

Weavers Way Board of Directors

October 1, 2013

WW Board of Directors Meeting

Meeting Minutes: September 10, 2013

Board Members Present: *Josh Bloom, Megan Clinton Seitz, Chris Hill, Lisa Hogan, Stu Kat (7:30pm), Margaret Lenzi, Linda Shein (7:45pm), Jeremy Thomas, David Woo*

Board Members Absent: *Nathea Lee, Laura Siena, David Tukey*

Staff Present: *Glenn Bergman, Michael McGearry*

Board Members convened between 6:30 and 7pm for a light dinner.

The meeting commenced at 7:02pm

Preliminaries

Margaret observed that quorum was met in spite of a few board member absences.

Agenda accepted as revised and circulated prior to the meeting.

Time Keeper: Lisa

Minutes of the July meeting:

The board accepted the July meeting as submitted.

Calendar Review:

Margaret pointed out that, as an issue of Board Education, a discussion on the topic of co-op Growth & Expansion would continue at the October meeting and be included on the agenda.

Margaret urged the board to renew its commitment to making regular contributions to the Shuttle. She maintained that writing and publishing articles for the co-op newspaper is a great way to encourage communication between the board and membership more broadly. She observed that board members seemed reluctant to follow through with this commitment of late, and that perhaps it would be helpful to compile a list of suggested topics that could be available to everyone. Some consensus arose in response to a proposal to base submissions to the Shuttle on topics of Board Education. As a result, David Woo offered to compose an article for October focused on the board's ongoing discussion of Growth & Expansion. The November article, it was agreed, could reflect on the Fall 2013 GMM (scheduled for October 13th). Josh agreed later in the meeting to do the November article on Endorsement Policy.

Margaret then noted that the October board meeting would include review of an audit report recently compiled; a task the Board assumes every year, along with a review of overall finances. The board acknowledged that the next Finance Committee Meeting was scheduled for September 25th at 6pm. The board also acknowledged that the October meeting agenda would call for planning the board's annual retreat. Josh B. expressed interest in participating in that when it becomes established. Megan C-S agreed to facilitate the October Self-monitoring survey results.

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Margaret announced that the October GM Monitoring Report, to be presented by Glenn B., would concern Asset Protection.

GM Monthly Report

By way of discussion, one board member asked for an update on the status of Weavers Way Farms. Glenn reported that a consultant specializing in the business of farming would be contracted to report on the potential for financial viability in this department. A specific consultant was approached and agrees to work for cost of transportation only, citing International Co-op Principle #6. Financials and plot plans sent to the consultant today.

Glenn went on to describe this year's Harvest on Henry event, scheduled for October 19th. The event is being heavily promoted as a family-oriented Weavers Way Fundraising event for the farms. Glenn also explained that it had come to his attention that farm fundraising had to be co-ordinated with WWCP in order not to undermine or conflict with that organization's separate efforts to raise money. As a result of discussions with WWCP, Glenn agreed to make HOH 2013 the only WW fundraising event to benefit the farms until 2014.

Board Action: The board accepted the GM Monthly Report as submitted.

Other Reports

Minutes from the Farm Committee meeting of August 7, 2013:

Board Action: The Board accepted the Farm Committee Minutes as submitted.

(David Woo clarified that these reports should be 'received' vs. 'accepted, as the Board can only 'accept' its own reports...)

Business Cards

Glenn suggested WW order business cards for all board members. Margaret passed around a list so board members could indicate whether or not they wanted business cards as board members, and if so, preferred contact information.

End of preliminaries.

Monitoring Report-L1:

Margaret invited questions and discussion of the report prior to seeking its approval. Margaret observed that the report indicated that the co-op was clearly in a position of impressive financial strength. She noted that net income should be trending in a positive direction in L.1.4; however because MA renovations were paid for by cash, a one time expenditure, net income does not appear to be trending in a positive direction. The report in L.1.4 should reflect the MA renovations as the reason for this (as reported in other sections of the L.1 report). Overall, the report shows a profit/net income of \$50,395 which was a real achievement in that a loss was projected for this fiscal year

Board Action:

- 1) The Board unanimously accepted the operational definition/interpretation as reasonable.
- 2) The Board unanimously accepted that adequate data effectively determined compliance.
- 3) The Board unanimously accepted the report as compliant with L.1 policy.

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Patronage Rebate/Finance Report Stu Katz

Stu reported that there would be no recommendation to the Board for a patronage rebate because the profit is too tight and the work of calculating and implementing it would constitute a lot of effort for a minimal rebate. Margaret asked if the Board should have been consulted on the bonus of \$50K allotted to staff, and asked if this indicated staff being favored over members. The GM stated that the bonus was originally in the budget.

Board Action: The Board unanimously accepted the recommendation to forego a patronage rebate.

Education: Growth & Expansion Jeremy Thomas

Jeremy reported that a sub-committee for this topic consisting of himself along with Margaret, Stu, Glenn and Michael Healy, explored what the Board should consider in order to promote the most meaningful discussion possible of Growth & Expansion moving forward. He stated that the group came up with a very aggressive curriculum consistent with ideas presented in the recent five-year strategic plan and suggestions by the board. He suggested that the curriculum be broken down and studied in parts over several consecutive months.

