

Wheatsville Board of Directors
April 2016 Meeting Agenda
Tuesday April, 19th, 2016
6:00-9:00PM, Guadalupe Meeting Room
3105 Guadalupe



TIME	TOPIC	ACTION
6:00pm	1. OPEN TIME – for WV Owners to present any topic to the board	LISTEN
6:10pm	2. AGENDA REVIEW 3. CONSENT AGENDA: March 2016 Minutes B3 – Governance Cycle Monitoring Report B4 – Board Meetings Monitoring Report C1 – Unity of Control Monitoring Report D1 – Financial Conditions and Activities Monitoring Report D8 – Board Logistical Support Monitoring Report FYE2016 Q3 Financial Statements CEG Report	DISCUSS VOTE
6:20pm	4. COMMITTEE WORK (1 min) Recite Ends (4 min) ACBA Committee (10 min) Review and Audit Committee (30 min) Transparency Committee (5 min) FOG Committee (10 min) Nominations Committee	RECITE DISCUSS DISCUSS VOTE VOTE VOTE
7:20pm	BREAK	REST
7:30pm	5. GOVERNANCE (20 min) Long-range CEG Evaluation and Compensation	DISCUSS
7:50pm	6. STRATEGIC LEARNING (15 min) Strategic Learning Planning (40 min) Strategic Learning Activity	DISCUSS DISCUSS
8:45pm	7. ADJOURN (15 min) Closing Round (0 min) Adjourn	DISCUSS

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



Board of Directors Meeting Notes April 2016

Present: Doug Addison, *President*; Andi Shively, *Treasurer* (6:20-9:02pm); Kitten Holloway, *Secretary*; Reyna Bishop (via phone 7:23- 8:32pm); Deborah Ingraham (via phone 6:00- 8:32pm); Rose Marie Klee; Julie Le, and Nada Lulic .

Also present: Dan Gillotte, *Chief Executive Grocer*; Beth Beutel, *Board Administrator*; John Perkins, *Finance Manager*; Stuart Rielly, *Owner and Transparency Committee Member*.

Absent: Michelle Hernandez

Call to Order **6:07PM**
Doug called the meeting to order.

1. OPEN TIME **6:07PM**
Doug asked that the Board go around and do a check-in.

2. AGENDA REVIEW **6:08PM**

3. CONSENT AGENDA: **6:10PM**
March 2016 Minutes
B4 – Board Meetings Monitoring Report
C1 – Unity of Control Monitoring Report
D8 – Board Logistical Support Monitoring Report
FYE2016 Q3 Financial Statements
CEG Report

--- Doug pulled B3 – Governance Cycle Monitoring Report.

---Rose Marie pulled D1 – Financial Conditions and Activities Monitoring Report

---Kitten moved to accept the consent agenda. Doug seconded. Motion passed 5-0-1 (abstain).

B3 – Governance Cycle Monitoring Report, 6:11pm

The Board discussed the value of using the terminology of “compliance” in B and C monitoring reports. Doug reminded the board that they will be revisiting the policy monitoring format in May or June and can discuss the terminology then.

The Board also discussed the primary area of “non-compliance”- not having a multi-year work plan for the Board. Doug pointed out that there is an existing work-plan of the BIG Direction, the long-term CEG planning, the yearly development of strategic learning plans, and the governance calendar. Kitten noted that there were some specific priorities the Board expressed an interest in addressing this year at the retreat that are in alignment with existing plans; and that could be included in a simple work-plan format for the Board to track.



Board of Directors Meeting Notes April 2016

--- Doug moved to accept the B3 – Governance Cycle Monitoring Report with the plan for achieving compliance by March 2017. Nada seconded. Motion passed 6-0-0.

D1 – Financial Conditions and Activities Monitoring Report, 6:20pm

RMK asked if we have updated projections for the 4th quarter. Dan clarified that we do not and elaborated on some of the changes that make him optimistic about end of year financials. Doug asked about Debt Service Coverage Ratio. John Perkins noted that the rolling four quarters is currently .99 and that we hope to achieve a 1 by the end of the year through achieving 1.25 in the 4th quarter.

---RMK moved to accept the D1- Financial Conditions and Activities Monitoring Report. Kitten Seconded. Motion passed 7-0-0.

