



When: September 8, 2020 5:30PM - 7:30PM

Where: Zoom Meeting

Invited: All Owners of the Whitewater Grocery Co. and their elected board

Mission & Vision: We are your (future) friendly neighborhood grocer supporting fresh and local products.

We value:

- community ownership
- quality customer service
- welcoming everyone
- a lively learning and gathering space
- sustainable practices: people, planet, profit

Meeting Intention: to check in on our progress, approve proposed changes to our Bylaws for Owner consideration, and to do work toward our goals of equity and understanding racism -- all toward the goal of opening our store that is welcoming to all.

Agenda 1 (mid-month meeting) is policy, governance, and board development/education.

Agenda 2 (late-month meeting) is committee check-ins, board business, and accountability.

These can be flexible depending on the needs of the Board at that time.

Preliminaries: The meeting was called to order by Vice-President Greg Majkrzak at 5:32 p.m.

Board Members Present: Greg Majkrzak, Jennifer Crone, Anne Hartwick, Joanna Baker, Katy Wimer, Praveen Parboteeah, and Elvia Meza-Klosinski. Board Members Absent: Lacey Reichwald, Brienne Diebolt-Brown

The mission and values for the Whitewater Grocery Co. was read by Greg. The intent for this meeting is to check in on our progress, approve proposed changes to our Bylaws for Owner consideration, and to do work toward our goals of equity and understanding racism -- all toward the goal of opening our store that is welcoming to all.

Member-Owner CJ Wagner joined the meeting and was welcomed by Greg.

Jen asked if we should remove timeline discussion from the agenda. Second by Anne. AYES: Greg, Jennifer, Anne, Katy, Praveen, Jo, and Elvia. NOES: None. Abstain: None

Praveen moved to approve the agenda as modified. Second by Jen. AYES: Greg, Jennifer, Anne, Katy, Praveen, Jo, and Elvia. NOES: None. Abstain: None

Consent Agenda: Jen moved to approve our Aug. 24 Board meeting minutes. Second by Elvia. AYES: Greg, Jennifer, Anne, Katy, Praveen, Jo, and Elvia. NOES: None. Abstain: None

Administrative:

The Board reviewed the Board Development Charter. Two changes were requested. We will change the frequency of the meeting to "meet as needed" and "This committee should consist of at least one Board member." Greg asked if we needed to specify whether or not the Board member sitting on the Committee should not be up for re-election in the year in which they are serving. "You cannot serve on this Committee if you are running for the Board."

Jo will research how to deal with this issue and come back at the next meeting with a



recommendation.



Board Development Committee Charter

The primary purpose of this standing committee is to maintain and increase board literacy, develop and implement a board succession and onboarding plan, and oversee the annual election cycle. The committee's responsibilities include:

1. Identify ongoing educational and training opportunities for the existing board to increase literacy.
2. Develop internal assessment tool for board performance.
3. Identify, recruit and orient candidates to run for the board
4. Prepare orientation materials and onboard new directors.
5. Create nomination and election materials and notices to membership and community
6. Maintain an annual calendar for nominations and election.
7. Prepare and distribute nomination, election and orientation materials to potential candidates
8. Prepare and distribute nomination and election materials and notices to membership and community.
9. Work with the Treasurer to create a recommendation for an annual board talent committee budget.
10. Spend money (within budgeted amounts) to accomplish the committee's goals.
11. Provide a brief written report to the board monthly about the activities of this committee and the progress of talent identification and recruitment.

The committee will meet monthly with the chair being ultimately responsible for scheduling the meetings and reporting to the Board of Directors.

The membership of this committee shall be no less than three.

Limit: The committee cannot spend more than budgeted, cannot spend more than \$50 on unbudgeted items without committee approval and no individual committee member has the authority to spend money unless specifically authorized by the committee or Board.

Updated: June 4, 2018

Board Approved: August 26, 2019

Administrative: Jen reviewed and entered into record the monthly Dashboard, Budget, and Expenses.

