

Meeting Minutes for Weaver Street Market's Board of Directors

December 9, 2020 Meeting

Monthly Board Meeting, December 9, 2020, Online Meeting, 6:30 pm to 9:30 pm

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

Others attending: Mark Goehring (facilitator), Brenda Camp (notes), Nazmin Alani (consumer-owner elect), and Allannah Hines (worker-owner elect).

1. Preliminaries

Owner Input: There was no owner input.

Agenda: There were no changes to the agenda.

Minutes: Decisions from the October 14th Board Meeting were approved.

Decision: Decisions from the October 14th Board Meeting were approved.

2. Linkage with Owners

Debrief the November Owner Event

Board Chair, Jon McDonald, led a discussion about the annual meeting, which was held online this year due to the pandemic. The discussion centered around the Zoom “breakout sessions.” Highlights of the discussion include:

- Alice Ammerman noted the good energy and positivity in her two groups, and she identified a fun idea that was suggested—a chocolate tasting with taster kits.
- Linda Stier noted that the online meeting seemed more focused and engaged a larger diversity of owners; however, she noted that it was disappointing that the number attending was smaller than those who responded.
- Stier also suggested trying online meetings that focus on a particular store location and seek out those who were not represented at previous meetings.
- Dave Bright suggested publishing a communication about the session, including what was learned and what the Board is doing to motivate more people to participate.
- Charles Traitor noted that the ideas his group suggested lined up with those put forth in the owner survey, including product tasting and learning activities. He also questioned whether it might be beneficial to designate someone to take notes who is able to synthesize the information.
- Jon McDonald observed that the meeting felt like a continuation of what the Board started in February with the Raleigh owner meeting on the store’s mezzanine. He also suggested that the online event proved that the Board could reset its goal of hosting a meeting at each store location by hosting the meetings online.
- Ruffin Slater commented on how rich the ideas were and that the participants in his group also volunteered to help implement their ideas and teach the classes suggested.

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Review Owner Survey

Ruffin Slater reviewed the results of the 2020 Annual Owner Survey. With 2,325 owners responding, the results represented 17% of the owners who shop at Weaver Street. Slater noted that the age breakdown of respondents was skewed toward older shoppers, with 56% being over 55 years old. He reported that the Net Promoter Score had improved from 77 to 84:

Net Promoter Score	2016	2017	2018	2019	2020
Carrboro		76	78	75	84
Southern Village		81	82	81	86
Hillsborough		78	78	79	82
Raleigh		NA	NA	76	83
CO-OP WIDE SCORE	80	77	78	77	84

A number of suggestions and observations were generated in this discussion, including the following:

- Directors suggested reaching younger owners by publicizing the survey across multiple media, not just through email, and seeking younger owners to participate as ambassadors, similar to what “young professional groups” do at museums.
- Directors attributed the higher scores to owners appreciating how quickly the co-op moved to put in place safety measures for employees and shoppers and to set up online shopping with curbside delivery.
- Directors observed that beyond a sense of feeling safe to shop at the co-op, the co-op’s pandemic response demonstrated how the co-op cares about the community; it contributed to greater awareness of how the co-op operates; and it showed that the co-op is capable of leading through bold steps.
- Alice Ammerman observed that sending a survey to owners to request input and then not responding in any way or addressing any of the issues raised, could be frustrating for the owners.

Next steps: Communicate results to consumers and workers. Explore ways to tease out what owners mean when they talk about *quality* and *local* as important reasons for recommending Weaver Street.

3. Accountability-GM

December GM Report

The GM presented his December General Report. He reported that in an effort to spread out shopping traffic during the holidays, the stores opened two hours earlier Thanksgiving week and are now opened an hour earlier. He also noted that online orders were increasing considerably with the increase in number of Covid cases. The report highlighted some of the steps the co-op had undertaken with its racial equity initiative:

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Racial Equity Initiative

- Made a \$4,000 loan to Faithful Farms for the purchase of two hoop houses to enable year-round production of celery and parsley for WSM.
- Worked with the Black Farmers Market to do a run of prepared meals at the Food House.
- Designated CCF grant funds to First Fruits farm to help purchase walk-in refrigerator.
- The Equity Alliance continues to do outstanding work, including convening a discussion of seven of our Black vendors to discuss challenges and opportunities to work better together.
- Added additional 'Game Changers' products.
- Continued regular DEI manager training with a group of 40 managers and customer facing support staff, including taking the IDI assessment.
- Continued regular DEI training with a group of 28 non-manager 'Champions', who will provide input into the program, champion new initiatives, and assist with training for other staff.
- Added a week to the Co-op Fair to promote Game Changer producers.

