

**Wheatsville Board of Directors**  
**May 2013 Meeting Agenda**  
**Tuesday, May 28th, 2013**  
**6:00 – 9:00 pm @ Wheatsville meeting room, 3105 Guadalupe**



TIME	TOPIC	ACTION
6:00pm	1. <b>OPEN TIME</b> – for WV Owners to present any topic to the board	LISTEN
6:10pm	2. <b>AGENDA REVIEW</b> 3. <b>CONSENT AGENDA:</b> April 2013 Meeting Minutes B5 – Director’s Code of Conduct Monitoring Report C2 – Accountability of the GM Monitoring Report D9 – Emergency GM Succession Monitoring Report 2014 Board Candidate Application Packet GM Report	DISCUSS VOTE
6:15pm	4. <b>COMMITTEE WORK</b> (1 min) Wheatsville Ends (10 min) Nominations Committee (20 min) CCMA 2013 Committee (15 min) ACTT Committee (10 min) Fall Owner Gathering Committee (4 min) Review Committee	RECITE DISCUSS DISCUSS VOTE DISCUSS DISUCSS
7:15pm	5. <b>BREAK</b>	
7:25pm	6. <b>GOVERNANCE</b> (10 min) Proposed Revisions to Endorsement Sub-Policy B.9.5 (30 min) Business Plan (20 min) NCGA/CGN “Healthy Foods, Healthy Communities” Study	VOTE VOTE DISCUSS
8:25pm	7. <b>BIG Direction</b> ***EXECUTIVE SESSION*** <b>Purpose</b> Discuss confidential information related to Wheatsville’s second store project. ***END EXECUTIVE SESSION*	DISCUSS
9:00pm	8. <b>ADJOURN</b>	

Wheatsville will be at the forefront of a transformed society that has:

- a thriving community centered on hospitality, kindness, and generosity
- a robust cooperative economy
- easy access to sustainable, healthy food solutions



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Present: Rose Marie Klee, *President*; Doug Addison, *Secretary*; Steven Tomlinson *Treasurer* (6-7:15); Reyna Bishop; Marcia Erickson; Christina Fenton; Kate Vickery; John Vinson; and Mark Wochner.

Also Present: Dan Gillotte, *General Manager*; John Perkins, *Finance Manager*; and Beth Beutel, *Board Administrative Assistant*.

Absent: none

## Call to Order

6:00 PM

### 1. OPEN TIME

Moontower applied for Certificate of Formation on May 1<sup>st</sup>!

Mark cannot attend the June and July meetings.

Beth updated the Board on the survey results of the best dates for FOG

### 2. AGENDA REVIEW

6:07 PM

No changes were made.

### 3. CONSENT AGENDA:

6:07 PM

- April 2013 Meeting Minutes
- B5 – Director’s Code of Conduct Monitoring Report
- C2 – Accountability of the GM Monitoring Report
- D9 – Emergency GM Succession Monitoring Report
- 2014 Board Candidate Application Packet
- GM Report

Kate pulled the April 2013 Meeting Minutes

---Kate moved to approve the Consent Agenda. Mark seconded the motion. Motion passed 9-0-0.

---Kate moved to approve to move the April 2013 Meeting Minutes with the correction that Andi Shively is spelled with an “i.” Doug seconded the motion. Motion passed 9-0-0.

### 4. COMMITTEE WORK

6:09 PM

#### Wheatsville Ends, 6:09pm

The Board recited the ends policies in unison.

#### Nominations Committee, 6:09pm



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Reyna updated the Board on the recent Board candidate information sessions.

The Nominations Committee has drafted a recruitment, orientation and training document, and it likely will be completed for Board consideration and vote at the June meeting. The updated Procedures for Co-op Vote also will be ready for Board consideration and vote at the June meeting.

Reyna will work with the Nominations Committee to come up with a plan to directly contact a targeted set of owners to invite them to an information session via postal mail and/or email. She will submit a proposal for the next meeting.

### **CCMA 2013 Committee, 6:20**

Rose Marie Klee reviewed the plans for CCMA and the Board strategic items to discuss with other cooperators.

### **ACTT Committee, 6:32**

Kate updated the Board on the funding progress for the launch of ACBA.

The Board discussed an email from Brian Donovan regarding ACBA's metrics for success, which are a numerical increase in Austin cooperative businesses, increased profitability of Austin cooperatives, and increased awareness of co-ops based on random polls done by Robin Rather.