Jen has been wanting to add more to the Dashboard to help us better understand our financial position. She has added a new element to the Dashboard, a chart in the upper corner illustrating sources and uses. She is tracking the contributions we've brought in and the expenditures we've paid out by year, but also roughly by the stages of development. The bold colors represent actual and the transparent colors represent the unrealized sources and uses. The lines across the top indicate the cash flow. Our bank account balance is the number represented by the tip of the orange bar, \$44,000. The blue bar shows what our balance would be if we were achieving everything in our budget plan. Greg says the graph does a great job illustrating our goal vs. our actual sources. Greg asked Jen if she is concerned about the gap between those two items. Jen said there is some reason



MEETING MINUTES
Whitewater Grocery Co
Board of Directors

to be concerned because we're going to need our goaled cash flow (\$97,507 at the end of Stage 2B) for the next stage of our development, including the capital campaign, architectural drawings, an updated market study, etc. Currently this budget puts us at \$92,000, with donations and grants. We are proceeding with activities needed to set up a fiscal sponsor with the Whitewater Community Foundation. Lacey is also reviewing a grant opportunity with the CDA that if we received it, could be applied towards these types of expenses (capital campaign, GM search, etc.). Greg wanted to make sure that we are no longer burning cash and Jen concurred with that. Jen said that while she is not concerned with us burning through cash, she does want us to turn our focus on seeking donations, grant opportunities, and increasing ownership. Katy said that O&O has a bunch of activities they are working on to increase ownership that she will be presenting to us at a later date.

The summary of our revenue generating and spending activities are reflected in the bank account table. In the last month, we've generated income of \$996 and spent \$1,667 on expenses. The majority of the expenses include payment of the invoice from our lawyer for the review of the Bylaws. Dorsey & Whitney quoted us a cost of \$750 for reviewing our Bylaws and Articles. However, the total of the invoice was \$1,350, due to additional questions we had about their recommendations. The F&L has talked about the additional costs and while we will be paying them, we've also asked that they let us know if we are incurring additional costs above and beyond the estimate as we work with them on future projects. Greg said we should keep that in mind moving forward so that we don't bust the budget on lawyer fees.

Jen stated that we have gained four (4) new owners in the last month, which is reflected in the owner equity, as well as 6 Member-Owners who are making monthly payments. The uses side of the ledger includes our payment to Dorsey & Whitney, insurance, fees, and QuickBooks subscription. We also had new brochures produced, however, it was paid for by a generous donation from Binning & Dickens.

Accountability: Greg reviewed the monthly report on our three milestones which helps identify and prioritize activities for moving the project forward. Jen added that we are now up to 665 owners. Jo will be creating a video of this report for Facebook. Jo said there may be a lot of questions once the video is posted as it will be shared widely. If you run into a question that you don't have an answer to, post your question in the Facebook Board messenger group and one of the Board members should be able to help you answer that question.



The goal of this monthly update is to keep us on track and focused on our milestones, hold us accountable to our community, and maintain transparency.

September 8, 2020 Update

Goal 1: Ownership

This month we gained two new owners bringing us to 662. We are making some strides toward outreach to help grow these numbers faster. We are tabling in proxy at the Whitewater City Market by setting up a display to help raise awareness. We are building a relationship with a volunteer who will be writing articles and press releases for us. And we are continuing our campaign of calling current Owners to increase word-of-mouth and connect with everyone.

Goal 2: Capital Campaign

We added two new members to our Finance and Legal Committee this month, which will help us further our research on funding the store. The capital campaign group is finalizing their research matrix to present to the Board.

We also learned that we may be eligible for a grant which could fund our capital campaign expenses. We will be researching that further and applying if we qualify.

Goal 3: Site Selection

We received the data we were waiting for from our building research partners. We are now putting together our side-by-side comparisons for the two locations we're currently vetting. Additionally, we learned about a potential redevelopment project in Whitewater and our project has been passed along to the developer for consideration.

One of our two feasible sites will require redevelopment and we are working with the Whitewater CDA and State-wide economic development professionals to connect with potential developers.

We are also finalizing our business plan, which we can then share with these developers as we meet them.

Board Business:

The **Timeline Discussion/Check-In** was struck from this agenda due to Lacey's absence.

The Board reviewed the final version of the changes to the **Bylaws** as prepared by Jen Crone of the Finance & Legal Committee. Anne moved to approve. Second by Jen. AYES: Greg, Jennifer, Anne, Jo, Katy, Praveen, and Elvia. NOES: None. Abstain: None.