B1-Financial Condition Monitoring Report

Ruffin Slater answered questions on his B1-Financial Condition Monitoring Report. He reminded the Board that with budget at the beginning of the fiscal year, the plan was to be okay with losing money the first three quarters, with the fourth quarter starting to transition the financial situation. He noted that making choices that protected the safety of employees and shoppers impacted the financial situation.

Slater reported being out of compliance with the financial condition policy in four areas: Provision #1 (sales growth), Provision #3 (liquidity), Provision #4 (debt to equity ratio), and Provision #6 (bank covenants). He noted that it was new to be out of compliance for sales, which was projected but happened sooner.

- Linda Stier asked whether there would be a point at which it would necessary to share the financial situation with more committed owners who would understand what's at stake and want to help out.

Slater agreed that it would be good to do scenario planning. He noted that the strategy had been to focus on safety not about money in order to keep the two from being conflated. He acknowledged a need shift to sharing information about ways to improve the financial situation, specifically increasing patronage and raising money through owner loans.

- Jon McDonald ask the GM what red flags the Board should look for going forward given that the Board is accepting the provisions being out of compliance.

Slater noted that by the second Board retreat date on January 29, the Board would have the financial information for the quarter ending in December and at that time would be able to assess any gaps and implications, especially with the bank covenants.

Decision: The Board accepted B1-Financial Condition Monitoring Report with acknowledgment of contraventions. The report provides evidence that the General Manager has operated within the constraints of this Executive Limitation except for the contraventions indicated in the monitoring report. The Board finds that the rationale for contraventions and the commitment for future compliance to be acceptable. The Board will next review the financial condition at the second January retreat on Friday, January 29.

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B2–Treatment of Consumers Monitoring Report

The GM presented his B2–Treatment of Consumers Monitoring Report.

Decision: The Board accepted B2–Treatment of Consumers Monitoring Report. The report provides evidence that the General Manager has operated within the constraints of this Executive Limitation.

B9-Emergency Management Succession Monitoring Report

The GM will resubmit this report at the next board meeting.

B4-Owner Rights and Responsibilities Monitoring Report

The GM presented his B4-Owner Rights and Responsibilities Monitoring Report.

Decision: The Board accepted B4-Owner Rights and Responsibilities Monitoring Report. The report provides evidence that the General Manager has operated within the constraints of this Executive Limitation.

4. Accountability-Board

Elections Committee Reports

Linda Stier, Board Director and Chair of the Elections Committee, answered questions about the 2020 Elections Committee Reports. She suggested that the Board consider tweaking the charter to address the issue of safety, which occurred this year with the elections falling during the pandemic. Stier also requested that the Board approve the Election Committee members who had confirmed their interest in continuing to serve on the committee.

Decision: The Board accepted the C8-Elections Committee Monitoring Report.

Decision: The Board approved appointment of four members to the Elections Committee for 2021: Caroline Anders (worker owner), Darby Dietrich (worker owner), Becky Laskody (consumer owner), and Amy Lorang (worker owner).

Update on DEI Consultant Process

Jon McDonald provided an update on the DEI Consultant process. He reported that two DEI consultants would join the Board for an interactive discussion during the second Board retreat. The Board will discuss the format and intent of those discussions at the first Board retreat.

January Retreat Dates

The Board decided to split its annual January retreat into two days via Zoom.

Decision: The Board decided to hold their January retreat in two parts. Part 1: Friday, January 15 and Part 2: Friday, January 29.

5. Open Board Time

The Directors shared their experiences about Co-op Dynamics, a workshop for new employees and board members from cooperatives across the state.

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6. Closings

Decisions and Tasks

Next Month's Agenda

Meeting Evaluation

7. Executive Session: Auditor's Report and D4-Monitoring GM Performance