

# Annual Business Meeting - July 09, 2020

## Agenda

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[Financial Report](#)

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### Board members present:

Brian Anderson, Sarah Larson, Ann Hoyt, Jeannine Bindl, Stephanie Ricketts, and Michael Chronister,

### Standing staff members present:

Anya Firszt (General Manager), Paige Wickline (Director of Finance), Kirsten Moore (Director of Co-op Services), Brendon Smith (Director of Communications), Forrest Herschelman (Director of IT), Allison Jerzak (IT Staff), Jesse Evans (IT Staff), Angela Lenox (IT Staff), and Ben Becker (Executive Assistant)

### Board Candidates present:

Caryn Murphy, Ashwini Rao, Brian Anderson & Jeannine Bindl

### Owners present:

Sall Weidemann	650	Caryn Murphy	81773	Mary Knapp	7323
Samantha Latham	101565	Heidi Williamson	85979	Jacoba Veltman	51258
Beth Hanson	11779	Anuta Krasno	8387	Grace Lee	59773
Crystal Vera	104061	Nina Sparr	776	Emma Caspar	11161
Darren Blankenship	44371	Hillary Grant	62472	Judy Miner	24333
Caitlin Jeidy	102778	Jerry Carlson	849	Heidi Van Landingham	203643
Marina Younger	89096	Angela Kita	64324	Carol Weidel	9828
Andrea Murleau	83707	Cheri Dubiel	36398	Sarajane Lien	37158
Lisa Krahn	42073	David Brockert	279	Meghan Gauger	74259
Rek Kwawer	55861	Alida LaCosse	81481	Laura Van Toll	10556
Amy Kesling	48328	J Williams	65329	Melissa Lindsey	301159
Ann Thering	46864	Leslie Hutchens	5206	Laurie Gorman	868
Sandra Johnson	76845	Kim Buskager	75679	Gregory Gordon	34432
Ellen Powers	48917	Hannah Edwards	102642	Michelle Schry	90644
Nicholas O'Connor	44750	Susan Tiffany	44570	Holly Fearing	59392
Melissa Reiss	46776	Rebecca Schill	5361	Sue Brockman Zeigler	53729
Thayer Reed	36315				

The meeting was called to order at 5:33 pm

### Assign a Timekeeper

- Stephanie Ricketts was assigned as the timekeeper

### Native American Land Acknowledgement

*We recognize and acknowledge that we are on the land of the Peoria, the Sauk, the Meskwakee, the Ho Chunk, and the Sioux nations. This land was the traditional territory of these nations and it continues to carry their stories. We take on this tradition as a sign of respect to the indigenous peoples and their traditional territories.*

### Agenda Approval & [Minutes](#) Approval

Time: 5:30 PM (5 Minutes)

#### **Motion**

- Ann Hoyt moved to approve the meeting agenda as presented
- Michael Chronister seconded the motion

#### **Vote**

- Forty-eight owners voted in favor of approving the agenda
- Zero owners voted in opposition to the motion
- Two owners chose to abstain from voting.
- Remaining owners present did not participate in the vote.
- The motion carried

#### **Decision**

- *The meeting agenda was approved as presented*

#### **Motion**

- Ann Hoyt moved to approve the 2019 AMP meeting minutes as presented.
- Stephanie Ricketts seconded.

#### **Vote**

- Forty-four owners voted in favor of approving the 2019 AMP meeting minutes as presented
- Zero owners voted in opposition.
- Seven owners chose to abstain from voting.
- Remaining owners present did not participate in the vote.

#### **Decision**

- *The 2019 AMP meeting minutes were approved as presented.*

### Welcome & Introductions of Board Members & Announcements

From: Jeannine Bindl

Time: 5:35 PM (5 Minutes)

#### ***Introduction of Board Members***

- Sarah Larson, Michelle Godwin, and Ann Hoyt began their terms last year and it has been so great to have them. Sarah has served as our Policy Committee Chair, Michelle as our Board Development Committee Chair, and Ann as the Board Vice-Chair.
- Stephanie Ricketts, our Treasurer, and Michael Chronister are finishing up the second year of their three year term.

## Draft Minutes- Pending Owner Approval at the 2020 Annual Meeting

- Brian Anderson and Jeannine Bindl are finishing the third year of our three year terms and have both decided to run for election to the Board again. For the past two years, we have also had the pleasure of having Trevor Bynoe on our Board. Trevor departed from the board on June 30. Thank you to Trevor Bynoe for his participation and perspective in both board and finance committee meetings.
- Thank you to our Board for the work they have done this year.

