

Meeting Minutes for Weaver Street Market's Board of Directors

October 2012 Meeting

Monthly Board Meeting, Panzanella meeting room, Carrboro, NC on October 17, 2012, 6:15 pm to 9:30 pm

Directors present: Ruffin Slater (general manager), David Bright (secretary), Audra Marotta (treasurer), Lisa Best, Jon McDonald, Zack Robertshaw, and Linda Stier.

Others attending: Andy Sachs (facilitator), Brenda Camp Orbell (owner services coordinator/notes), and Neil Shock, (worker owner).

1. Preliminaries

Owner Input: No owner input.

Agenda: The agenda was approved.

Minutes: Minutes from the September meeting were approved.

New Owners: There were no exceptions to the owner lists for September 2012: 120 new consumer owner shares, 15 new worker owner shares, and 13 refunded shares.

Appointed New Worker Owner Board Member: Jon McDonald, newly elected worker owner candidate for 2013-2014, was appointed to fill the remainder of the 2010-2012 term for Board Director Steve Bos, who passed away earlier in the year.

Decision: The Board approved the September minutes.

Decision: The Board made no exceptions to new consumer and worker owners.

2. Owner Communications

Annual Meeting Debrief

The Directors continued their debrief of the annual meeting. The discussion focused primarily on the "What's Possible" activity, which involved owners grouped at tables discussing each of the four goals, identifying ideas or actions that excited or inspired the groups, and posting comments on the Goal Boards. One Director observed the interactive activities allowed owners to feel like their voices were heard, and that they could actively participate in the process of envisioning the future of the coop. A Director who had been skeptical of this kind of activity reported being "amazingly excited about the evening and how it went." The Directors agreed that the activity focused the discussion on what would make the future better rather than negative feedback. A Director observed that owners really like to talk about tangible things, which this activity encouraged. Another Director noted that the owners left the meeting feeling very positive. A few logistical issues were identified, including the poor acoustics at Panzanella, the need for more directed facilitating at the table, and a clearer indication of what would be done with the comments. The general consensus was to "keep this format going."

The Directors also reviewed the ideas that were posted on the Goal Boards at the annual meeting and the ones on display in each store as well as comments submitted on the Board's 2020 Vision Page on Facebook and through the Board email account. At the time of the meeting, 141 comments had been submitted, 61 for Goal 1, 35 for Goal 2, 22 for Goal 3, and 23 for Goal 4. A challenge identified by one Director is the need to cull out the operational suggestions for the GM to consider when establishing the operational goals he wants to accomplish. Another Director pointed out that on the surface the individual comments may look operational, but grouped together there are themes relevant to the

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Board. The General Manager observed that Management and the Board will do different things with the list.

The Board will extend invite owners to participate in Goal Discussions at the next four Board meetings, at which a targeted goal would be discussed: November (Goal 1), December (Goal 2), February (Goal 3), and March (Goal 4) meetings. Nineteen owners indicated at the annual meeting that they would like to further involved in the Goal discussions.

Dividend Redemption

The owner services coordinator reported that owners are to receive dividend information in the mail by the end of the week. Two different mail outs were sent to owners. Owners qualifying for a dividend will receive a notice that includes information about their purchasing totals and dividend distributions. The mail out also includes an owner appreciation coupon. Owners not qualifying for a dividend will receive information about the dividend and an owner appreciation coupon.

The dividends this year will be administered as a credit at the cash registers. Owners will be able to apply the dividend credit toward their purchases or donate all or part of the amount to the Cooperative Community Fund (CCF).

The Directors considered a change to the bylaws that would allow dividends unredeemed after 90 days to be automatically donated to the CCF. At the November meeting the Board will discuss draft changes to the bylaws with the intent to provide ownership advance notice of change before the next dividend period. The General Manager noted that this change coupled with redeeming the dividends at the registers gives a high chance to put the dividends to good use.

Next Year's Annual Meeting Date

The Board discussed possible dates for the 2013 annual meeting. The Board decided to have the annual meeting at Century Hall at the Carrboro Century Center and reviewed open dates for the facility. The dates were limited, and a date could not be found when all members would be present. The Board decided on Monday, September 9. Linda Stier will most likely not be able to attend on the selected date.

Decision: The Board set the date for the 2013 annual meeting as Monday, September 9.

Task: For the November meeting Board members will review the list of comments from consumer owner and worker owners for Goal 1 and identify common themes of What's Possible, especially from the long-term perspective of what owners are talking about.

3. January Retreat Plan and Agenda

The Board also discussed dates for the January Retreat. The retreat will be held on Tuesday, January 8. Andy Sachs, the Board Facilitator will unavailable to facilitate. The GM will identify a substitute to facilitate the meeting.

