

Weavers Way Board of Directors

March 4, 2014

WW Board of Directors Meeting

Meeting Minutes: March 4, 2014

555 Carpenter Lane

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

Staff: Glenn Bergman, Nina Berryman, Michael McGeary, Jon Roesser, Jonathan Leeds, Bettina de Caumette

Guests: Ron Lane, James Gilfillan

The Meeting commenced at 7:02pm in the first floor of 555 Carpenter Lane

Nathea offered to be timekeeper.

PRELIMINARIES

Agenda

Margaret stated that the election ballot needed to be added to the agenda.

BOARD ACTION: The Board accepted the agenda as amended.

Minutes from February 4th, 2014

No changes were recommended.

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

Calendar

Lisa offered to facilitate M1 and M2 discussion at the April 2014 Board meeting. Glenn noted that the January Finance Committee meeting minutes will be included in the April Board packet.

Committees Review

BOARD ACTION: Committee Review accepted as submitted.

GM Report

February Membership Report was distributed at the start of discussion.

Data correction made by Stu on pg. 8: sales favorable to budget by **\$84,294** as opposed to **\$110,000**.

Glenn brought NCGA letter on Privacy Policy to Norman Weiss to Board's attention.

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

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Other Reports

BOARD ACTION: The Board accepted the WWCP report as submitted.

CCMA Conference

Margaret noted that 7-8 spots are available for CCMA Conference. Board members discussed possibly sending 2 staff members; Board members who had not attended before would have priority over those who had attended in the past.

Glenn and Michael M: Staff members were not budgeted to go to CCMA conference.

Discussion of reserving 6 spots for current board members and reserving 1-2 spots for newly elected members (TBD after May elections). Board members should make a final decision on who is going at the April board meeting. Board plans to revisit the issue at the April Board Meeting.

—END OF PRELIMINARIES—

L1 Internal Monitoring Report: Financial Conditions: Glenn and Michael M.

Michael clarified Board's financial questions about balloon payments (WW will renegotiate loans as we get closer to maturity payments in 2022) and debt to equity ratio (WW is reducing this each year as we pay off our debt- it is currently 1.37%).

Linda asked source of standard for recommended debt to equity ratio: Glenn -- NCGA (National Cooperative Grocers Association) which recommends a target of under 2% for a co-op of WW's size. Glenn and Michael explained that NCGA provides financial information on other similarly-sized grocery cooperatives. They also noted that WW owns more real estate in comparison to other grocery co-ops and this accounts for much of the debt – sometimes difficult to do apples-to-apples with other co-ops. Board members pointed out typo on Pg. 25 (2013 should be 2014).

Decision Tree:

Is the operational definitions/interpretations reasonable?

The Board agrees unanimously.

Is there adequate data?

The Board agrees unanimously.

Is the report accepted?

The Board accepts the report unanimously.

BOARD ACTION: Board Accepts the L1 Monitoring Report as being in compliance with Policy L 1 on Financial Conditions. Vote: Unanimous

ENDS REPORT:

March meeting to review categories: Outreach, Farms, WWCP, Environment, Communication.

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Outreach: Ends, 3,4,5,6,7 –Bettina de Caumette

Outreach has grown with expansion of Co-op. Actively pursuing partnerships in surrounding neighborhoods. Continuing to form relationships with partners in Germantown because of the need for civic engagement and the receptiveness to the ends of the Co-op.

Glenn: Bettina and Jonathan Leeds have been aligning the interest of the committees with that of the Ends.

Bettina expanded on work done with The Health and Wellness Committee and The Membership Committee.

Nathea spoke on behalf of Food Justice Committee members, stating Bettina has been critical in bringing direction and passion to the committee.

Bettina expanded on new format of calendar (printed out on large format so that shoppers can easily see) and the consolidation of the bulletin boards- invite Board members' feedback.

Farms: Nina Berryman

Winter is marking a major transition for the farm department. Nina is working closely with Michael to reform farm budget/operations. Nina expanded on growth, increased shareholder engagement, orchard at Saul School and Henry Got Crops CSA update/sign-ups. 5-year anniversary of the CSA.

Glenn: The farm "touches on all the Ends". Special note of the diversity of the participants at the Farm's Henry Got Crops fall fundraiser.

WWCP

Laura Siena spoke on behalf of WWCP.

Currently working on a strategic plan that will deepen programs and increase WWCP impact. Plan will be presented at May WW Board meeting.

Environment

Glenn: Bulk sales were included in the environment section of the report because people have the option of bringing their own packaging.

Recycling/composting: reselling and reusing compost.

Feedback: Margaret commented on new format and asked whether environmental categories such as bulk sales, packaging supplies could be tracked year-to-year to show progress. Josh suggested that staff could express environmental impact and waste as a per-household or per-basket ratio – would reflect accurately if total sales grow or shrink. Glenn confirmed that this method is used by other co-ops.

Communication

Glenn commented on developments: new newspaper stands for the Shuttle, and the decision to no longer distribute the Shuttle on doorsteps.

The Board had a short discussion about social media followed by the suggestion that those interested in working with staff around this issue should contact Glenn. Megan noted that Member Engagement Committee will take up these matters, and will be meeting soon to discuss how the Board can reach out to and receive feedback from members as well as make recommendations on using social media more effectively. Megan also asked that Shuttle articles be posted to Facebook.

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Decision Tree on 2013 Ends Report:

1. Was the interpretation reasonable?

Discussion:

Dave suggested that Glenn as GM should create a sidepiece giving his interpretation of each End. Jeremy agreed but others said this is not necessary.

10 yes, 1 opposed

2. Was there adequate data?

Discussion:

Dave brought up a concern over member diversity and noted that no progress was documented on increased member diversity. Glenn expanded on marketing and outreach's efforts to increase diversity and noted that Ted Reed's firm is developing a community-wide survey (i.e., not just to WW members and those on the email list).