### *Announcements*

- Fiscal year 20 has been a non-traditional year at the Co-op. Anya, our General Manager will speak to this more. In the meantime, I would like to take this opportunity to thank our Co-op staff and Owners.
- In the past 12 months, your Co-op's staff have worked to unionize and bargain a contract in 6 months. Immediately following the successful signing of a union contract, your Co-op's staff completely overhauled standard operating procedures to respond to the risk of Covid-19. Now, in the middle of the uncertainty of Covid-19, the challenges around racial disparities have finally bubbled up and become a focus for us as a country. In response to that, our co-op community donated more than 20 thousand dollars to match donations from the Co-op Board and Operations budgets.
- Through all of this you, our Owners have supported your Co-op, our staff, and our community. We do not take this lightly, as a small, local business supporting other small local businesses, your support means the world to us.
- Thank you to each and every staff member for all you have done to continue providing a safe space to purchase food to nourish our bodies and minds.
- In the year to come your Board will be working with Operations to address equity, diversity, and inclusion within the Co-op. We are in the process of working with a local organization to identify areas of blindness with respect to our biases. We are aware of the challenges of whiteness faced by grocery Co-op's generally and are committed to doing the work to end health and wealth disparities in our Dane County community. We plan to outline the steps we are taking regularly at Board meetings. Stay tuned to future meeting minutes and Reader articles for the details of what we are working on and ways to connect with us in this work.
- Thank you for helping take care of our official business and thank you again for coming to the Annual Meeting.

### **Year In Review (+Thanks & Appreciations)**

From: Anya Firszt

Time: 5:40 PM (10 Minutes)

Presentation:

- *"Our annual meeting has over the last four decades changed venues a couple of times, from our original East Side location, to most recently, McPike Park, but hosting a virtual meeting is a first. I am so pleased we have a quorum and I thank you all for joining us today. Last year we sold over 58 million dollars worth of groceries. We employed nearly four hundred people. We provide goods and services to our nearly 35,000 owners. We sourced 33% percent of our products sold locally. Our donations and sponsorship totaled over \$117,000 and customers contributed \$313,000 to Community Shares of Wisconsin (CHIP). We have three retail stores that are supported by a production facility as well as a central office that houses the administrative departments. Much of last year was about unrealized budgetary goals, change, and not just business as usual. Here is a summary of what we did last year:*
- *"Last August, the co-op received notice from the National Labor Relations Board that the United Electrical Radio and Machine Workers of America had filed a petition for an election to become certified represents of the employees of Willy Street Co-op. In September, staff voted in favor of union*

representation through the UE, which began our six-month journey to negotiate a collective bargaining agreement. This resulted in a final document that was ratified by staff on March 16, 2020. I would like to recognize the site directors and the collective bargaining team for working together to successfully negotiate our first union contract.

- *“In March, we began to examine and change the way we do business in order to address the health and safety of staff and customers in light of the coronavirus. We changed nearly every aspect of our business. We put into place a COVID-19 response team, led by Kirsten Moore, to oversee and communicate decisions made to support the business and our primary stakeholders. We changed our hours of operation, we held virtual meetings, we worked from home, we required staff to wear face coverings, and we practiced social distancing. We also grew our online shopping from 12 orders a week to 300. We started curbside pick-up and grocery subscription boxes. Our nimbleness and can-do spirit were, for me, awe-inspiring. We have been open for business throughout the COVID-19 pandemic because of our staff. I would like to extend a special thanks to our retail staff, our managers, and our technical staff for providing essential services so that we could remain open. We owe them a debt of gratitude for their dedication and determination.*
- *“On May 20, George Floyd, a black man, was murdered by police in Minneapolis, sending a wave of civil unrest throughout the country and sparked protests against police brutality and systemic racism. With our ability to change how we do business in response to COVID-19, we have not eliminated systemic racism in our co-op. We have a lot of work to do in the years to come. We need help to do this work. We have entered into a three-year commitment with the local outside consulting firm Step Up Equity matters to help us with this work. They will provide an organizational equity assessment, offer, facilitation of an EDI strategic plan to prioritize initiatives, support plan implementation with a focus on change management, and design and implement a training program to recognize, own, and disrupt individual and organizational biases. The result of the equity assessment will be reflected in our strategic priorities that guide our most important work in the fiscal year and will remain a priority in the future. I am listening, and am committed to making our co-op a place where ‘Everyone is welcome’ is a reality.*
- *“We completed some much-needed renovation work at our production kitchen. My compliments to the project team for completing the work with as little disruption as possible and for re-opening the kitchen on time.*
- *“We grew eCommerce sales in the last quarter of the fiscal year to eleven times its total sales from the previous three quarters, for a year of sales totalling \$377,000. To address the demand for online shopping, we purchased another van for deliveries and also partnered with Union Cab to expand delivery options. Staff from the production kitchen and Willy East were relocated to Willy North to pick and prepare orders. We see demand for eCommerce remaining constant as long as the pandemic measures remain in place.*
- *“We carried on the tradition of contributing abandoned equity back to the community through our Community Reinvestment Fund program. Last year, our total giving grew to \$477,000 since starting the program in 1972.*
- *“We have continued our customer experience register receipt survey program in partnership with National Cooperative Grocers. This is providing another avenue for input that we can celebrate and share with staff, as well as identifying areas in which we need to improve. Thank you to customers who received and responded to a survey. We sincerely value your input.*
- *“The board initiated a review process for our bylaws. The board policy committee proposed changes to our bylaws, which were reviewed by the board before being shared with owners for their input. We reviewed owner input from emails and in-person sessions, and those comments and concerns were taken under consideration when revising proposals for the bylaw revision. You are invited to vote on the*

