

**Wheatsville Board of Directors**  
**September 2020 Meeting Agenda**  
**Tuesday, September 22nd, 2020**  
**6:00-9:00PM \*\*\*VIRTUAL MEETING\*\*\***  
**Contact BBeutel@Wheatsville.com for info to join**



TIME	TOPIC	ACTION
6:00pm	1. OPEN TIME – for WV Owners to present any topic to the board	LISTEN
6:10pm	<b>2. AGENDA REVIEW</b> <b>3. CONSENT AGENDA:</b> August 2020 Meeting Minutes D5 – Treatment of Consumers Monitoring Report D6 – Staff Treatment and Compensation Policy, revised 08/25/2020 Monthly GM Update	DISCUSS VOTE
6:20pm	<b>4. COMMITTEE WORK</b> (1 min) Recite Ends (0 min) ACBA Committee (14 min) Audit and Review Committee – Audit Results and Investor Share Dividend (15 min) Diversity and Inclusion (0 min) GM Search Committee (5 min) Nominations Committee (20 min) Owner Engagement Committee and Annual Meeting	RECITE N/A VOTE DISCUSS N/A DISCUSS DISCUSS
7:15pm	<b>BREAK</b>	
7:25pm	<b>5. GOVERNANCE</b> (5 min) B5 – Code of Conduct Monitoring Report (5 min) Board Compensation (15 min) Annual Report/Breeze Articles (10 min) Board Retreat (5 min) Citizens' Climate Lobby Endorsement (35 min) GM Update and Discuss Action Plans	VOTE VOTE DISCUSS DISCUSS VOTE VOTE
8:40pm	<b>6. EXECUTIVE SESSION</b> (15 min) ***The purpose of this session is to discuss confidential HR matters.***	DISCUSS
8:55pm	<b>7. ADJOURN</b> (5 min) October preview, Closing Round, and Wrap-up (0 min) Adjourn	DISCUSS N/A

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*; Jason Bourgeois, *Secretary* (6:05pm - end); Brandon Hines, *Treasurer*, Rachel Fischer (6:05pm - end); Melissa Sledge (7:07pm - end); Brian Mikulencak; and Stephanie Wong. Megan McDonald; and MeriJayd O'Connor (6:02pm - end)

Also present: Mark Jacob, *General Manager* (6:01pm-8:55pm); Beth Beutel, *Board Administrator* (6:01pm-8:55pm); Bill Bickford *Human Resources Director* (6:01pm-8:55pm); Anthony Randall, *Produce Clerk* (6:01pm – 6:30pm); Rosaline Chen, visitor (6:01pm – 6:30pm)

Absent: none.

## Call to Order

6:01PM

## 1. OPEN TIME

6:02PM

Anthony introduced himself as a member of the staff Inclusion and Diversity Committee and shared some questions he and the other committee members have been curious about. Due to time limitations, Anthony agreed to have a discussion with Mark and circle back to the Board if needed.

Rosaline introduced herself as part of the student group that Paige Lopez attended the meeting to represent at the last meeting. She was just attending to observe.

## 2. AGENDA REVIEW

6:13PM

No changes

## 3. CONSENT AGENDA

6:15PM

August 2020 Meeting Minutes

D6 – Staff Treatment and Compensation Policy, revised 08/25/2020

Monthly GM Update

---Rachel pulled the D5 – Treatment of Consumers Monitoring Report

---MeriJayd moved to accept the Consent Agenda. Rachel seconded. 7-0-1 (abstain)

## D5 – Treatment of Consumers Monitoring Report, 6:16pm

There was a typo in the report, the correct number for food at home inflation for the period was - .1%. A corrected report will be submitted to the consent agenda for next month.

## 4. Committee Work

6:20PM

### Recite Ends, 6:20pm

Mark recited the Ends policy.



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## **ACBA Committee, 6:20pm**

No update.

## **Audit and Review Committee – Audit Results and Patronage Dividend, 6:21pm**

The audited financial statements are still in a draft version as we are currently waiting on Congress to decide the tax implications of Payroll Protection Program loans. Wheatsville's tax bill is due December 15<sup>th</sup> and, short an act of Congress, Wheatsville's options are file for an extension or pay estimated tax, and make an amended filing if needed.

The Board asked Mark and Bill about recommendations in the management letter. Regarding payroll verification reports, Bill responded that Human Resources had implemented a process that fell by the wayside during the general manager transition. The HR team will reimplement the process and Mark will report back in the next monthly GM Update.

Regarding a documented bank statement review by a staff member that's not on the Finance team, Mark will ensure that a process is created and report back in the next GM Update.

