

## **MINUTES**

### **Weavers Way Cooperative Association Board of Directors June, 5, 2012**

Attendance: David Woo, Bob Noble, Megan Seitz Clinton, Jeremy Evans Thomas, Margaret Lenzi, Nathea Lee, Stu Katz, Dave Tukey, Linda Shein, Jonna Naylor

Excused Absence: Sue Wasserkrug

Staff present: Glenn Bergman, Karen Plourde (minutes), Susan Beetle

Guests: Ted Reed (Weavers Way survey author), Nancy Weinman, Chris Hill

The meeting began at 7 p.m.

#### **Agenda Review**

After introductions, Nathea volunteered and was appointed secretary for tonight's meeting in Sue's absence. Margaret asked that an item be added to the agenda regarding the replacement of a resigning board member; it was agreed to add it after the discussion of the M3 survey results. If necessary, that issue can be discussed further at the July meeting.

#### **Approve Minutes of May, 2012 Board Meeting**

The minutes of the May, 2012 board meeting were approved unanimously

#### **Approve Minutes of May 11, 2012 Special Board of Directors Meeting**

The minutes of the May 11, 2012 Special Board of Directors meeting were approved unanimously.

#### **Distribution of Conflict of Interest Forms**

The Conflict of Interest Disclosure Forms were distributed and their purpose was explained. The completed forms will be retained by the newly elected treasurer.

Jeremy Thomas disclosed that he works for the Commerce Department of the City of Philadelphia, and in that capacity evaluates grant applications for the Greenworks Energy

Program. He added that Weavers Way submitted an application to him last week. He relieved himself of any decision on the grant, as well as any questions regarding the application.

## **Customer Survey Discussion**

Stu explained that the presentation on the survey was taking place as a result of discussions within the Member Engagement committee. In addition, the board felt a more in-depth discussion of some items in the survey was warranted.

Ted Reed, the author of the survey, said this was the second formal survey of Weavers Way done by the Reed Group. Its primary purpose was to find out about the Weavers Way brand, and what shoppers think the co-op stands for. The survey was mostly done via the internet; 577 web surveys were completed, while only seven of the surveys that were mailed out were returned. The survey response rate was 13 percent, which is considered low, but is three times the response rate of most organizations.

Reed said that if there is bias in this survey, it is the same that existed in the 2009 survey, and that this data is better than no data. He said decisions for the co-op could be made based on these results. A member asked about improving the response rate of the survey; Reed said that would take a huge amount of effort and money.

Seventy-seven percent of the respondents in this survey were women, which might indicate that women are more engaged in the co-op than men. Forty-six percent of the respondents live in zip code 19119, and 62 percent of the membership is 50 or older. The length of time respondents have been shopping at Weavers Way decreased; the average now is one to three years. People who shopped the longest tend to live in Mt. Airy; the shoppers in Chestnut Hill are generally younger and are nonworking members. Fifty-eight percent of the working members have been members for five years or more; 73 percent of them shop at the Mt. Airy store. Also, 53 percent of the members live in households with two or fewer members. However, it was pointed out that children under 16 years old were not counted as part of the survey.

Forty-eight percent of co-op shoppers travel less than a mile to get to Weavers Way. Two-thirds of respondents have household incomes over \$75,000 a year. Fifty-six percent say they exercise on a regular basis, and 74 percent say they buy local foods when available. The availability of organic products seems more important to the younger group of respondents. Overall, respondents are willing to pay more for sustainably produced products.

Among the reasons respondents listed for why they shop at Weavers Way, 55 percent mentioned the patronage rebate. Fifty-two percent mentioned the ability to vote for the Board of Directors. Other reasons for joining or maintaining membership included supporting local growers (92 percent), investing in the community (81 percent), and supporting local programs. Of those who decided not to join, 47 percent mentioned the initial investment as being a deciding factor.

According to the survey results, the biggest gaps between respondents' experience at Weavers Way and their expectations are in the areas of prices, availability of brands and product selection. Ted Reed said most organizations find more significant gaps between the importance of certain items and customers' satisfaction with them.

In the category of the importance of the Ends or goals, 99 percent of the respondents mentioned access to high quality, reasonably priced food. Ninety-two percent listed the ability to help create a sustainable local economy.