*bylaw changes as part of the 2020 ballot. I would like to thank those owners who offered input to improve upon our initial language.*

- *“Willy Street Co-op is governed by a board of directors who are elected to represent you, our owners. I offer my sincere thanks to the current board for their time, energy, and expertise. You will have an opportunity to meet those running to fill open board seats shortly. Thank you to each and every co-op staff member for making our co-op shine. We have an amazing team of people who work to manage operations at the co-op. Your thanks and feedback praising staff are much appreciated.*
- *“Willy Street Co-op has provided owners with alternative food choices. We work to maintain a safe participatory workplace. We support local businesses. We operate our stores efficiently for the long term benefit of our community. Thank you owners for your continued support and for being an essential part of our business. I look forward to seeing you next year at our annual meeting and party to be held in partnership with La Fete de Marquette.”*

## **Financial Report**

From: Paige Wickline

Time: 5:50 PM (15 minutes)

Presentation:

- *“The fiscal Year 2020 was a fifty-two week year that ran from July 1, 2019, to June 28, 2020. We started the fiscal year with anticipating and hope. This was to be our transition from planned operating losses which we had experienced over the previous three years to become profitable again. The planned losses were part of our initiative to open Willy North, our third retail location, and to expand and remodel Willy West, our Middleton store. We had budgeted to have a small loss for the year and we’re confident we would position ourselves to begin earning profits and to increase our retained earnings equity in FY21. Our sales growth began to slow down in the late spring, and by the summer of 2019, we saw a significant reduction in sales growth. Lower sales growth continued throughout the year, and by February of 2020, actual sales were under budget by 3.1% or 1.2 million dollars.*
- *“We had budgeted for 7.1% sales growth for fiscal year 20, but our actual sales growth achieved by February was only 3.9% This translated into a net loss of \$840,000. We knew we would need to bring our sales and expenses into alignment in order to be financially sustainable. Many factors contributed to sales growth slowing down; changes in consumer shopping habits, competition, and the union campaign. Union contract negotiations prevented us from reducing labor levels to align with lower sales.*
- *“We anticipated strong sales in Fiscal Year 20 Quarter 4 and had planned to align both operational and labor costs with sales at that time. Before we could do so, COVID-19 hit. As an essential business, we have continued to provide access to food for our community even during the safer at home order. We are fortunate to be in the grocery business and to have strong sales as compared to non-essential businesses during the pandemic. We had record sales in late March as customers stocked up on food and essential items. Since then, sales have slowed down and underperformed to last year’s levels as we have had to adjust to keep customers and staff safe.*
- *“Being open and staying open during the pandemic has required careful planning and spending significant amounts to keep employees compensated, to pay for cleaning, to provide face coverings, hand sanitizer, social distancing, expanded delivery options, and to package self serve products. The operational cost relative to sales has increased during the pandemic, at a time when we were already losing money.*
- *“In order to keep our existing retail operations running, we applied for a paycheck protection loan in the amount of \$2.5 million. We will be applying to have these loans forgiven early next year. These funds will increase our retained earnings and equity.*



- *“It will be several weeks before numbers are finalized for FY20, but expenses were greater than planned and we anticipate a sales deficit of \$2 million for the year, creating operating losses of \$1 million. Paycheck protection loans will provide the necessary financing to weather the storm of COVID-19 and future uncertainty.”*

## **Introduction of New Board Candidates**

From: Michael Chronister

Time: 6:05 PM (10 Minutes)

Presentation:

