

Wheatsville Board of Directors
April Meeting Agenda
Wednesday, May 12, 2010



6:00 – 9:00 pm @ Wheatsville 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	AGENDA REVIEW 2. CONSENT AGENDA: March Meeting Minutes B4 – Board Meetings C1 – Unity of Control C Policy Revisions (update to format) 3 rd Quarter Financials GM Report	DISCUSS VOTE
6:15pm	3. GOVERNANCE/COMMITTEE WORK, PART I	
(1 min)	Elect Lee as Secretary	VOTE
(4 min)	Prorating Investor Share Dividends	VOTE
(7.5 min)	FY 2011 Board Budget	VOTE
(7.5 min)	Audit Committee	VOTE
(20 min)	FY 2011 Business Plan	DISCUSS
(10 min)	GM Bonus Plan for Staff	DISCUSS
7 :05pm	4. BREAK	
7 :15pm	5. POLICY/STRATEGIC LEARNING	
(30 min)	Executive Limitations Study	DISCUSS
(5 min)	D1 – Financial Condition and Activities	VOTE
7:50pm	6. COMMITTEE WORK, PART II	
(40 min)	Policy – Ends Policy Revisions	DISCUSS
(25 min)	Nominations Committee	VOTE
8 :55PM	7. HOUSEKEEPING/CLOSING ITEMS	
9:00pm	ADJOURN	

Benefitting Community * Promoting Cooperative Economics * Transforming Society



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Present: Rose Marie Klee, *President*; Steven Tomlinson, *Treasurer* (by phone from 6:00pm through 6:50pm); Aditya Rustgi, *Secretary*; Theron Beaudreau; Kate Vickery; Kitten Holloway (arrived at 6:04pm); Doug Addison; and Lee Blaney.

Also Present: Dan Gillotte, *General Manager*, John Perkins, *Finance Manager* (arrived at 6:04pm), Jennifer Lueckemeyer, *Board Administrative Assistant*

Absent: none

Call to Order

6:00 PM

1. OPEN TIME

No Owners presented themselves for Open Time discussion.

Lee announced that he and Theron met with Wheatsville owner, Mark Sullivan, to discuss co-op principles and structure for Mark's use in starting a plant nursery co-op.

John noted that in order to comply with new legislation, Wheatsville is updating the staff 401k plan. He indicated that this is just a formality and there are no substantive changes to the plan, which was approved by the Board in June 2007. John will summarize the plan and send to the Board for approval at the May 25 meeting.

RMK reminded the Board that the role of committees is to do work on behalf of the Board and sometimes to "pre-think" topics and identify priorities and/or expedite deliberation on the part of the whole Board. Hence, it is not verboten to discuss topics delegated to committees, *per se*, but rather committees are a tool to make sure the whole Board deliberates on topics as appropriate (and avoids committee topics as appropriate) in order to optimize Board meeting time.

AGENDA REVIEW

6:10 PM

The agenda was modified as follows:

- 10 minutes were added to discuss the May 5 book club meeting
- 5 minutes were added to the audit committee discussion
- 15 minutes were removed from the business plan and GM bonus plan

2. CONSENT AGENDA

- March Meeting Minutes
- B4 – Board Meetings
- C1 – Unity of Control
- C Policy Revisions (header formatting update)
- 3rd Quarter Financials
- GM Report

No changes were made to the consent agenda.



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--Kate moved to approve the Consent Agenda, Adi seconded the motion. Motion passed 8-0-0.

3. GOVERNANCE/ COMMITTEE WORK, PART I

6:12 PM

Elect Lee as Secretary

--Kate moved to elect Lee Blaney as secretary, effective immediately. Kitten seconded the motion. Motion passed 7-0-1.

Prorating Investor Share Dividends

- Management recommended that we pay a prorated dividend to investors who have redeemed their shares prior to the end of the fiscal year stating that this seems like the fair and proper way to deal with these shares. Our legal counsel has given us advice that this a reasonable approach, though we are not required to.

--Adi moved to approve prorating investor share dividends as recommended by staff. RMK seconded the motion. Motion passed 8-0-0.

FY 2011 Board Budget

- The Board reviewed and discussed the FY 2011 Board budget as presented by the Treasurer, Steven Tomlinson.

--RMK moved that the Board adopt the FY 2011 Board Budget totaling \$60,580. Kate seconded the motion. Motion passed 8-0-0.

Audit Committee

- Steven elaborated on 3 issues related to the audit engagement letter written by Wegner, LLP:
 - 1) Wheatsville will have control over how much attorney time we commit to the audit.
 - 2) We have an official estimate of cost of auxiliary services related to the audit.
 - 3) The audit can be done on time.
- The Board discussed the audit engagement letter and decided that further discussion is needed before signing.
- RMK will coordinate with Steven to ensure that our agreement with Wegner is an accurate reflection of Board and committee audit goals.