The General Manager presented a proposed agenda that had been assembled based on the conversation he had with the Board Chair and the Board consultant. The agenda included four desired outcomes for the retreat:

- Board members know each other better
- Improved systems for Board Accountability
- Improved systems for Board Leadership
- Board officers for 2013

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A Director asked that fifth outcome be added: Board Defines Its 2020 goals.

The GM reviewed the retreat agenda, including the following:

- continuing and new opportunities for Board Education
- methods for measuring the Ends and outcomes for 2020 Goals
- a review of policies regarding financial accountability (alignment and understanding) and items that need to be monitored (what's the Board's goal)
- a review of what other co-ops are doing with owner communication
- an evaluation of the owner engagement required to accomplish the 2020 goals.

The GM noted that a discussion of Board goals would be woven throughout the agenda activities and discussion.

The Board also discussed the Board Calendar, which includes a new format for Board Meetings and Board activities. With the new format the first portion is focused on items of more interest to owners, including Board education. The second and third segments focus on accountability and leadership. The new format makes it easier to see what the Board has been working on, and it sets the stage for what is coming up. The format makes preparation easier for the Board Directors, and it allows owners to see what they are interested in. It also presents a concise view of what's been done and what remains for each area. The calendar will be updated every month and included in the Board packet.

Decision: The Board set the date for the Board retreat as Tuesday, January 8, beginning at 8:30 am.

Task: The Board members will look at their calendars to see if it's feasible to change Board meetings from the third to the second Wednesday of each month.

4. General Manager Reports

General Managers Report

The General Manager answered questions on his monthly General Report. *General Report* included a number of highlights:

- Management is studying the elimination of plastic and paper bags with shoppers bringing their own bags and the co-op providing loaner bags.
- Sales growth was strong in Q1 with sales up 11% for the quarter.
- We have revised the changes to the social media policy to follow the wording recommended by the government. This is a complicated and fast-changing area and this seems to be the most prudent approach.
- Owners placed more than 140 comments on the Goal Boards at the Annual Meeting, in the stores, and online. The goal Boards have been taken down, but feedback on Facebook continues.

A Director asked that Panzanella be included in the sales report.

Monitoring Report 2-1: GM Constraint

The GM presented his GM Constraint report. A Director asked about the late filing penalty and if there could be system or calendar that indicates when reports are in. The GM responded that reports for the two self-funded plans had never been filed previously and that all returns are now being prepared.

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Decision: The Board accepted Monitoring Report 2-1: GM Constraint.

5. Board Process

Report on Board Emails

The Chair was not present. This item was moved to November.

Board Monitoring: Policy 4-13 Decision Making Process and Policy 4-14 Agenda Planning

The Directors discussed the survey results for Policy 4-13 and 4-14, and two Directors acknowledged not completing the survey. A question came up about two responses in relation to the latter stages of the decision-making process. It was clarified that the Board seldom needs to go into those steps because decisions were made sooner in the process. The GM suggested that it might be beneficial to drill into the other steps more often and to be sure that consensus is tested more often at key times. The facilitator agreed.

Preparing for Officer Elections in January

The Board discussed the officer elections that will occur in January at the Board retreat. The Board Chair and the Board Secretary both indicated that they were interested in continuing in those roles. The Board Chair was assigned to discuss with Board Directors their interest in filling the role of Treasurer, which will be open when Audra Marotta's term ends in January.

6. Open Board Time

The Board discussed further the proposed change of eliminating plastic shopping bags. A Director asked about the costs associated with the change and about the issue of people bringing back dirty bags. Several ideas were discussed, including a charge or deposit for individuals who forget to bring their own bags. The GM suggested that if the coop trusts people, it's simpler to loan bags. He reported that management was investigating which types of bags are better for food safety and pointed out that part of the process would be educating people how to use and care for the bags properly. Management is also talking with the health department to determine products that are the easiest to clean and keep food safe.

The GM indicated that the bags would be branded and that there would be a campaign that's a "call to action," a campaign around "really doing it." He suggested that it is worth making the change even if the coop loses a little money. A Director suggested having owners donate money toward the project or turning the campaign into an event. The GM described the change as a differentiator between the coop and other competing retail groceries. He suggested that people will be forgiving if we stumble a bit in implementing the change because it is such a big undertaking and because we are making efforts to do something about it.

The GM described the goal as making the biggest environmental difference by eliminating all bags, rather than charging for them as others do. He suggested that with this change, everybody will use reusable bags and giving bags away will encourage owners to participate. A Director also suggested having a focus group to discuss the change.

7. Closings

Tasks and Decisions: The Board reviewed and confirmed its tasks and decisions.

November Agenda Items:

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- Review of change to Bylaws regarding automatic donation of dividend after set time.
- Goal 1 discussion with owners (including strategies and themes)
- Board emails from September.
- Board budget

8. Executive Session