

Wheatville Board of Directors
August 2019 Meeting Agenda
Tuesday, August 26th, 2019
6:30-9:30pm @ 4001 South Lamar, Large Meeting Room



TIME	TOPIC	ACTION
6:30pm	1. OPEN TIME – for WV Owners to present any topic to the board	LISTEN
6:40pm	2. AGENDA REVIEW 3. CONSENT AGENDA: May 2019 Minutes July 2019 Minutes B6 – Officers’ Roles Monitoring Report C2 – Accountability of the CEG C3 – Delegation to the CEG Monitoring Report B7 – Board Committee Principles Monitoring Report June 2019 CEG Report July 2019 Interim GM Report FYE19 Q4 Financial Statements	DISCUSS VOTE
6:50pm	4. GOVERNANCE, PART I (1 min) Recite Ends (14 min) CCMA 2019 Reflections (15 min) Why Co-op? and Board Leadership	RECITE DISCUSS DISCUSS
7:05pm	5. COMMITTEE WORK (15 min) Audit and Review Committee (0 min) Austin Cooperative Business Association (ACBA) Committee (5 min) Nominations Committee (10 min) Owner Engagement Committee	DISCUSS NONE DISCUSS DISCUSS
7:35pm	6. GOVERNANCE, PART II (20 min) D1 – Financial Condition and Activities Monitoring Report (5 min) D2 – Business Planning and Financial Budgeting Monitoring Report (10 min) Post-audit annual Financial Statements (10 min) Resolution for Distribution of Net Savings FYE 2019	VOTE VOTE VOTE VOTE
8:20pm	BREAK	
8:30pm	7. EXECUTIVE SESSION ***The purpose of this session is to discuss confidential proprietary information and financial conditions, and personnel issues***	
9:25pm	8. ADJOURN (5 min) July preview, Closing Round, and Wrap-up (0 min) Adjourn	DISCUSS ADJOURN

Wheatville 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*; Lyz Nagan; *Secretary* (by phone); Doug Addison; Jason Bourgeois; Brandon Hines; Megan McDonald; MeriJayd O'Connor; and Melissa Sledge.

Also present: John Perkins, *Finance Manager*; Beth Beutel, *Board Administrator*. *Interim General Management Team*: Bill Bickford, *HR Manager*; Niki Nash, *Packaged Manager*; Dana Tomlin, *Fresh Manager*; Eric Johnson *from McGinnis Lochridge*.

Owners present: Rachel Fisher, *Board candidate*.

Absent: Lisa Mitchell, *Treasurer*.

Call to Order **6:30PM**

1. OPEN TIME **6:30PM**

Everyone did a round of introductions.

2. AGENDA REVIEW **6:40PM**

Rachel Fisher arrived at 6:41pm.

The Board and guests did a round of introductions for Rachel. Rachel, who has applied to run for the Board of Directors, introduced herself.

3. CONSENT AGENDA **6:41PM**

May 2019 Minutes

July 2019 Minutes

Co-op Vote

IGMT Monthly Report

----MeriJayd moved to accept the Consent Agenda. Brandon seconded. Motion passed 8-0-0.

4. GOVERNANCE AND COMMITTEE WORK **6:46PM**

Recite Ends, 6:46pm

The Board and guests recited the Ends in unison.

Audit and Review Committee, Receive FY19 Audit Results, 6:46pm

There are no changes anticipated to the financials at this point, except for the possible addition of the dividend payment which has been proposed to the Board and will be voted on tonight.

RMK asked if anyone had any questions. RMK asked Brandon who is on the Audit Committee to give an overview. Brandon said that the waiver for from the bank loan regarding our loan covenant came in today. RMK thanked the staff for all their support of the audit, it was reported



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to be very smooth.

RMK asked the Board about the two recommendations from the auditor: the process for checking work prior to and after the issuance of payroll; and the ring statistics for cashiers to check for any anomalies.

Bill noted that he and Alex, the Payroll and Benefits Coordinator, already have a system developed and are happy to share it with the Board at the Board's convenience.

John reported that the Front End Managers had reported that they have been using the ring statistics, but the auditor reported that it wasn't as much the case as John has expected.

RMK proposed that the IGMT include information regarding ring statistics in the next month's update – either about the implementation or at least a proposed timeframe. The IGMT agreed to report back.

---Brandon moved to accept the draft audit report. Doug seconded. Motion passed. 8-0-0.

Resolution for Distribution of Net Savings FYE 2019, 7:00pm

John gave an overview of the resolution and the process used to come to the amount to distribute.

Doug asked re: the use of the term Net Savings in the TBOC. John explained the drawbacks and benefits of classifying "net savings" as "net earnings" versus "EBITDA." Brandon clarified that Patronage rebates are based on patronage vs. investor dividends being based on share amount and the percentage being distributed. RMK noted that they are fundamentally different decisions. There is a decision about investor shares. There is a separate decision for patronage rebates. The question before the board is always is this of the most benefit to the organization and to the owners who own it.

MeriJayd clarified that the resolution itself explains the justification for distributing cash that we have on hand. John said that's correct – and we have the cash available because we had a good EBITDA.

---RMK moved to approve the Resolution for Distribution of Net Savings for FYE 2020. Brandon seconded. Motion passed 7-0-1 (abstain – Doug).

Brandon noted that there are some ongoing items for the Audit and Review Committee.

Austin Cooperative Business Association (ACBA) Committee, 7:09pm

No comments.

Nominations Committee, 7:09pm



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Jason gave an update on the candidates, noting we have the same number of candidates as open seats this year. Bill noted that historically owners are motivated to vote for Community Action groups, so voter turnout should be relatively stable.

Jason explained that information about how the nomination and election process works will be in the Breeze.

The Board discussed the idea of writing more Breeze articles about Board work after RMK shared that previously the Board tried to help increase awareness about what the Board does by writing articles and holding informational sessions.

Owner Engagement Committee, 7:20pm

RMK gave an update on planning for the annual owners meeting. Niki gave an update on the operational side.

Form GM Search Committee, 7:25pm

RMK shared a plan for having three Directors on a GM search committee, noting that there are other supporting resources such as staff support. Brandon, Melissa, and Doug volunteered from the Board. Bill and Beth both volunteered to be the staff support. The directors will develop the charter and propose it at the next meeting.

BREAK

7:35PM

7. EXECUTIVE SESSION

The purpose of this session is to discuss confidential and proprietary information to discuss business planning and personnel matters.

At 7:44pm, Rose Marie Klee moved the Board into Executive Session including Bill, Dana and Niki (the Interim GM Team, "IGMT").

At 8:33pm, Eric Johnson joined by phone.

At 8:52pm, Eric departed.

At 9:06pm, the IGMT departed.

At 9:08pm, Eric re-joined.

At 9:57pm, the Board came out of Executive Session.

8. ADJOURN

9:30PM

Adjourn, 9:57pm

At 9:57pm, RMK adjourned meeting.