Under the category of Agreement with Selected Features, 93 percent responded that Weavers Way has a positive impact on their lives. Eighty-nine percent believe the co-op promotes environmental stewardship. Under “Importance of Issues Weavers Way Should Champion”, 94 percent listed promoting local sustainable agriculture and promoting recycling and sustainability. In the category of “Investments That Should be Considered”, 66 percent wanted to expand local farming operations, and 65 percent wanted to work toward reducing the co-op’s carbon footprint. Ninety-four percent of respondents were likely to recommend Weavers Way as a place to shop, and 87 percent would recommend it as an organization to join. Ninety-two percent said the co-op has a positive influence on the community, and 57 percent would recommend it as a place to work. The latter percentage represents a decrease from the last survey.

In the category of Importance of Sources of Information about Weavers Way, 49 percent of respondents listed in-store postings as being the most helpful, while 42 percent named the co-op’s website. Under Preference for Ways the Board Should Communicate, 85 percent named The Shuttle, although that number was heavily skewed by age, with older respondents listing that as a strong preference. Younger respondents, meanwhile, expressed a desire to have informal social gatherings with the board.

Overall, according to Ted Reed, the survey results indicate an excellent match between member priorities and what Weavers Way offers. Weavers Way is shown to be a clear and strong brand with a supportive membership. At the same time, the co-op faces challenges of integrating new membership and a new audience with possibly different values.

Stu noted that the survey results raise questions, but that Weavers Way seems to be meeting a significant portion of peoples’ needs. There is a question of how to engage people around certain issues that are important to Weavers Way. There was also a question as to whether the work of the Member Engagement Committee should be more focused. They will look into that at their next meeting.

Funds for another survey, which would cost \$5,000-\$6,000, have not been budgeted for next year. A board member asked whether it might be valuable to do a quick survey, and Ted Reed suggested moving in that direction. Alternatives to another survey included trying to get more social networking and other comments from members; spot surveys; and “guerilla” surveys in the stores. There was a suggestion to focus future efforts on the Chestnut Hill store and younger members.

**Board Action:** Jeremy, Megan and Linda volunteered to be part of the Member Engagement Committee.

## **Board Officer Elections**

There was a motion to do a voice vote for president, since Margaret is the only nominee. Margaret was then unanimously elected board president.

Regarding the election for vice president, there were three nominees: Sue, Stu, and Nathea. A discussion ensued as to whether the vice president who is elected would want to run for president somewhere down the line, since that is a good training ground for president. There was also a question as to whether Sue was willing to be considered for vice president, since she was not present and had already agreed to stay on as secretary if she could give up certain tasks. It was agreed to keep her on the ballot, since there was no stipulation that the nominee agree to serve before they are nominated. Stu, who is nominated for vice president and treasurer, said he is more interested in serving as treasurer. A paper vote was taken and Nathea was elected vice president, with Sue getting one vote.

A voice vote was also taken for secretary, since Sue was the only nominee. She was re-elected unanimously. Sue will continue to do all the secretarial duties stated in the By-Laws. Two duties previously done by the Secretary were reassigned: Bob agreed to update the Board Policy Manual and the By-Laws and Margaret agreed to update the Calendar & Committees on a monthly basis.

A paper ballot was taken for treasurer, since Stu and David were nominated. Stu was elected unanimously.

With the board officer elections completed, David turned the meeting over to Margaret.

## **Review of Board Committees**

Margaret sketched out descriptions of the various board committees. Every year around this time, some committees develop holes as directors come off the board. By having this review every year, new board members can learn about the different committees and decide which ones they're interested in at the beginning of their term.

The **finance committee**, a high functioning committee, is now chaired by Stu as board treasurer. It meets four to five times a year and makes recommendations regarding the patronage rebate and the audit. The committee also reviews the co-op's quarterly report and business plan.

The **leadership committee**, which includes members who are not on the board, monitors elections and sets up the call for nominations. It may need new blood, since right now there are only four people on the committee. In the future, this committee may also look into training for individuals who want to be on the board. According to Glenn, the leadership committee is important to staff, because they push management and staff to make sure things get done.

