

Weavers Way Co-op

February 4, 2014

WW Board of Directors Meeting
Meeting Minutes: February 4, 2014
Parlor, Summit Presbyterian Church

Board Members Present: Stu Katz, Margaret Lenzi, Laura Siena, Josh Bloom, Chris Hill, Jeremy Thomas , Megan Clinton, David Tukey, Lisa Hogan, Linda Shein (7:12pm)

Absent: Nathea Lee

Staff: Jonathan Leeds, Bettina de Caumette, Dean Stephano, Glenn Bergman, David Chaplin-Loebell, Nina Berryman, Michael McGeary, Rebecca Torpie, Mary Sweeten, Stephanie Kane, Jon Roesser

Guests: Lisa Murphy, Collingswood Co-op (Start-up)

The Meeting commenced at 7:09 in the Parlor at Summit Presbyterian Church, February 4, 2014

Megan offered to be timekeeper.

Agenda

No additions or changes were proposed.

BOARD ACTION: The Board accepted the agenda as submitted.

Minutes from January 7, 2014

No changes were recommended

BOARD ACTION: The Board accepted the January 2014 meeting minutes unanimously.

Calendar

Margaret noted that volunteers would be sought at the March meeting for WW committees.

L1 on Financial Conditions and G7 to be discussed at March meeting (G7 will be facilitated by Chris)

Ends Report Pt. 2 will also be discussed.

Committees Review

BOARD ACTION: Committee Review accepted as submitted.

GM Report

Glenn distributed January Membership Report at the start of his presentation. Board requested that the Quarterly Financial Report be provided as a separate document going forward, as it would be easier to read.

Questions raised about finances were deferred to March Board Meeting.

BOARD ACTION: The Board accepted the General Manager's Report as submitted.

Other Reports

BOARD ACTION: The Board accepted the Environment Committee Report as submitted.

Board Retreat: February 15, 2014

Chris will be sending out final agenda and readings for the retreat. Stu and Glenn will also be submitting a small document detailing the history of the CH store expansion for the retreat.

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Feb. 8th- Doylestown Co-op grand opening. Group of board members leaving together from Mt. Airy store at 9:00am.

Board Candidates Forum on Feb. 11th. At 555 7:00pm-9:00pm. Margaret requested attendance of available board members.

—END OF PRELIMINARIES—

ENDS REPORT:

Margaret and other Board members thanked the staff and Glenn for the hard work that went into the Ends Report. The board and staff members present acknowledged the new format of the report -- new structure reduced duplication of material.

The ends discussion was broken into 2 sections:

February meeting: Sales, Personnel, Local, Membership, covering ends 1, 2, and 7.

March meeting: Remainder of reports and ultimate evaluation of report.

Board decided that a final evaluation of report will be given at March meeting, but that the opportunity to voice issues with the first section's topics would be available at the end of the presentation.

David Chaplin-Loebell went into detail about the creation of the new format, stating that it includes more metrics at the request of Board members.

Sales: Ends, 1, 2 –Glenn Bergman and Michael McGeary

Glenn reviewed the sales sections relative to E2. Glenn stated that increase in sales of ethically produced goods supports E2. Margaret points out that it also supports E1. Global ends: growth in local economy co-op model.

Michael McGeary stated that the Co-op set 2 new sales highs in the last 2 months. Sales and transactions are both increasing. Sales are covering expenses currently.

Michael McGeary explains that CH sales seem “flat” because the store is limited in space and did not expand. Stated the Co-op is on target to hit \$19 million in sales in FY '15. The board inquired about sales/transactions plateauing. Michael confirmed that this is happening currently. Michael also makes the point that although the Co-op is in need of expansion, we now face financial debt from CH expansion.

Glenn noted that he will be commissioning market studies in the near future to support decision-making regarding expansion. Glenn and Michael noted two forms of possible relief for overcrowding at CH store: extended hours and refrigeration box.

Local Sales-Stephanie Kane

Stephanie Kane was recently hired full time to source local products for all departments. Glenn stated that the creation of her position serves the Ends. Glenn also noted the overall of buying locally serves the Ends. Stephanie gave a detailed description of how she sources/finds local products. Her position covers all departments. Weavers Way defines “local” as anything produced within 150 miles.

IT is updating and revising the PLU system so the store can properly track local/organic items. The update will work retroactively and apply to past sales. Regional sales are at \$1 million which puts the sales on track to be higher than projected number. Stephanie decided that anything produced by kitchen is considered local, which is why CH local sales are higher than MA, although there is a coding difference between locally produced and locally grown.

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E2, “reasonably priced food”- Stephanie explains that although there is a concern with local items often being more expensive, the store never replaces existing products with more expensive products. They are instead allowed to co-exist as a choice for the purchaser to make.

Josh requested information in the 2014 Ends Report about local economy, how the co-op is reinvesting in the local economy and how this serves the Ends.

The board raised questions about how much local product WW carries in comparisons to other co-ops. Glenn and David Chaplin-Loebell explained that on a national level, all co-ops have different coding system/ measurement systems, making comparison difficult. Still, WW carries more Local products than other similar co-ops in the region.