The Net Savings Resolution provided in the August packet was not approved because it explicitly stated that there would not be an owner patronage dividend. Depending on the tax implications of the PPP loan, it may be beneficial to do an owner patronage dividend. The Net Savings Resolution in the September packet does not mention owner patronage dividends at all, which leaves the option to do an additional resolution for owner patronage should the Board wish to do so.

Directors noted that Wheatsville has paid Investor Share Dividends each year since issuing shares. It is a commitment we made to those shareholders and failure to do so would result in reputational damage, and potentially cause Wheatsville to have a smaller pool of potential investors in the future. Noting the importance of this commitment,

---Rose Marie moved to approve the Net Savings Resolution. Stephanie seconded. Motion passed 8-0-0.

The Audit and Review Committee will prepare the Review Committee report for the annual report edition of the Breeze.

## **Diversity and Inclusion, 6:47pm**

Mark noted that the staff work with Dr. Prince has begun. All of leadership, 31 people in total, received their IDI test this week. Mark noted there has been a lack of communication from staff who were selected to lead the staff Inclusion and Diversity Committee and he will follow up with them.

Directors brainstormed whether and how they might forge a connection with the staff committee,



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and agreed to resume the conversation at another time.

Jason reported back on Leadership Austin's Beyond Diversity Training, and noted that it was an excellent training and recommends it strongly. It is a 1.5-day virtual seminar.

Brandon, Megan, and Rachel shared about Columinate's Abolitionist Challenge. They each noted that the readings are excellent and that they are participating in live video sessions some months and watching the recorded sessions on other months.

#### **GM Search Committee**

No update.

#### **Owner Engagement Committee and Annual Meeting, 7:10pm**

MeriJayd presented options for the annual owner meeting. The Board discussed the meeting agenda and decided to leave decisions about raffle/trivia/etc to Nick and the Marketing team.

#### **Nominations Committee, 7:24pm**

The Nominations Committee had no update as the election was already in process.

#### **Break**

**7:36pm**

#### **5. GOVERNANCE**

**7:36PM**

##### **B5 – Code of Conduct Monitoring Report, 7:36pm**

A director noted that this policy still says Chief Executive Grocer, instead of General Manager.

Directors observed that the answers were very consistent amongst directors, denoting agreement.

---Brian moved to accept the B5 Monitoring Report. Brandon seconds. Motion passed 9-0-0.

##### **Board Compensation, 7:42pm**

Rose Marie opened the floor to alternative compensation proposals. There were none.

---MeriJayd moved to set the 2021 Board compensation at the same rate as 2020 compensation. Jason seconds. 9-0-0.

##### **Annual Report/Breeze Articles, 7:44pm**

Directors discussed and assigned the articles needed for the Annual Report issue of the Breeze.

##### **Board Retreat, 7:51pm**

The Board Retreat will happen in 2 three-hour blocks of time. The first session will be focused on policy governance, and the second will be open to ideas from all who would like to assist with planning and feedback/corroboratorion from the board. We will also take some time to focus on



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diversity, equity and inclusion work. Melissa volunteered to help with planning the retreat.

Many directors were interested in an in person social activity if it is outdoors and physically distanced.

## **Citizens' Climate Lobby Endorsement, 7:55pm**

Stephanie and Megan recommended endorsing the Citizen's Climate lobby bill. They provided an overview of the bill and their recommendation, noting that the bill supports sustainability, social responsibility and concern for others. Board Policy B9.6 says that endorsements must be unanimous.

Directors considered what potential negative consequences would be and noted a concern about how the exemptions in the law might affect local food growers or producers. Rachel volunteered to reach out to Texas Organic Farmers Association and Farm and Ranch Freedom Alliance and report back next month.

## **GM Update and Discuss Action Plans, 8:11pm**

Mark gave an update on the financial condition of the co-op, primarily sales and labor, and noted that he has set February as a deadline for improvement, or more difficult decisions will have to be made.

Mark is attempting to renegotiate Wheatsville's leases with assistance from National Cooperative Grocers in order to have a somewhat neutral third party. Mark noted that the new Facilities Manager role is not expected to fully offset the cost of maintaining Facilities in this first year.

A director asked if sales were just the result of the pandemic. Mark explained that there are a combination of factors related to the pandemic (people staying closer to home/in the suburbs, people choosing big box for one-stop shopping, UT not being as populated, etc) and noted that every non-sales indicator shows improvement – stock levels, survey scores on service. Curbside pickup services also require us to invest labor and currently we are not charging our customers for that labor.

## **5. EXECUTIVE SESSION**

**8:55pm**

## **6. ADJOURN**

**9:18pm**

## **August preview, Closing Round, and Wrap-up, 8:58pm**

Directors discussed what went well this meeting, and what could go better next time.

At 9:18pm, RMK adjourned meeting.