planning needs, potential outside expertise, and the respective roles of the Board and management.

XI. Meeting Adjourn

Issues Raised:
None.

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

Action Required:
None.