Personnel: 1,3,7- Jon Roesser

Wages-Minimum pay is still \$10/hr but may increase. He is creating a Task Force to address staff members’ concern with requirements for receiving raises.

Paid time - all employees accrue vacation, sick time and 6 holidays which is more than the retail food industry.

Benefits- Retirement plan has a 35 % employer match. Health insurance is offered employees working 25 hrs/week or more. The insurance only increased about 4.5 percent this past renewal- the Co-op absorbed this cost.

Welcoming culture, diversity amongst staff- The overall diversity of the store has increased. The management staff still needs to diversify and they are looking at mentoring, as a long term solution.

Board members asked where the HR’s biggest challenge lies.

Jon: 1.) Because of the growing size of the staff, there is an increase in the administrative work of the HR dept.

2.) Hopes to decrease turnover in entry level positions. With additional kitchen staff, turn over has increased as that is a feature of kitchen staff.

Membership: 1, 5- Jonathan Leeds, Rebecca Torpie

Membership report for January- distributed at start of meeting by GB

Jonathan Leads gave greater detail about membership status: Increased membership, fewer members leaving. In order to support Ends, there is a desire to have members engaged in the life of Co-op (i.e.: working membership)

Membership Dept. has created a Task Force to address the increase in non-working members or “inactive members”. Considering incentives that will entice working membership.

Retention: looking for ways to make members feel valued. “Code Red initiative” addresses concerns of unsatisfied customers and leaves them with a positive experience at the Co-op.

Rebecca noted that this year the focus of Member Appreciation Week was to engage members more so than recruit new ones. Initiative to educate/empower people who have reservations about working membership (many creative ways to get credit for hours). This message was communicated in a variety of ways including The Shuttle, email and personal outreach. Board members pointed out that social media is being underutilized as a resource.

Dave Tukey expressed concern that there was no “data” in the 2013 Ends Report about membership diversity (such data was provided in previous Ends Report). Glenn and Rebecca noted that membership diversity data is in the recent Customer Survey and was similar to the prior survey.

Margaret requested, and Glenn agreed to provide membership diversity information by the next meeting.

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Final Discussion:

Glenn stated that the goal would be to edit the 2013 Ends Report and release as The Annual Report.

Comments/questions pertaining to part 1 of 2013 Ends Report:

Since the report is being broken down in two parts and discussed between February and March board meetings, the board will vote to accept the ends report at the March meeting after the final sections are discussed.

—END OF 2013 Ends Report Pt.1—

Expansion:

Jeremy: Discussion to be continued at the retreat on February 15th. Acknowledged articles that have been circulated as well as survey results. Asks if there is any other information/clarification that should be presented before February 15th discussion.

Margaret: Michael Healy's survey shows the path for expansion the co-op could follow. She also noted that all start-up co-ops responded to the survey.

Laura: is there going to be an opportunity at retreat to discuss Glenn's other expansion ideas – i.e., those not being promoted specifically by NCGA? Glenn: Yes, at Board retreat

Margaret: Can a decision on expansion be reached by March Board meeting?

Chris: May not be a decision but a "list of questions" that need answering.

Jeremy: Retreat could be a good place to solidify criteria for potential startups to have.

Laura: Criteria would require more financial data.

Margaret asked Glenn if there is more financial data that can be presented at retreat. Glenn: No.

Linda: asks if they could produce a comprehensive set of data on creating a new co-op vs. "taking over" a start-up store. She expressed concern about "acquiring" a start-up which has already developed a culture and way of doing business rather than open a new store ourselves. Glenn noted that Linda's concerns can be addressed at the retreat.

Treatment of Staff- Glenn Bergman

Ad will be placed in March shuttle, for trained HR professionals in order to form an advisory group which will assist HR. Members of group will receive working hours for this. Group will also provide insight on management practices. There is staff that currently reviews this subject.

Announcements:

Margaret: Introduction of new Board Assistant, Athena Drellos, Acknowledgement of Bettina for her wonderful service/dedication to the Board as previous Assistant.

Linda announced that she is running for Board again.

Margaret announced that Nathea had told her she will not be running again.

Josh's term is ending as he was brought on Board as a result of a resignation.

CCMA in June. Margaret will query Board on interest in attending, and Board Assistant will secure rooms/registration.

Stu has retired from his job with the City Health Department and will be teaching public health at Drexel.

Dave Tukey wants to discuss an article from Jan/Feb's Cooperative Grocer (2 parts) on the Four Pillars of Cooperative Governance at a future board meeting

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Josh commented on the article on nutritional supplements supplied by Glenn and would like to discuss it, but it may be a discussion for outside of the board.

Glenn says that currently the staff is reviewing the standards. The Board can engage in a discussion about supplements. This discussion should be open to all members. Stu and Megan volunteered to work with Glenn on pursuing this issue.

Glenn: Bettina de Caumette's efforts were very successful at MLK day volunteering.

Chris announced that Bettina and he are going to be showing a movie based on Gar Alperovitz' *What Then Must We Do?* along with a book discussion.

Meeting adjourned at 9:13pm.