Tribes Book Club Discussion

- Five members of the Board (Lee, Theron, Steven, RMK, and Kate) attended a Book Club discussion on May 5 at Steven's house.
- The discussion was centered around the book Tribes by Seth Godin but it ultimately became a conversation of Ends policies and the ways that we can engage with our members in a meaningful way.



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- Board members who attended the book club briefly noted their take-away messages from the discussion.
- RMK thanked Steven for making the book club happen by giving the book to all of us and offering his home for the discussion. It was a fun way of exploring concepts of tribes and leadership and understanding the theory of our work.

FY 2011 Business Plan

- Dan briefly discussed the draft plan and noted that the final version will be presented in the May Board packet.
- Dan elaborated on the origin of the business plan and its use as an operational tool while the store was under renovation.
- Dan pointed out that this year's plan is not conservative as it has been in the past (rather than setting easily attainable targets, the goals are ambitious to provoke stretching and aspiration) and he included a piece about Austin market trends.
- The Board discussed the Austin grocery store market and the plans for a market study in the future.

GM Bonus Plan for Staff

- Dan introduced his evolving plan to restructure the staff bonus program. He hopes to implement the program with the new fiscal year, and while such programs are under the GM's sole purview, ideally the GM will have the same bonus structure (which is determined during the August GM evaluation).
- The Board is asked to provide a sense of their support, questions, and concerns.
- Dan again invited all Board members to the Open Book Finance Meetings (Wheatcast) with staff on Tuesdays at 2pm in the Wheatsville meeting room.
- The Board thanked Dan for implementing such a wonderful open books program.

4. BREAK

7:31 PM

5. POLICY/STRATEGIC LEARNING

7:38 PM

Executive Limitations Study

- The Board discussed our understanding of Policy Governance with respect to accountability and Executive Limitations monitoring.
- The Board also examined the latest D1 monitoring report to assess how well it demonstrated reasonable interpretation, gave adequate supporting information, and asserted compliance. Goals of monitoring reports are to be useful, unimpeachable, reasonable, and clear.
- Parking lot issues that arise during the monitoring should be added to the Policy Committee parking lot.
- The Board had mini work session where Board looked at current D1 policy monitoring using flow chart Decision Tree (a CBLD resource).



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D1 – Financial Condition and Activities

--Kate moved to accept the D1 policy monitoring as presented by Dan. Theron seconded the motion. Motion passed 7-0-0.

6. COMMITTEE WORK, PART II

8:06 PM

Policy Committee –Ends Policy Revision

- Lee reviewed his work of collecting Board member input on Ends policies.
- The Board discussed having very tangible goals versus more lofty big goals, the role of the mission statement versus the Ends policies, and all email input given by Board members.
- A suggestion was made to use action verbs, such as, Grow, Build, Lead, and Drive.
- The Board discussed Ends policies structured around the following concepts:
 - Promoting the transformation of society by:*
 - 1) *Growing cooperative economics*
 - 2) *Promote lasting benefits to owners and the community at large*
 - 3) *{Policy related to FOOD – wording to be determined}*
- The Policy Committee will initiate discussion of Ends policies for word-smithing, and plan to have a vote-able set of policies for the May meeting.

Nominations Committee

- The Board reviewed Behavioral Analysis Questions presented in the Draft packet and decided to take email action to finalize the Board Candidate Application Packet.

7. HOUSEKEEPING / CLOSING ITEMS

8:54 PM

- RMK noted that the Board is ready to have strategic learning discussion about Co-op economics structure.
- The Board wants to get to know our bylaws better and internalize some of the information included within.
- Lee will be including a print out of the Task List & BOD Parking Lot (from the WV BOD website) in each Board packet.
- RMK noted that Operations is discussing the Ownership Structure and annual memberships.
- RMK requested more redundancy of people who can review documents.

RMK moved to adjourn at **9:06 pm**.

ACTION ITEMS

- RMK will coordinate with Steven regarding the audit engagement letter.



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- John will summarize the restatement of the 401k plan and send to the Board for approval at the May 25 meeting.
- Dan will send out reading on the proposed bonus structure.
- Policy Committee will initiate online conversation about Ends policies to prepare us to vote on our new Ends policies at the May meeting (May 25, 2010).
- Kate will send out revised Candidate Application packet based on BOD discussion and mark-up received.

ADD TO PARKING LOT

- Monitoring D1 monthly or change frequency?