Bylaws may be amended or repealed in whole or in part by a majority of the Member-Owners who participate in the vote. An amendment may be proposed by decision of the Board for consideration by the membership or by petition of at least twenty percent (20%) of active Member-Owners. The proposed amendment shall be publicized to the Ownership not less than four (4) weeks prior to the voting process, and also included in full detail in the Notice of the meeting, which meeting shall be held at a time and in a manner determined by the Board (see section 3.3 about proper Notice of any such meeting). Board. Amendments require a two-thirds vote of convention delegates.

The following proposed amendments are offered by and have the support of the Whitewater Grocery Co. Board of Directors. All articles and sections are listed. A reason for change for each amendment is provided below each proposed amended bylaw. **The proposed changes are written using the following format:**

- **Brackets []** denote words to be deleted.
- **BOLDED CAPS** denote words to be added.

BYLAWS



Whitewater Grocery Cooperative

Article I: Organization

- 1.1 **Name.** The name of the organization shall be Whitewater Grocery Cooperative (henceforth "the Cooperative").
- 1.2 **Ownership and Purpose.** The Cooperative shall be owned by its Member-Owners and shall operate for the mutual benefit of its Member-Owners in accordance with Chapter 185 of the Wisconsin Statutes.

Article II: Ownership

- 2.1 **Eligibility.** Ownership in the Cooperative shall be open to any **PERSON, HOUSEHOLD OR ORGANIZATION, INCLUDING A PARTNERSHIP, INCORPORATED OR UNINCORPORATED ASSOCIATION, LIMITED LIABILITY COMPANY, CORPORATION, OR BODY POLITIC**, [individual, household, or organization] **MAY BECOME A MEMBER IN ACCORDANCE WITH THE BYLAWS** [that is in accord with its purposes] and is willing to accept the responsibilities of Ownership.
- 2.2 **Nondiscrimination.** Ownership shall be open without regard to race, creed, age, gender, sexual orientation, political belief or any characteristic that does not directly pertain to Ownership eligibility.



- 2.3 **Admission.** Any eligible individual, household, or organization may be admitted to Ownership upon submitting an application and investing equity in an amount and on such terms as determined by the Board of Directors (henceforth "the Board"). **AN ORGANIZATION APPLYING FOR MEMBERSHIP MUST NAME A SINGLE INDIVIDUAL AS AN AUTHORIZED REPRESENTATIVE.**
- 2.4 **Responsibilities.** Member-Owners shall purchase one share of stock as required by the Board, shall keep the Cooperative informed of any changes in name or current address, and shall abide by the Articles of Incorporation (henceforth "the Articles"), these Bylaws, and the policies and decisions of the Cooperative or the Board. A Member-Owner who upholds these responsibilities is considered a Member-Owner in good standing (henceforth "Member-Owner").
- 2.5 **Rights.** Member-Owners have the right to elect the Cooperative's Board, to attend meetings of the Board, to receive notice of and attend Ownership meetings, to petition as described in these Bylaws, and to approve amendments to these bylaws. Each **MEMBER-OWNER** [Ownership share] shall have one vote, and no more, on all matters submitted to Member-Owners. The rights of Member-Owners shall be understood to apply only to Member-Owners in good standing. All rights and responsibilities of Member-Owners are subject to the Articles, these Bylaws as they may be amended from time to time, and to policies and decisions of the Cooperative or the Board **WHICH MAY DEFINE CRITERIA FOR DETERMINING WHO IS NOT IN GOOD STANDING.**
- 2.6 **Termination of Ownership.** A Member-Owner may terminate their Ownership voluntarily at any time by written notice to the Cooperative. Ownership may be terminated involuntarily by the Board for cause after the Member-Owner is provided fair notice of the reasons for proposed termination and has an opportunity to respond in person or in writing. Cause may include intentional or repeated violation of any provision of the Cooperative's Bylaws or policies, actions that will impede the Cooperative from accomplishing its purposes, actions or threats that adversely affect the interests of the Cooperative or its Member-Owners, willful obstruction of any lawful purpose or activity of the Cooperative, or breach of any contract with the Cooperative.
- 2.7 **Return of Equity.** The Cooperative may, but is not required to, repurchase any stock of a Member-Owner whose Ownership is terminated, under terms determined by the Board and as allowed by law.
- 2.8 **Unclaimed Equity.** If a Member-Owner voluntarily or involuntarily terminates Ownership in the cooperative, then the Stock and patronage dividend amount allocated to that Member-Owner may be forfeited by the Member-Owner to the cooperative after a three year waiting period in accordance with Chapter 185.03(10) Wisconsin State Statutes. **MEMBER-OWNERS ARE RESPONSIBLE FOR PROVIDING VALID CURRENT MAILING ADDRESSES AND THE FAILURE TO DO SO IS DEEMED TO BE A WAIVER OF THE NOTICE REQUIREMENT.**
- 2.9 **Non transferability.** [Membership rights and] Ownership stock may not be transferred, **EXCEPT AS SPECIFIED BY BOARD POLICY.** [in any manner.]