In discussing the **ends education committee**, it was mentioned that there should be time devoted every year to ends education. It was also suggested that the name of the committee is misleading and that a name change might be in order. This committee works on finding out what the board needs to do its job, and could also look into the internal goings-on of the co-op. A board member suggested the board look at examples from other co-ops as to how they handle this area.

**Board Action:** The board unanimously approved a motion to change the name of the Ends Education committee to the Board Education committee.

Stu is the chair of the **member linkage committee**, whose work was discussed in the presentation on the survey. David and Nathea are also members. There was a discussion and agreement to change the name of the committee to Member and Community Linkage Committee.

In addition to these standing committees, there are also ad hoc committees for the fall and spring General Membership Meetings and for the board retreat. Because the board retreat took place in the spring this year, another one cannot be scheduled until 2013. It was suggested that the board might consider going to a spring schedule for retreats from now on. A board member mentioned that it was valuable to have staff at board retreats, as was the case this year; others indicated that they thought two retreats a year would be too many. Another member offered that there are ways to meet with staff apart from a retreat.

A member of the **GM compensation committee** suggested that the committee may need to talk about its scope. The compensation package is now in the third year of a four-year cycle.

**Nathea** volunteered to serve on the GM Review Standards Committee, the Leadership Committee and the Fall General Membership Meeting committee. **Linda** said she would serve on the Member and Community Linkage Committee. **Jeremy** offered to join the member and community linkage committee, as well as the Spring General Membership Meeting Committee. This meeting will also include a celebration of Weavers Way's 40th anniversary. **Stu** said he would serve on the Member and Community Linkage and GM Review Standards committees. **Bob** agreed to serve on the Leadership Committee. **Megan** will serve on the Spring General Membership Meeting Committee and Member and Community Linkage Committee. **Jonna** volunteered for the Member and Community Linkage Committee and GM Review Standards Committee. **David** will serve on the Leadership and Election Process committees, which is the new name and mandate for the Leadership Committee. **Margaret** will serve on the GM Review, Calendar and Board Education committees. It was suggested that **Sue** was interested in serving on the Fall GMM committee.

It was suggested that all committees look over their charters to find out whether they can be merged with other committees. A member asked whether the Leadership Committee should also take on the role of membership leadership; another member said that is already part of its work with board education. Members asked whether the Board Officer Committee should become part of the leadership committee, and if the name of the Board Calendar Committee should be changed to the Calendar Process Committee. Another member said it would not be appropriate to do that unless those items become part of a future agenda. It was acknowledged that there is a perpetual need to examine and monitor the process by which committees are created.

Stu mentioned that the GM Review and GM Compensation committee need new members.

**Megan** volunteered for the GM Review Committee, and **Jeremy** signed up for the GM Compensation Committee. **Stu** said he can also play a role on the GM Compensation Committee.

Dave suggested there may be a software solution that will make updating the board calendar less onerous, and offered to look into that.

A compilation of the Board Committees and volunteers to date will be provided to the Board.

## **Board Budget**

For planning and historical purposes, a Budget Comparison Chart was presented showing FY 2012 Budget, Actual Expenditures to Date for the FY 2012, and a Proposed FY 2013 Budget. It was noted that there are a lot of outstanding expenses for FY 2012 which come in at the end of

the year (we run on a June to July FY basis)... A big expense difference between this year and next year is the amount allotted for CCMA. This year, there was hardly any money spent for travel expenses, but a lot more will be used for the party subsidy which is the responsibility of the local host WW.

The board reviewed the categories of expenditures for the proposed FY 2013 Budget and made no changes

A member suggested that a notation be put in the board calendar that the president and treasurer start working on the board budget in December. In addition, they should also meet with Susan Beetle in the Finance Office as part of preparing the new budget.

It was pointed out that there are a lot of bills coming in during the last three months that won't be accounted for in the new budget; Stu said he would talk with Mike McGearly and Glenn about them.

**Board Action:** The board budget was approved with one abstention. (See attached FY 2013 Board Budget).

### **Replacing Resigned Board Member Discussion**

Because the meeting was already running over time, it was agreed to table this discussion until next month.