4. COMMITTEE WORK

6:32PM

ACBA, 6:32pm

Andi reported that the general membership meeting will be the first weekend of June. Andi is interested in running for ACBA Board, but willing to step down if someone else is interested.

Recite Ends, 6:33pm

The Board and guests recited the Ends policy in unison.

Audit and Review Committee, 6:34pm

Andi will bring the engagement committee letter to the next meeting. The Board discussed the committee's research on IT audits, noting that it is too late to plan an IT audit for this year. Andi will submit the engagement letter for next month's packet.

Transparency Committee, 6:39pm

Doug reviewed the story of why the transparency committee was formed as a response to getting many requests for CEG and other top level managers' salaries, and the Board's unfamiliarity with getting informational requests and wanting to develop a procedure and/or policy to help guide future boards. The Board had proposed edits over their online portal and email and several proposed policies were on the table for discussion.

Deborah reiterated that her goal was to create a policy that would be practical, helpful and protective of the co-op. Stuart clarified that he is specifically in favor of defining what is and isn't available so that owner's can know their rights. Deborah also noted that according to her knowledge of the applicable case law having a policy which clearly defines, based on sound reasoning, what information is and isn't available to owners protects you from being successfully sued.

The Board discussed whether having sub-policies provided benefits that were worth the amount of additional monitoring work required.



Board of Directors Meeting Notes April 2016

---Deborah moved to accept the Transparency Committee's Policy of D4.3- and subpoints.1-.3. Andi Seconded. Motion passed. 4 (For) -1 (against)-2 (abstain).

Deborah had requested in her written report to have a vote to recommend the sample to Operations; the remaining directors concurred that a vote was not necessary and Dan agreed to review the sample policy provided by the Transparency Committee.

Deborah noted that the Transparency Committee formally recommends that the Audit Committee rotate auditors, that the Nominations Committee have quantifiable and articulated process for selecting qualified candidates, and that the Board use social media to keep members engaged and participating with the co-op.

---Deborah moved to dissolve the Transparency Committee. Doug seconded. Motion passed. 7-0-0.

Fall Owner Gathering Committee, 7:23pm

Julie reported about amendments she made to the charter: adding the location of South Lamar and collaboration with Wheatsville management. The Board discussed whether the charter should limit the location. Reyna, Deborah, and Doug reminded the Board of their conversation after the last Fall Owner Gathering that it is best to have the FOG at a store, and best to have it in the same place, at the same time of year, year after year.

--- Julie moved to adopt the charter for the Fall Owner Gathering Committee 2016. Nada seconded. Motion passed. 8-0-0.

Nominations Committee, 7:29pm

The Board discussed the benefits and drawbacks of potentially changing the co-op vote schedule to fall one month later. Dan clarified that Operations will do a Fall Owner Gathering/Election Breeze this year as the post card was almost as expensive. Nada will submit a timeline and a resolution for co-op vote for the next meeting.

BREAK

7:38pm

6. GOVERNANCE

7:50pm

Long-range CEG Evaluation and Compensation, 7:50pm

Kitten led the Board through the timeline for developing the process, noting that this year the Board will use the sample Request For Proposal provided by CBLD and Dan's returned proposal will only have one year's compensation package. In May 2017 the Board will write a RFP that considers a longer range timeframe of two years and possibly longer. Kitten requested to have the D-Monitoring table updated and included in the Board packet more often, perhaps quarterly.



Board of Directors Meeting Notes April 2016

9.STRATEGIC LEARNING, 8:13pm

The Board developed a strategic learning plan with six topics for the remainder of the year: Field Trip (grocery store tours); why grow Wheatsville and how we grow it to maintain a competitive advantage; understanding your tribe; financial commitments; board-CEG alignment; conflict of interest. The Board watched a video of a talk by Dave Olson on CDS Consulting's website called "Courageous Leadership Today, Stronger Co-ops Tomorrow" and reflected on the take-aways in the context of Wheatsville's Big Direction.

At 9:02pm, Doug adjourned the meeting.

Parking Lot

- Member Engagement Committee- added 02/14
- Strategic Learning on D1.10- GAAP/EBITDA – added 1/16