- There are four board candidates this year.
- There are four Board seats available due to Board member Trevor Bynoe's resignation one year prior to the completion of his term.
- Vote totals from the election will determine preference for the terms available, with the candidate with the most votes receiving the first choice over their term length, the candidate with the second most votes second choice over terms remaining, the candidate with the third most votes third choice, and the candidate with the least votes receiving the remaining term length.
- Here are the 2020 board candidates:

### **Brian Anderson**

*“I have been working as a partner in a law firm in downtown Madison for the past 23 years. I have been a member of the co-op since 2010, so for the last ten years, ever since the West store opened. I have been on the board for the last 3 years, in a three-year term. I look forward to serving the co-op for another term. As everyone heard from Anya and Paige the co-op has been through some important changes recently during this past year both in terms of the union representing the interest of its members and the outbreak of the Coronavirus and its effect on operations. So there's a lot of changes in the recent past but there will be more changes to come. As a board member, I would like to see the board focus more on strategic planning and also improving and strengthening the relationship between the union and management. “*

### **Jeannine Bindl**

*“My name is Jeannine. I am the current board president. You heard from me a lot tonight so I will try to keep it short. Serving on the board for the last three years has been an incredible opportunity. I have learned a lot about the co-op; its history, and the governance, and the operational structures. In my second term, I plan to use the knowledge and relationships that have developed in the past three years to deepen the impact and expand the reach of our co-op's community. As a registered dietician, my vocational passions are improving access to healthy food and building supportive communities. In my perspective, it is that we, the board of directors, and owners, have an opportunity and a duty to continue facilitating positive progress on behalf of our co-op. The specific areas that I hope to focus on during the coming year, are like Brian said, strategic planning, a culture of anti-racism, being a model employer, and continuing to be the model of health and wellness we all know our co-op to be, and I'm really excited to see what we accomplish together in the next however many years.”*

### **Caryn Murphy**

*“My name is Caryn Murphy and I am running for the co-op board of directors. I am a long time co-op member and have been a Madison East-Sider for almost 20 years. I would like to represent owners by serving on the board because I believe the co-op is an important part of our community. I think the way its dedicated staff has*

*adapted over the past months has made its importance even more clear. I want to contribute to the board's work in supporting the success of the co-op as a business, and as a pillar of the community. Thank you."*

**Ashwini Rao**

*"My name as Michael mentioned is Aswini Rao. I am delighted to be running for the board. I have been a member of the co-op since 2001, which is when I moved to Madison. Since then I have worked for co-ops, I have educated the community about their structure as well as I have worked with small businesses to help them scale up. In a nutshell, I am a communicator, a marketer, I have had numerous extensive experience facilitating strategic planning discussions. These are some of the skills and experiences I will bring to the board. In terms of issues; access to quality food at affordable prices, reducing waste. These are some of the issues that concern me. Earlier this year, the co-op in partnership with Dane County Farmers Market provided funds to farmers suffering losses and low-income communities impacted by COVID-19. I think that there is potential for expanding those programs so more communities could benefit. We could also do a better job of educating member-owners on waste reducing. These are just some of the ideas that I have, and I hope to implement them at the co-op. Again, thank you for the opportunity and have a good evening."*

**Owner Q&A**

Presenter: Jeannine Bindl and Anya Firszt

Time: 6:20 PM (10 minutes)

From: Owners

**Questions and Answers**

- From Jen Milne-Carrol
  - *"Thank you for all that you do!"*
  
- From Valerie Hoch
  - *"Not a question, but I would like to thank all the employees for working so hard to keep the Willy Street Co-op clean and safe for all customers. Your efforts as essential employees are greatly appreciated."*
  
- From Carla Glewen
  - *"How can the members support the great people who work so hard for us - could there be a special fund started to collect contributions to be shared by all of the staff?"*
  - *Thanks for thinking of that. We are not a nonprofit and so we are not in a position to take monetary donations. The best way to support our workers is to keep shopping at the stores and choosing your co-op for your shopping needs. It's your continued patronage that keeps our lights on, our doors open, and our employee wages and benefits flowing.*
  
- From J Williams
  - *"What can owners do to best support the staff at our co-op during this time of COVID protocols?"*
  - *Thanks for such a thoughtful question. Preparing ahead to shop at the store and doing more of your shopping all at once rather than in smaller trips is really helpful. Consider shopping alone instead of in groups if you are able to do so. When you are at the Co-op, be mindful of your surroundings, the signs and directions, and the people around you to ensure you are practicing social distancing whenever possible. Bring your face covering and your own hand sanitizer when you shop, and be prepared to be patient both inline and with others. Finally, if you are able to pay with a credit or debit card instead of cash, our cashiers would appreciate it. We're all in*

this together and doing the best we can, so have compassion and empathy for both other Owners and customers as well as our staff.