### **Grievance Committee Selection of Permanent Back-up**

Sylvia Carter and Margaret met with Jon Roesser to choose a permanent back-up to Len Reiser, the Grievance Committee chair. Twelve members volunteered to be the backup chair in exchange for fulfilling their member hours. They ended up recommending James Goodman, a lawyer who worked in employment law for 20 years, to be the backup.

**Board Action:** The board unanimously approved James Goodman to be the permanent backup chair for the Grievance Committee.

### **Consumer Cooperative Management Association Conference (CCMA) Update**

Preparations are getting down to the wire, with the conference slated to begin June 14. There are four bus tours and five walking tours scheduled, and 450 people registered for the party at Reading Terminal Saturday night. Karen will follow up with Libby Bestul to confirm reservations. Glenn will make a contribution to the Bowers Fund.

### **GM's Report**

Glenn gave a rundown on assorted co-op related news, including:

- Creekside Co-op has hired Tanya Rotenberg to be its IT director.

- Weavers Way hired Kubry/Oberhauser (sp?) to do the construction for the renovation in Mt. Airy. They are the same firm who did the work for the Trolley Car Diner. The first construction meeting takes place tomorrow.
- Right now, cash is positive. There is some concern that will not continue to be the case if there is a delay in the construction project, so there is incentive to get the work done on time.
- Farm sales are strong.
- Health insurance premiums are going up 3 percent, which is considered a modest increase.
- The management team is interested in meeting the new board members, and Glenn is interested in bringing them to the farm.
- The living wage and compensation funds committee have been meeting, with the likelihood being that the hourly wage at the co-op will increase sometime in the future. The starting wage at the Ithaca Co-op is now \$10.70 an hour. Glenn does not think the increase at Weavers Way will be that high.

Sales of prepared foods in Chestnut Hill have been so successful that it has put a lot of pressure on the staff there. As a result, they will be adding a third shift in prepared foods at Chestnut Hill. There is also some consideration being given to move the bulk of production somewhere else. Also in Chestnut Hill, they are getting bids to drop additional outside refrigeration outside of produce. In addition, they are negotiating a proposal with Iron Hill Brewery and Arcadia to give up some of the Chestnut Hill store land in exchange for letting trucks pull in and unload. The salad bar in that store is falling apart and needs to be replaced, and some painting needs to be done inside.

In looking at the breakdown of votes in the board election, it was noted that the divisions are similar to those that came out in the survey. This is the highest number of votes that Weavers Way has gotten in any board election.

Management anticipates a patronage rebate and wants to refer this matter to the Finance Committee for review and recommendation.

## **Calendar Review**

Stu will do the July Shuttle column, and Bob will do the August column. Margaret will chair the Fall General Membership Meeting Committee and convene a meeting. There was general agreement to move the July board meeting, which will take place July 10, to a different location because the pop-up store will be setting up in the downstairs of 555 Carpenter. It was suggested that someone find out if the Elfant site in Chestnut Hill will be available for that night.

Dave Tukey will lead the discussion of the G1 survey results.

The meeting adjourned at 10:15 p.m.

# Weavers Way Board of Directors FY 2013 Budget Proposal

July 2012 to June 2013

<b>Annual Meetings 7500-000</b>		<b>2000</b>
Food	1500	
Facilities	500	
<b>Board Expenses 7510-000</b>		<b>11000</b>
Food At Meetings	900	
Copies & Supplies	400	
Facilities for Retreats/Meetings	500	
MAFCA Board Attendance Support	800	
PACA	500	
Ends Education (books, speakers)	500	
Member Engagement (surveys, elections)	1300	
CDS Contract	5600	
CDS Travel for Retreat	500	
<b>CBLD 101</b>		<b>400</b>
Fee (included in CDS Contract)		
Transportation	400	
<b>CCMA (7 People)</b>		<b>14700</b>
Air Fare	3500	
Hotel	5600	
Conference Registration	5600	
Conference Miscellaneous		
Miscellaneous	1000	1000
<b>Board Insurance 7520-000</b>		<b>2054</b>
Annual Fees	2054	
<b>FY Total</b>	<b>31154</b>	<b>31154</b>