Article III: Member Meetings & Decision Making

- 3.1 **Annual Meeting.** An Ownership meeting shall be held each year at a time and place to be determined by the Board. The purpose of such meetings shall be to hear reports on governance, operations, and finances, to review issues that vitally affect the Cooperative, and to transact such other business as may properly come before the meeting.
- 3.2 **Special Meetings.** The President of the Board of Directors may call special meetings of the Ownership. The President shall call a special meeting if requested by the Board to do so or if presented with a written petition stating a proper purpose and signed by 20% of active Member-Owners. Notice of special meetings shall be issued to Member-Owners. In the case of a petition, notice of the special meeting will be issued within ten (10) days after a presentation of the petition to the Board. No business shall be conducted at that special meeting except that specified in the notice of meeting.
- 3.3 **Notice of meetings.** Notice of the date, time, place, and purpose of each annual or special meeting of the Ownership shall be made available to Member-Owners not less than 7 nor more than 30 days prior to the date of the meeting.
- 3.4 **Voting.** Voting shall be accomplished through methods and means established by the Board in accordance with Chapter 185 Wisconsin State Statutes (185.12). Notice of the vote shall be posted and communicated to Member-Owners not less than four (4) weeks prior to the end of the election period. Unless otherwise stated in the Articles, or these Bylaws, or required by law, all questions shall be decided by a vote of a majority of the Member-Owners, present at the meeting and voting thereon. Each Ownership (individual, household or organization) has one vote. Proxy voting is not allowed.
- 3.5 **Quorum.** At any meeting of the Member-Owners, or for any vote of the Member-Owners, a quorum necessary for decision-making shall be 10% of the first 100 Member-Owners PLUS 5 PERCENT OF ADDITIONAL MEMBERS [or 50 Member-Owners, whichever is less].

ARTICLE IV: Board of Directors

- 4.1 **Powers and Duties.** The Board shall be composed of an odd number of Directors, no less than seven, to be elected from among the Member-Owners of the Cooperative. Decisions to increase or decrease the number of Board seats must be made by unanimous vote of the sitting Directors. Except for matters for which Member-Owner voting is required, the Board shall have full power to govern the Cooperative, including, but not limited to, hiring management and evaluating its performance, establishing compensation, if any, for the Board, and assuring that the mission of the Cooperative is carried out.
- 4.2 **Terms and Elections.** Elections shall occur annually, in a manner prescribed by the Board. Directors shall serve a term of three (3) years and shall serve staggered terms so that a portion of the Board is elected each year. No Director may serve more than three (3) consecutive terms. **IF ADDING SEATS TO THE BOARD, EVERY DIRECTOR WILL TAKE A NUMBER FROM THE HAT TO DETERMINE THEIR INITIAL TERM. THE TERMS WILL BE STAGGERED TO ENSURE THAT DIRECTORS TERMS EXPIRE EQUALLY.** [At the initial board meeting, the President shall put a piece of paper in a hat equal in number to the number of directors. Then,



every Director shall take a number out of the hat. Individuals who pick a 1, 4, 7 shall then have three year terms; individuals who pick a 2 or 5 shall have two year terms; individuals who pick a 3 or 6 shall have one year terms. After this meeting, all directors shall be elected to 3 year terms.]

