

**Wheatsville Board of Directors**  
**April 2018 Meeting Agenda**  
**Tuesday, April 24th, 2018**  
**6:00-9:00pm, 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 2018 Minutes CEG Monthly Update	DISCUSS VOTE
6:15pm	4. GOVERNANCE, Part I (1 min) Recite Ends (14 min) Why Co-op? (25 min) FYE 2018 Q3 Financial Statements (30 min) D1 – Financial Conditions and Activities Monitoring Report	RECITE DISCUSS VOTE VOTE
7:25pm	<b>BREAK</b>	ENJOY!
7:35pm	5. GOVERNANCE, Part II (10 min) D8 – Board Logistical Support Monitoring Report (5 min) C1 – Unity of Control Monitoring Report (5 min) B4 – Board Meetings Policy Monitoring Report	VOTE VOTE VOTE
7:55pm	6. COMMITTEE WORK (5 min) Audit Committee (15 min) Board Perpetuation: Foundational Learning (20 min) Nominations Committee (5 min) Owner Engagement Committee (0 min) ACBA Committee	DISCUSS DISCUSS VOTE N/A DISCUSS
8:40pm	<b>7. EXECUTIVE SESSION</b> Purpose: to discuss confidential real estate information	DISCUSS
8:50pm	<b>8. ADJOURN</b> (10 min) Meeting Evaluation (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 Minutes April 2018

Present: Rose Marie Klee, *President*; Lisa Mitchell, *Treasurer*; Jason Bourgeois (6:09pm-end); Brandon Hines; Don Jackson (8:10pm-end); Brian Mikulencak; and MeriJayd O'Connor.

Also present: Dan Gillotte, *Chief Executive Grocer*; John Perkins, *Finance Manager*; Beth Beutel, *Board Administrator*.

Absent: Lyz Nagan, *Secretary*.

## Call to Order 6:03PM

## 1. OPEN TIME 6:03PM

Board t-shirts were distributed. Updated CEG monitoring spreadsheet was distributed.

Dan said National Cooperative Grocers will be sending out a "Participation Report" in July to strengthen its relationship with the co-op boards it serves. Dan gave a brief overview of what NCG does for the co-ops it serves.

## 2. AGENDA REVIEW 6:12PM

N/A was for ACBA Committee

Vote on Owner Engagement Committee – re: charter.

## 3. CONSENT AGENDA 6:12PM

March 2018 Minutes

CEG Monthly Update

--- Lisa moved to accept the Consent Agenda. Doug seconded. Motion passed. 7-0-0.

MeriJayd asked a clarifying question regarding Owner Appreciation Days (OAD) because of the sales spikes shown in the monthly Operations Update. Dan affirmed that yes, OAD was a week earlier last year, and gave a brief history of how OAD started and has changed over the years. The 20% OAD discount shows up as part of our marketing budget in our financial statements.

## 4. GOVERNANCE, PART I 6:17pm

Recite Ends, 6:17pm

The Board and guests recited the Ends policy in unison.

### Why Co-op?, 6:18pm

Directors and guests gave 1 minute answers to the question "if you can buy groceries anywhere, why buy them at the co-op?" Answers centered around local control, trust, expression of values, transparency, democracy, economic stability, distribution of wealth, environmental sustainability, and friendliness.



# Board of Directors Meeting Minutes April 2018

## **FYE 2018 Q3 Financial Statements, 6:35pm**

Dan and John explained the financial statements, including the most important terms, areas where grocery stores differ from other businesses (high inventory, low accounts receivable) and fielded questions.

In response to a question, Dan gave a history of Wheatsville's margin. For a long time margins were all over the place – some quarters high, some quarters low. About ten years ago, we stabilized margins. Margins can be challenging to manage because so many things impact margins. Perishable areas are harder to manage. Several years ago, we consciously lowered our margins to improve our price image. We have learned things and worked with NCG in the years since to regain some margin.

Brandon asked about the Bakehouse posting a small net loss. Dan explained that the intention is for the bakehouse to break even, not to be a profit center. The Bakehouse produces goods, which are "bought" by the delis and then sold at a higher margin.

Brandon wants to hear more about price image. Dan noted that there will be more about it in the annual business plan and more history can be found in past business plans on Backpack.