10 yes, 1 opposed

3. Does data demonstrate reasonable accomplishment?

10 yes, 1 opposed

BOARD ACTION: The Board accepted the Ends Report as being in compliance with Ends Policy.

10 yes, 1 opposed

—END OF 2013 Ends Report—

Growth and Expansion Discussion/Board Retreat Follow-up

Margaret thanked the Retreat Committee for their hard work in planning and executing the retreat.

Board retreat goals/topics 2013:

Margaret led the Board through a discussion of 2013 retreat goals. A list of topics for study and engagement was generated from the 2013 retreat. It was noted that diversity was tied with growth/expansion as the #2 choice of topic after branding; however, we did not have an opportunity to discuss it this past year. The notion of a Board Diversity Committee was presented.

Jeremy: Should Education Committee be used as a conduit for educating Board about diversity?

Laura: Any committee should have defined charge. Are we talking about Board education in diversity or a broader goal of implementing diversity goals throughout WW?

Josh: Because diversity is not a specific End, perhaps the board could provide feedback for incorporating measurable diversity in all aspects of WW Ends, staff and members.

Because of the above concerns and because it was not clear how the board wanted to proceed with this topic, it was suggested that a committee be formed to structure/facilitate a strategic conversation at a board meeting to review ideas/options on how the board might address this issue.

Diversity Committee Volunteers: Nathea, Josh, Stu and Dave.

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Retreat 2014:

Jeremy: We made a commitment to get back to startups in March.

Glenn stated that he has been in contact with Peg Nolan from NCGA, asking her to provide help on the ground here in Philadelphia region to help start-ups. Possible use of WW staff as paid consultants to the effort. NCGA will be a source for market data to be fed into WW's market study.

Reflection on Glenn's presentation of staff recommendations at retreat:

Stu: WW Board supportive of kitchen renovations at MA.

Megan: Questions:

--Is it important for us to be helpful to startups?

--Are we committed to a third store in Philadelphia as staff has suggested?

Margaret: We are doing a market study and will be moving ahead with assessing feasibility of adding one store and it may or may not coincide with an area where a start-up is currently located. Stu: How big an area will market study cover? Glenn: large region (not just City of Philadelphia or northwest suburbs, and include areas where start-ups are located)

Growth/Expansion Com (Margaret, Jeremy, Stu and Chris) will draft three letters:

1. Letters to start-up co-ops telling them where WW is right now vis-à-vis their projects;
2. Letter to Peg Nolan requesting support from NCGA;
3. Letter to WW staff communicating WW Board appreciation of their hard work on planning for growth.

The Board decided that further discussion and speculation about WW's collaboration with the startups could only be continued after the market study is conducted.

Committees

Margaret noted that committees are needed and asked for volunteers:

Calendar Review: Margaret and Lisa

Board of Directors' Budget: Margaret and Stu

Board Officer Committee: Margaret and Jeremy

Self-Monitoring, G7

Chris Hill led the discussion and noted that for G7.1.4 on outreach to membership, there was only one "definitely yes" response.

Nathea: Board has some obligation to represent the entire membership and therefore should invest in surveying their opinion.

Megan noted that the Member Engagement Committee is taking this up. Margaret noted that there is \$650 in the Board budget to survey the members.

New Agenda Item: Board Election Ballot Review

(preliminary ballot provided by David Woo, Chair of Leadership Committee)

Margaret reviewed issues with the ballot and noted that decisions needed to be made by the Board regarding the ballot.

Motion: Incumbent Candidates should be listed as such on the election ballot.

BOARD ACTION: The Board accepted the motion with 6 yes and 1 opposed (*4 Board members running for re-election recused themselves.*)

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Motion: WW member numbers should be removed from election ballot.

BOARD ACTION: The Board accepted the motion with 6 yes, 1 abstention (*4 Board members running for re-election recused themselves.*)

Motion: Order of candidates should be random, not only on the website but also in the Shuttle and on the printed ballot.

BOARD ACTION: The Board accepted the motion unanimously (*4 Board members running for re-election recused themselves*)

Motion: If a candidate did not follow instructions for the nomination and submit answers to the questions asked for in fulfillment of the candidate statement, can he/she be disqualified?

Discussion: Dave read from WW By-laws. Board discussion cited By-laws Article IV, Section 8 requiring that candidates comply with the "... the procedure for nomination of candidates for the positions." The established nomination procedure requires that nominees answer 5 specific questions and that the answers must not exceed 250 words or the nomination will be rejected (See Notice of Nomination in Jan/Feb Shuttle). Nominations in the past that have not strictly complied with these nomination procedures have been rejected. Therefore, a submitted nomination that is in excess of 250 words or does not answer the 5 specific questions must be rejected.

BOARD ACTION: A nomination, that is not in compliance with the nomination procedure by exceeding the 250 word limitation or not answering the 5 specific questions, must be rejected. The Board accepted the motion unanimously.

Announcements

Laura: March 25th Iron Hill event to benefit WWCP. She passed out postcard announcements for the "Spring for Art" benefit on April 19/20.

Nathea: For the first time, we will be videotaping candidates' statements and putting them on the web.

Stu: Plans to do additional research on educating board in financial matters.

Glenn: Fundraiser at Oaks Cloister Thursday March 13th at 6:00pm to benefit Germantown United CDC. Hoping for a good turnout of WW Board and staff.

Evaluation of the meeting:

Laura: Meeting could have been structured differently in order to give adequate discussion time to startups and retreat conversation. No decisions were made at retreat re growth initiative, but not enough time was provided for at the Board meeting for a useful discussion.

Chris: The Board conversation has improved.

Meeting adjourned at 9:41pm.