- 4.3 **Vacancies.** Any vacancy among Directors elected by the Member-Owners may be filled by appointment by the majority of the Board then in office. A Director so appointed shall complete the pertinent term.
- 4.4 **Removal.** A Director may be removed by decision of **TWO-THIRDS** [a majority] of the remaining Directors for conduct contrary to the Cooperative or failure to follow Board policies.
- 4.5 **Meetings.** The Board shall hold regular and special meetings at such time and place as it shall determine, and all Directors shall be notified in writing of said meeting at least seven (7) days in advance, unless the Board agrees to a shorter notice. Meetings shall be open to all Member-Owners unless the Board decides to go into closed session regarding confidential or proprietary matters such as: labor relations or personnel issues; negotiation of a contract; discussion of strategic goals or business plans, the disclosure of which would adversely impact the Cooperative's position in the marketplace; and/or discussion of a matter that may, by law or contract, be considered confidential. Member-Owners **AND DIRECTORS** may participate by speaker telephone or electronic video, including even the entire board, if all participants may simultaneously hear each other, and simultaneously see any documents being reviewed. **IT IS THE OBLIGATION OF THE MEMBER-OWNER AND DIRECTOR TO HAVE THE NECESSARY CAPABILITY TO PARTICIPATE REMOTELY, IF THEY SO WISH.**
- 4.6 **Action without a Meeting.** Any action required or permitted to be taken at a meeting of the Board may be taken by written action affirmed by all of the Directors. The action is effective when affirmed by all of the Directors, unless a different effective time is provided in the action.
- 4.7 **Quorum.** A majority of the current Directors shall constitute a quorum and no decisions shall be made without a quorum.
- 4.8 **Conflicts of Interest.** Directors shall be under an obligation to disclose their actual or potential conflicts of interest in any matter under consideration by the Board. Directors having such a conflict shall absent themselves from discussion and decision of the matter unless otherwise determined by the Board.
- 4.9 **Officers.** The Board will elect officers annually according to the requirements of state law and as necessary for the effective conduct of Board business.
- 4.10 **Indemnification.** [The] **TO THE FULLEST EXTENT ALLOWED BY LAW, THE** Cooperative shall indemnify and reimburse each present, past, and future Director, Officer, Employee, or Agent (**INCLUDING VOLUNTEERS**) for any claim or liability (including expenses and attorney's fees actually and reasonably incurred in connection therewith) to which such person may become subject [by reason of being a Director or Officer.] except to the extent that **SUCH PERSON** [the Director] acted in bad faith, as detailed in Chapter 185 of the Wisconsin Statutes.



Board Education: Katy prepared a presentation for the Board based on a workbook on dismantling racism: How White Supremacy can affect organizations and what we can do about it in our co-op. There are a great number of symptoms that show up in organizations because of white supremacy culture. There are thirteen characteristics of white supremacy culture which we will be working through over the next several meetings. The Board was able to review three characteristics of white supremacy culture: Perfectionism, Sense of Urgency, and Defensiveness. The following notes highlight this discussion.

Perfectionism

- We are better when we trust one another to share lessons learned from activities we've engaged in rather than being defensive,
- Being a perfectionist can translate into trying too hard to be professional rather than admit that we don't know and need to learn
- Board processes can be intimidating to others
- Owners feel the Board is an elite class and unapproachable
- We oftentimes identify what's wrong instead of what's right
- Perfectionism is a positive trait that motivates us to excel

Greg left the meeting at 6:44 p.m.

Sense of Urgency

- Pushes us to a quick open rather than taking the time to be inclusive
- Urgency feels so normal, doing the hard and complicated work sometimes gets sidelined for the sake of expediency
- Causes us to miss conveying some important messages, like making sure people know they don't have to be an owner to shop at the store
- Sense of urgency fuels people and is a good thing
- Can steer us away from pursuing important activities like longer payment plans and subsidizing owners
- Could apply to when we open - stocking the store with what we want vs. what the community needs

Defensiveness

- We don't want to be criticized, but we need to be open to it in order to learn, grow
- Need to be transparent and not paint a picture that is too rosey
- The answer is not always an either/or; it can be a yes/and
- Can lend itself to group think
- We need to build up some mechanisms for listening and responding without being defensive before we open otherwise we may be doomed to failure.
- Has compelled us to increase our education around racism

Closing: Treasurer Jen Crone officially adjourned the meeting at 7:37 p.m. The minutes were respectfully submitted to the Board on Sunday, Sept. 27 by the Board Secretary, Anne Hartwick.