- From Sarajane Lien
  - *“Please mention in the newsletter that we can still use our own grocery bags; simply load groceries back into the cart after paying for them and wheel them to the car & put into your own bags there. Bag deposit can still go to double dollars!”*
  - We can definitely bring this up again in the August Reader! There are both people who drive and people who bike or walk who do this.
  
- From Derek Wallace
  - *“Can you please sell nopales (Mexican cactus)? Pretty please?”*
  - We have tried carrying these in the past, and unfortunately, we didn't sell enough to keep them fresh on the shelf. If we get enough interest, we will definitely try them again!
  
- From Judy Miner
  - *“What policy and practices is the co-op currently practicing to minimize the risk of COVID 19 to customers and staff? Are masks required to enter the store?”*
  - Thanks for asking. Many of the practices we adopted early in the pandemic are still in practice today. There are two extensive articles on the subject in the May and June issues of the Reader. Here are some of the major steps we have taken. Face coverings have been required for employees since April and customers since late June. We also were one of the very first stores in the area to install plexiglass barriers at the checkout and customer service desks. More recently, we added these barriers to some of our service counters as well. Employees have the option to wear gloves if that makes them more comfortable and have been provided guidelines for how to wear and dispose of gloves properly. All employees at the retail are also given bottles of hand sanitizer to carry on their person while working, and we are working with a local supplier to provide the hand sanitizer. Our store hours are reduced to ensure that employees have time to do deep cleaning and stock shelves while customers are not in the store, which aides with social distancing throughout the day. Until 10 am every day, we ask that customers reserve that time for seniors and those with compromised immune systems to shop after the store has been freshly cleaned. Our store capacity has been reduced to 30 customers at a time to foster social distancing and to keep the register lines from being too backed up. We are keeping every other register lane closed so that our cashiers have a safe distance between each other. We have stopped offering promotions that are tied to specific days of the week, and are instead offering more flexible promotions such as the virtual any day wellness coupon for Owners to use to get 10% off of their groceries once a month. This reduces the chances of having a particularly busy day in the store. We have the means to clean carts prior to each use. We have not reopened any of our commons or dining areas, nor or our Community Rooms at East and West. We increased our capacity to offer pickup and delivery dramatically, and we also have various curbside options.
  
- From Andrea Murleau
  - *“This is a difficult event to find it didn't seem to be advertised anywhere? It's also confusing because it asks for an event password and I didn't have an event password does that mean I will not be able to view the materials?”*
  - Event Materials are available on the Willy Street Annual Meeting Site for your review. We advertised in the store, on the website, in the newsletter, and on social media. We did get a question about how to find it on the website, so we added some more ways to find information



about it. The promotion may not have been eye-catching, admittedly, since we didn't use images from the Annual Meeting & Party due to the virtual nature (and meeting focus).

- From Darlene Meis
  - *“What is the total spent of Co-op resources for the Union Negotiator that was hired in 2019-2020? How much was spent on Axonify, the training program for staff? Thank you!”*
  - The co-op did not have the expertise in-house to negotiate a union contract, therefore we partnered with a consultant who did have that expertise. The total spent was \$40k. The Axonify contract amount is proprietary information, that said, the annual cost per employee is \$135 or .37 per day. The platform provides daily training for all staff at a fraction of what it would cost to send individuals to external training.
  
- From Carol Weidel
  - *“I ask the candidates to reflect on their experience now that there is a workers union.”*
  - This question came in through registration close to noon today and was distributed to us late this afternoon. The board candidates were not asked in previous years, nor were they asked this year to be expected to answer questions from Owners on meeting day, only to make their prepared statements, and so we were unable to coordinate with them to prepare an answer to this question.

## **Prize Drawings**

Time: 6:30 PM (10 minutes)

From: Board Members

- *Prize winners for early registration were posted during the meeting. Winners will be able to pick up their prizes starting Monday at the Customer Service desk of the store they indicated when they registered.*
- *The third prize of a \$500 gift card goes to Sarajane Lien.*
- *The second prize of a \$750 gift card goes to Laura Van Toll.*
- *The first prize of a \$1000 gift card goes to Lisa Krahn.*

### ***Motion***

*Ann Hoyt moved to adjourn the meeting.*

*Michael seconded the motion.*

**The meeting adjourned at 6:15 PM**

Minutes respectfully submitted by Ben Becker.

Minutes approved at the MMMM DD, 2020 AMP