

Weaver Street Market Board of Directors

Minutes of August 2007 meeting

Held at the Corner Building, Carrboro

6.15 - 9.30 p.m. Wednesday, August 15, 2007

Directors Present: Seth Elliott, Tam Fetters, James Morgan, Jacob Myers, Robert Short, Ruffin Slater, Linda Stier

Others attending: Kate DeMayo (notes)

Visitors: Geoff Gilson, Sarah Carter, Jess Conner

1. Preliminaries

The Board approved the Agenda. Minutes of the special meeting on June 2 were still not available. Minutes of the July 18 meeting were reviewed and three areas of discrepancy were noted. The secretary would bring a corrected version to the next meeting.

2. GM Monitoring Reports:

2-3 Treatment of Staff (returned from July)

The GM's revised report presented additional information on security and confidentiality protections for the background checks required of new employees.

Decision: the Board accepted the report.

2-7 Asset Protection (returned from July)

The GM's revised report presented additional interpretation on protection of the credibility of the organization.

Decision: the Board accepted the report.

2-4 Compensation & Benefits

The GM's report indicated that WSM wages continued to compare well with livable wage standards using the CGIN (Cooperative Grocer Information Network) formula. They also indicated better than Orange County averages for comparable positions according to figures from the Employment Security Commission in all areas except management.

Discussion: The livable wage formula used rent rather than mortgage payments. Was this appropriate? Was it a problem that managers were paid 25% less than the local average? Were we likely to lose valuable management employees as a result of this? The GM responded that mortgage costs would certainly at present be higher than rent in our area but he had used the standard CGIN formula without modification. Other options could be considered. A number of managers had taken a pay cut to come work for WSM for reasons of job satisfaction and other values. We intentionally operate a flatter wages profile than most food service businesses with less differential between higher and lower paid employees. Furthermore all

wages were scheduled to increase 20% over the next few years and this would improve the competitive pay situation for managers as well as for all other employees.

The data on provision 4 was questioned: did the conditions mentioned apply to both sushi and floor subcontractors? The GM replied that it did and that future reports would clarify this. There was concern that the wording of provision 4 might not require the protection of subcontractors to the extent intended.

Decision: The Board accepted the report with a decision to flag the policy for review for livable wage parameters and subcontract employee protection.

2-6 Financial Condition

The GM presented his financial condition report indicating compliance with all requirements of the policy.

Discussion: Any particular reason for the substantial sales growth last year? GM: we had lesser sales growth the previous year because of the opening of Earthfare and Chatham Market, last year marked a return to previous high growth levels. Surprised to see worker-owner equity going down. GM: the '07 numbers have not yet accounted for dividends paid at the end of the financial year. When these appear a significant increase in equity over last year will result.

Decision: the Board accepted the report. The policy has already been scheduled for review next month.

3. Direct inspection monitoring, Policy 2-8: Communication and Counsel to the Board

Directors will return the surveys to Kate by August 29.

4. Review of Policy 2-2: Products and Services

Discussion: There were concerns about the consistency of parts of this policy with the principles of Policy Governance. The purpose of the policy is to ensure that the products sold and the services provided by the cooperative accord with our Ends. The first sub-clause however describes a means to that objective rather than further specifying the desired performance. It was suggested that the policy could be recast to better perform on this objective. The requirements of this clause as written partly fulfill on the coop's commitment to education through providing product information to consumers: it was further suggested that the policy could be expanded to more intentionally and fully ensure organizational performance on our educational commitment, which is not fully represented elsewhere in executive constraints.

Some general observations: sometimes consumers want all relevant information about the products, for example to help them in the goal of buying locally. At other times they may wish WSM to act as a "trusted vendor" making responsible purchasing decisions on their behalf which they can rely on to be firmly based on the principles stated in our Ends. Employees who are thoroughly educated about both the products and the Ends are enabled to make good purchasing decisions and accurately advise customers. This policy could potentially better ensure such conditions.

Decision: schedule this policy for further review at the November meeting. Task preparation of options for that review in September.

5. Input to Annual Meeting

Tam reported on developments in planning for the meeting. If some of our local farmers and suppliers can be persuaded to attend we will make space in the program to introduce them to the meeting, as had been requested in comments from last year. We could also offer a visual display to this end. We should also make space to introduce members of owner committees as we call for volunteers for future workgroups. As we are not proposing small group sessions we will have a general Q&A. Request to GM to have volunteer signup on the website in place before the annual meeting. A keynote speaker has not yet been booked, some further suggestions were considered. Food: adding coffee and a vegan option have been requested. The chair asked for input to the board's annual report: he had in mind talking about the principals of cooperation and how they relate to WSM.

6. Reschedule November Meeting

Wednesday, November 14 is suggested instead of 21st (Thanksgiving). Hold this date pending confirmation from Tam and Andy.

7. Closings

Decisions and tasks were reviewed.

Comments in evaluation: Good to know we can get by without Andy's facilitation from time to time. There's concern that the calendar is very full and the task list keeps growing. It would have been better to have the agenda earlier. Apologies from the secretary for the minutes of the last meeting being circulated so late and from the chair for the continued absence of minutes of the special meeting.

The meeting was adjourned at 9.30 p.m.