## **D1 – Financial Conditions and Activities Monitoring Report, 7:18pm**

Dan noted that Operations will add a longer addendum in August that will show some metrics over a 5-7 year period. After receiving Board feedback, Operations will integrate the long-views into the regular report.

RMK polled the Board about the non-compliance on D11.1: (1) do Directors feel there is a reasonable plan for compliance? Directors answered yes. (2) how concerned are Directors about D11.1 non-compliance? Directors noted little concern, as the metric for ownership growth was only narrowly missed.

---MeriJayd moved to accept the D1 monitoring report. Brandon seconded. 5-0-2 (abstain).

--- Doug moved to accept Q3 Financial Statements. RMK seconded. Motion passed 5-0-2 (abstain).

**BREAK 10 MINUTES** **7:32PM**

**5. GOVERNANCE, PART II** **7:39PM**

## **D8 – Board Logistical Support Monitoring Report, 7:40pm**

The Board and Dan celebrated Beth's 10 year co-op anniversary, which was on March 27<sup>th</sup>.

RMK opened the floor to questions or comments on the D8 monitoring report. There were none.



# Board of Directors Meeting Minutes April 2018

---Brandon moved to accept the D8 report. Jason seconded. Motion passed. 7-0-0.

## **C1 – Unity of Control Monitoring Report, 7:45pm**

RMK gave a brief overview of C1 and its connection to the governance policy of board holism.

Under C.1.1 directors cannot individually direct the CEG, except in rare instances when the board has specifically authorized this power. In the past, the Board has delegated authority to committees to work with staff during the Audit and Review and the annual membership meeting.

--- Lisa moved to accept the C1 – Unity of Control Monitoring Report. Brandon seconded. Motion passed 7-0-0.

## **B4 – Board Meetings Policy Monitoring Report, 7:55pm**

To begin the discussion, RMK noted areas of high scores and "don't knows".

In response to a question regarding submitting agenda items, RMK answered that emailing her and the other officers directly is the best way to submit an agenda item, and there is not a set deadline per se, however it can take a few meetings to work in a topic. RMK also explained the ways that a director can see what is coming: the governance calendar, the three-month look ahead in the packet notes, the packet deadline emails sent by Beth.

Beth will keep a list of topics directors express interest in on the Board Admin page of backpack.

MeriJayd noted that she would like to discuss B.4.2 and whether the board actively wants to increase member attendance at board meetings.

---MeriJayd moved to approve the B4 – Board Meetings Monitoring Report. Brian seconded. Motion passed. 7-0-0.

## **6. COMMITTEE WORK**

**8:08PM**

### **Audit and Review Committee, 8:08pm**

The ARC sent out a notice in Wheatsville's weekly email and said they would accept volunteers until May 7<sup>th</sup>. Five people volunteered and the ARC was only looking for one more member. The ARC will draft up a schedule so people can understand the time commitment and ask if anyone would like to defer until next year.

### **Board Perpetuation: Foundational Learning, 8:12pm**

Directors gave their reflections on the packet article ion qualities of a great director.

Directors discussed the idea of maintaining a list of people they'd like to recruit for the Board, and found aspirational lists not particularly meaningful, but lists of people who've expressed interest by volunteering for a committee or attending a meeting helpful.



# Board of Directors Meeting Minutes April 2018

Dan expressed a desire for the Board to think of ways to include more types of people, as co-ops have a tendency to be somewhat homogenous and diversity in leadership matters.

## **Nominations Committee, 8:21pm**

Board reviewed three documents for approval: Resolution for Co-op Vote, a draft was included in the March meeting packet and nothing has changed; Procedures for Co-op Vote was submitted to this meeting packet with changes highlighted; the Nominations Committee Charter had several points added from last year, including a point about delegating to the committee to make choices about "qualified" candidates. Procedures for Co-op Vote and point nine of the charter clearly delegate this authority to the committee.

Changes noted for the Resolution for Co-op Vote from what was included in the packet: July meeting is the last one that candidates can attend. July 15<sup>th</sup> is when Committee notifies candidates whether they are approved as "qualified". July 31<sup>st</sup> deadline for when petitions to be on the ballot must be submitted.

---Doug moved to adopt the Resolution as amended, approve changes to the Procedures for Co-op Vote, and approve the Nominations Committee Charter. Lisa seconded. Motion passed 8-0-0.

Brian will use an online tool to get directors to sign up for orientation session dates.