Steven noted that there was a third criterion: the composition of the Board. John Vinson noted that it would be a representative from each of the founding organizations.

John Vinson asked if he should abstain from this Wheatsville Board vote due to his interest in serving on the ACBA Board; the other directors agreed that there was not a conflict of interest.

The Board discussed the financial repercussions for Wheatsville given the South Lamar store project and the recent financial backing of Red Rabbit Co-op.

---Steven moved that the Wheatsville Board pledges \$10,000 for a founding membership in ACBA subject to following conditions:

1. Financial feasibility as influenced by the summer 2013 opening of the South Lamar store,
2. a Wheatsville Board review of the composition of the ACBA Board
3. Execution of the signed memo of understanding between the National Cooperative Business Association and ACBA
4. ACBA's clear statement of mission, and
5. The go/no-go conditions for extending the pilot.

Kate seconded the motion. Motion passed 9-0-0.



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---Kate moved that John Vinson be Wheatsville's representative on the ACBA Board. Christina seconded. Motion passed 8-0-1.

## **Fall Owner Gathering Committee, 7:09**

Reyna updated the Board on the discussions underway regarding this year's Fall Owner Gathering. The Board discussed potential dates and recruitment strategies for non-director committee members. The committee, which is still operating without a chair, will meet prior to the next Board Meeting to start the planning process.

## **Review Committee, 7:14**

The Review Committee submitted the 2013 Letter of Engagement from Wheatsville's accounting firm, Wegner CPAs. The real work of the committee won't start until August. At that time, the Review Committee will interview Wegner's designated representative regarding findings from the financial review and follow up with operational spot checks and interviews with Co-op staff. There are several non-directors interested in serving.

## **5. BREAK**

**7:16 PM**

## **6. GOVERNANCE**

**7:25 PM**

Dan reminded the Board that the new fiscal year starts June 3<sup>rd</sup>.

## **Proposed Revisions to Endorsement Sub-Policy B9.5, 7:17pm**

The Board discussed the limitations and intentions of the existing policy, which requires a month between proposal and a vote. The Board agreed that the policy intends to help the Board avoid rash decision-making and allow for sufficient deliberation, but might be too limiting. Recent considerations for endorsements have been time-sensitive, so Mark will submit a policy change to address this need for quicker action on endorsements for next month's meeting

## **Business Plan, 7:33pm**

The Board asked Dan questions about Wheatsville's business plan for the next three years. They discussed the bonus program, the IT strategy, the marketing plan, the transfer of organizational culture to a two-store system, and capital improvements planned for the Guadalupe location.

Management has asked their staff who wants to work at the South Lamar and is identifying specific employees to request that they work at South Lamar to balance the culture. Two long-time managers, Bill Bickford and Mariah Barrett, are both relocating to South Lamar.

Dan explained the commissary-style bakehouse and how it will work both operationally and on the balance sheet.

RMK asked about the clustering of grocers and the pedestrian and bike access to stores. Dan noted that when you take into account all forms of transportation, you are really limiting your



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number of customers by excluding car and bus access. Your sphere gets smaller the more neighborhood-oriented you get- it's about sales potential.

---Christina moved to accept the FYE2014 Business Plan. Marcia seconded the motion. Motion passed 8-0-0.

## **Healthy Food, Healthy Communities Study, 8:05pm**

The Board discussed the comparison between co-ops and other forms of grocer in the Co-op Impact Study, a.k.a., NCGA/CGN Healthy Food, Healthy Communities Study. They noted that co-ops employ more people, pay them better, provide better benefits, work with more local producers and farmers, and give significantly more of their money to non-profits than other grocers.

The director's conversation also emphasized the level of authenticity that comes with being organized cooperatively. Directors noted that co-ops exist to benefit the community; whereas LLC's and publically traded corporations exist to generate profits, so they espouse a value system as a part of a marketing strategy, whereas co-ops exist to generate value and have to create profit in order to do that.

It does come down to helping people value the fundamental economic relationship. It's about where the money goes after people spend it.

## **7. BIG DIRECTION**

**8:36 PM**

---At 8:36 pm, RMK moved that the Board enter into executive session and include John Perkins, Dan Gillotte, and Beth Beutel to discuss confidential matters related to the South Lamar store project and the BIG direction.

### **\*\*\*EXECUTIVE SESSION\*\*\***

**Purpose: to discuss confidential/proprietary information related to the second store project.**

---At 9:00, RMK moved the Board out of Executive Session.

---RMK moved to adjourn at 9:00.