

Meeting Minutes for Weaver Street Market's Board of Directors

July 2018 Meeting

Monthly Board Meeting, WSM Admin Center, Hillsborough, NC on July 8, 2018, 6:00 pm to 9:30 pm

Directors present: Ruffin Slater (general manager), Alice Ammerman, Hank Becker (treasurer), David Bright (secretary), Jon McDonald (chair), Linda Stier, and Charles Traitor.

Others attending: Andy Sachs (facilitator), Brenda Camp (notes), and Dick Howard (consumer owner).

1. Preliminaries

Owner Input: Dick Howard commented that he was attending to observe what the Board does.

Agenda: There were no changes to the agenda.

Minutes: Minutes from the June meeting and decisions from the June retreat were approved.

Decision: The Board approved the June minutes and decisions made at the June retreat.

2. Owner Engagement

Monitoring Report C2: The Board's Job,

The Board had an in-depth discussion of Policy C2: The Board's Job:

Policy C2 - The Board's Job, Provision #1 reads:

The job of the Board is to lead the organization toward the desired performance and to assure that it occurs. The Board's specific contributions, which can only be fulfilled by the Board, are necessary for proper governance and management.

Accordingly, the Board will take direct responsibility to create:

- 1. The link between the Cooperative and its owners so that owners' interests can be translated into organizational performance. The Board will:*
 - a. Listen to owners in order to understand common interests and values.*
 - b. Ensure that owners understand the role of the Board: the process that it uses to lead the Cooperative, the ongoing work in which it is engaged, and the current issues facing the Cooperative.*
 - c. Account to owners about the accomplishment of Ends within acceptable means.*

Board Chair Jon McDonald framed the discussion with a review of the work that is already being undertaken to satisfy the policy. He highlighted progress and accomplishments that included the addition of a second Co-op Fair, open houses about Carrboro lawn and the Raleigh store opening, providing feedback to 2017 owner survey, a more engaging candidate orientation session, and developing with New Kind a shared vision of the co-op.

Ruffin Slater presented his monitoring report on the policy C2, which included a review of the past year and a plan for the coming year. He presented his interpretation of the policy:

A primary focus of the Board is to assure that ends, policy, interpretation, and plans reflect the interests of owners, resonate in the marketplace, and can be translated into organizational

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performance. The Board strategically interfaces with owners in a variety of ways throughout the calendar year.

He also presented an operational definition for the policy, which included three key components: The board has multiple mechanisms to listen to owners; the Board regularly overviews its role to the owners; and the Board reports progress on “what benefit,” “for whom,” and “at what cost.” The GM presented data that demonstrated achievement and movement toward the outcomes in the operational definition.

The Directors provided feedback on the monitoring report:

- Linda Stier observed that a critical component is “engaging with people on the forward end to inform decisions.”
- Hank Becker observed that engagement comes down to what a cooperative is. Operationally, he suggested owners contribute in ways management decides they can. He suggested a broader view of what cooperative is, one in which owners feel like they’re contributing their minds and feelings. He suggested that through the stated operational definition, the Board gets feedback on things it’s interested in, but without input from owners on things they care about.
- Charles Traitor agreed with the interpretation and observed that the Board has come a long way in fulfilling the policy. He noted, “What we’ve done is not a limit but an opening of opportunities. Good work opens up the field.”
- Alice Ammerman suggested that the Board might need to expand its engagement to input from future owners. McDonald agreed and noted the importance of engagement with future owners in Raleigh and potentially in Southeast Raleigh.

The Directors discussed plans for owner engagement in the coming year:

- Ruffin Slater observed that the most important impact the co-op could make is improving the well-being of worker owners and consumer owners and providing an environment that fosters informed decisions. Dave Bright observed that consumers might view the co-op’s responsibility for this focus differently from workers.
- Linda Stier observed that the report provides an excellent discussion about engagement with owners. She noted a distinction between *linkage* and *engagement*—from a governing perspective, *linkage* informs the Board’s future vision and requires dialogue back and forth with owners.
- Jon McDonald noted that linkage and engagement go together like hand and glove. Slater observed that the Board may make a distinction between Board linkage and engagement, but that owners will not, that most people do not engage with the Board about governance.
- Hank Becker described his proposed idea for engagement as building a structure in which owner engagement is critical and as a way for developing leadership potential among interested and committed worker and consumer owners with more controlled conversations. Jon McDonald cautioned about muddying the water with owners about how the Board governs the co-op by talking about operational issues with Board members present.
- Charles Traitor described the work being undertaken as strong, progressive, and following from the work the Board is getting more skilled at. He also observed the need for a clearer vision on where the Board needs to push.

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- Alice Ammerman suggested that the Board invite people more purposefully to the Board meetings, and Dave Bright observed the success of the special sessions the Board hosted previously.

The Directors identified topics that would be viable for discussion at the Board level: surviving in a competitive environment, expansion versus not, why cooperatives, what does community mean, a combination of why coop with a community not already engaged, and asking people where they are.

Given the pressing commitments for opening the Raleigh store and building community relationships in Raleigh, the Directors agreed to use the next six months to continue the discussion and refine the concepts.

3. Board Business

Board Budget

Hank Becker presented an updated budget for 2019.

Decision: The Board approved the 2019 Budget with one correction.

Elections

Linda Stier reported that five candidates submitted applications. Two withdrew soon after submitting their applications. Two candidates are running in the consumer-owner election: Hank Becker and Glenda Clare. Jon McDonald is running unopposed in the worker-owner election. She also reported that the committee has created a communications plan related to changes in the share system that affect owner voting. In response to Charles Traitor's inquiry, Stier responded that there are no safeguards in place against the entrance of money in the elections.

Annual Report Plan

The Board reviewed a draft online of the 2018 Annual Report, which will go online Wednesday, August 22. Suggestions made included: present some of the information in video format, make owners more aware of what they get with Weaver Street Market (and what it takes to get that), provide a link to a list of all the Weaver Made product, and include information about the stipend to the farmer managers at Transplanting Traditions.

4. GM Reports

The General Manager answered questions on his monthly GM report.

- **Sales Growth:** Sales growth was 5% over last year for the quarter ending in June, with Carrboro up 1%, Southern Village up 12% and Hillsborough up 5%. (Sales growth in Southern Village is up 12% compared to two years ago, or an average of 6% per year.) The national co-op sales growth benchmark for this period is 1%.
- **Raleigh Managers update:** We hired Micki McCarthy, who is currently the Southern Village manager, to be the Raleigh store manager. Rachel Biernbaum, who worked at New Seasons Market in Portland OR, will replace Micki in Southern Village. We are currently interviewing for Raleigh department managers.

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5. Open Board Time

6. Closings

- Review Decisions and Tasks
- Meeting Evaluation
- Next Month's Agenda: Financial Monitoring, Continue Discussion of Owner Engagement