MeriJayd noted that the application packet FAQ section has outdated compensation information. Doug will correct the application before it goes live on the website on May 1<sup>st</sup>.

## **Owner Engagement Committee, 8:32pm**

MeriJayd recapped the events for April. Raquel emailed out reminders for May and June events. Raquel is working to set up vendor tours with directors and members which will require a date commitment by Board members. MeriJayd requested that directors answer the social media questionnaire.

The charter was included in the packet and is identical to last years.

---MeriJayd moved to accept the Owner Engagement Committee Charter. Brian seconded. Motion passed. 8-0-0.

## **ACBA Committee, 8:36pm**

No discussion. A written update from Don was included in the packet.

## **6. EXECUTIVE SESSION**

**8:37PM**

At 8:37pm, RMK moved to enter executive session to discuss real estate, with Dan, John and



# Board of Directors Meeting Minutes April 2018

Beth.

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

**Purpose: to discuss confidential real estate matters.**

--- At 8:50pm, RMK moved board out of executive session.

**8. ADJOURN** **8:50PM**

**Meeting Evaluation and Ideas, 9:28pm**

Topics for future meetings: getting people to meetings, price image, and investor shares.

The board briefly discussed the 6:30-9:30pm timeframe for South Lamar meetings. Directors affirmed they need the extra time to arrive due to traffic. A director requested trying for a 2.5 hour meeting so people with can still get to bed on time.

**At 8:56pm, Rose Marie adjourned meeting.**

# Resolution to Conduct the 2018 Co-op Vote

(As Approved at April 24, 2018, Board Meeting)

**Nominations Committee Proposal dated April 24, 2018**

**Proposed Vote Coordinator:** Erica Rose

**Election Liaison:** Doug Addison

## Proposed Items for Vote:

1. Election of Directors for Wheatsville Co-op Board
2. Selection of Non-Profit Recipients for Wheatsville Community Action

## Proposed Schedule:

Election Begins:	Sunday, Sept. 9, 2018
Election Ends:	Friday, November 9, 2018 (60 calendar days)
Confirmation Meeting:	Tuesday, November 13, 2018, at 5 pm
Results Certified:	November 27, 2018 (Board Meeting)

## Key Dates for 2018 Board Election

April 24:	Board meeting; NomCom presents final board application, election timeline and Co-op Vote resolution for Board approval
May 22 – Aug. 28:	Board meetings potential candidates can attend
May 1-5:	Candidate packet available to potential candidates
May 22:	Board Meeting at which Directors sign up for Orientations
May 30-June 30	Orientation and Recruitment of Potential Candidates
June 26:	Board meeting
July 1:	Applications due and final verification that all candidates have completed application requirements (only exception is if candidate needs to attend July or Aug. Board Meetings)
July 12:	Nom. Com. completes application review and prepares draft Ballot
July 15:	Nom. Committee notifies candidates that have been placed on ballot or not, or provisionally placed on ballot pending attendance at August 28 Board meeting
July 24:	Board meeting
August 13:	Deadline for petition to be submitted by an Owner in good standing who wants to run for the Board but has not been placed on the ballot
Aug. 26:	Owners notified at least 14 days before election on prominent signs at all store locations per Bylaws of start and end dates of election and date of confirmation meeting; Co-op Vote materials made available to owners in both stores and online.
Aug. 27-31:	Candidate videos recorded (Raquel facilitates)
August 28:	Last Board Meeting a candidate can attend to be eligible for ballot
August ??:	BREEZE DEADLINE for the Election Issue (drop dead deadline for any minor/last minute changes to candidate information)
September 9:	Election begins

November 9: 60th day after voting begins. Election ends at store closing for paper ballots and 11:59 p.m. for online ballots

November 14: Vote confirmation meeting at 5:00 p.m. at WV Guadalupe; candidates and other interest parties may be notified about provisional election results.

November 27: November Board meeting; election results certified

December 10: Ballots may be destroyed (30 days after end of election)

**Upcoming Orientation for Prospective Candidate Sessions**

Saturday, June 2	2:00-3:00 pm	Guadalupe
Wednesday, June 6	7:00-8:00 pm	South Lamar
Sunday, June 10	1:00-2:00 pm	South Lamar
Saturday, June 16	1:00-2:00 pm	South Lamar
Saturday, June 23	1:00-2:00 pm	Guadalupe
Wednesday, June 27	7:00-8:00 pm	Guadalupe