Jeremy pointed to The Expansion Toolbox as a powerful resource for education and for identifying appropriate and distinct roles for the Board, WW staff and the general membership body in encouraging Weavers Way Co-op's future growth.

He proposed that the Board begin to explore concepts of Growth & Expansion by studying the Expansion Toolbox in segments. He suggested that the Board could eventually then address the question of how to solicit member engagement in a process of Growth & Expansion, and then conduct a thorough examination of how to understand a Marketing Study.

He asked the Board to consider if this curriculum was sufficiently comprehensive.

The Board observed that an agenda for expansion could be framed in terms of product lines and other types of growth that do not involve more stores or greater merchandising square footage.

The Board acknowledged that it might be necessary to articulate how it could best engage or coordinate creatively with the GM and the staff as a whole, regarding why, where and how a potential expansion might occur. The Toolbox recommends the deliberate cultivation of alignment between all the co-op's components and departments.

Jeremy emphasized that a productive Board discussion of this topic in October would likely be contingent on each member's ability to absorb the whole Expansion Toolbox and asked if that was achievable. Further discussion raised the question of how the Chestnut Hill expansion evolved. Glenn explained that the expansion into Chestnut Hill was driven primarily by a very thorough market study, commissioned because WW had 8 million dollars' worth of sales and not enough space. That marketing study was presented to the existing Board for review. As GM, Glenn sought guidance and direction from the Board. As a plan for expansion unfurled, the GM reported to board on the developments.

The Board note that the Co-operative Café conference scheduled for November 2 in Mt. Airy would constitute another great opportunity for education. Margaret maintained that the event should be built into the Board's training. Jeremy concurred that development of the topic should allow for adequate training. These training resources would facilitate learning how to schedule out alignment. He reiterated that sufficient preparation was critical to successful implementation. It is imperative that the Board acquire expertise and a thorough understanding of what co-op expansion might entail.

Jeremy promised to write a summary of this initial discussion for future reference.

GB then related that the NGBA had approached WW with the idea that new co-ops will start out stronger if regionally concentrated under WW, as opposed to independent stores, and strategically

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timed for opening. Co-ops are investing together in Co-op development, creating a new fund. A development co-op helps new co-ops get up and running. WWCH was one of the first to tap into this kind of fund. WW could turn into a development co-op, and eventually absorb all new regional co-op initiatives. Each store could cultivate its own unique atmosphere, design and product selection. Consolidated regional co-ops get stronger purchasing agreements. They can afford to take some risk. They are more resilient. They can afford to subsidize stores as necessary in lower income neighborhoods. The Board should determine if it would favor the transformation of WW into a development co-op. If it does, then the board needs to outline relevant questions.

The Board determined that a NCGA representative should be invited to call in to participate in a discussion of development co-ops at the October board meeting. It was also acknowledged that the whole proposal should be vetted by other area co-ops as well as by WW staff.

David Woo committed to drafting a document explaining the concept of the development co-op, to help disseminate this specific topic and invite further discussion beyond the WW Board.

WW Endorsement Policy Margaret Lenzi

Should the Board establish a committee to draft and propose an endorsement policy, or should the GM make endorsement policies independently? On what basis should endorsements decisions be approved or rejected? What are other co-ops doing?

The challenge is not necessarily choosing endorsements. Rather, the problem at hand concerns how to define limitations for the GM in this regard. Does WW need an endorsement advisory committee? Should we use Survey Monkey? Should we use referenda? Chris Hill and Josh Bloom (and GB) offered to explore what a swift and responsive endorsement policy might look like. They will provide a preliminary report on this subject for presentation at the October Board meeting.

Report: Fall GMM & 40th Anniversary Celebration Lisa Hogan

Plans for the celebration are underway - Oct 13, 12-6 pm with the GMM from 4-4:30. All board members are encouraged to attend and participate.

Self-monitoring: G2 Board Job Description

In learning about members' ideas and opinions, it was suggested that we use more targeted surveys. A comprehensive survey is being prepared for end of October, and will include non-members, although we don't know yet exactly how the non-members will be chosen. GB asks board to review survey questions and provide feedback. They will be sent out in about a week.

David suggested that section G2.2 be amended to exclude 'all levels.' Response was that this was not necessary.

Do we want to intensify our use of FB? Should we have a Board Administrator who can post? Megan advocated strongly for board members to get involved in WWFB.

Renewing the board --Leadership Committee should address recruitment and vetting of board members and have a report in November if any procedures are to be changed. Should be meeting in October and November.

Announcements

Linda Shein announced that she had a new position with U. Penn at Wharton as a director in the retail commerce department.

Chris Hill announced that the urban bike ride was a success.

Lisa Hogan asked for ideas for the time Capsule (shuttle, Larabar, etc.).

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Linda Shein shared about how she attends the Natural products expo in Baltimore, and her cousins in Chicago are involved in a film about food systems.

Harvest on Henry Festival, October 19th.

WWCP Farm-to-Table Fundraiser, Thursday October 3.

Evaluations

Shuttle article topics for November

Endorsement policy: Josh Bloom volunteered to build a recommendation.

Megan applauded Jeremy for his work on the Education piece.

Apologies for being late, Stu, Linda S.

The meeting ended at 9:22pm.