

Wheatsville Board of Directors

Board Meeting Minutes (Unapproved)

May 22, 2006

Present: Bob Kinney, Rose-Marie Klee, Tony Piccola, Jane Kurzawa Cravey, Jimmy Robertson, Colin Borchert, Johnny Livesay, Daniel Miller, Marilyn Fowler

Absent: None

Also Present: Dan Gillotte, General Manager; John Perkins, Financial Manager; Greta Smith, Administrative Assistant

Call to Order: 6:05 PM

VISION 6:05 PM

The board went into executive session at 6:05 PM.

The board ended its executive session at 7:08 PM.

HOUSEKEEPING

Agenda: Review agenda and open time, Approve consent agenda, Approve minutes, Ratify e-mail vote on audit firm, Accept April monthly financials, Accept third quarter financials, Accept revised B3 policy, Accept board monitoring of C1, Accept GM report, Discuss board terms, Vote on Business Plan for FY 2006-07, Vote on revised patronage rebate guidelines, Vote on Wheatsville joining the Co-op Community Fund, Vote to combine the Bylaw and Membership committees, Discuss the rescheduling of the GM policy monitoring, Discuss the upcoming July evaluation of the General Manager, Decide on BOD volunteers for upcoming policy monitoring reports, Discuss lease, Board self-evaluation

Agenda Review:

- Rose-Marie suggests adding ten minutes to the agenda for a discussion about the lease. She also would like to add an agenda item about BOD terms and that there be a discussion about minutes for executive sessions.
- It is decided that the GM report and the 3rd quarter financials will now be called the Operations Report on the Consent Agenda.

Open Time:

- Rose-Marie suggests having a Renovations Committee.

- Colin likes the whole board discussing the renovation's progress.
- The board suggests that the Vision portion of meetings continue to be about renovation as long as is needed.

Consent Agenda:

- Jimmy pulls the minutes off of the consent agenda.
- Colin motions to approve the consent agenda.
- Rose-Marie seconds.
- It is approved 9-0-0.
- Some corrections are made regarding the April minutes. The AA notes the corrections.
- Rose-Marie motions to approve the corrected minutes.
- Colin seconds.
- It passes 9-0-0.

Parking Lot Review:

- The board did not review the parking lot as it was not available.
- Jane requests that the parking lot continue to be available in board packets.
- Greta explains that there has been confusion about this. Bob suggests that it be discussed at the next BOD meeting.

GOVERNANCE

Board Terms: 7:19 PM

- Rose-Marie says that the rotation of board terms is off due to Colin taking over someone's seat.
- John suggests that everyone figure out what "seat" they are by assigning seats numbers according to whether they were elected in an odd or even year.
- It is decided that the bylaw committee will figure out the term discrepancies.

Business Plan: 7:22 PM

- Dan explains that the Business Plan is a tool derived from the Wheatsville mission and the BOD goals. It includes the Operations Budget for next year.
- Jimmy asks why sales are projected to rise by 8% and why personnel costs are expected to rise by 13%.
- Dan explains that he expects that the co-op will come in under the projected number, since it historically has, but would like to leave enough room to raise wages and benefits.
- Jimmy asks how the increased projection will affect the wage scale.
- Dan explains that employees are generally being hired on at a higher starting wage and are receiving bigger raises overall than before, but that the wage scale itself will not change this year. He points out that a person is rarely hired at the very bottom of the wage scale anymore.

- Dan notes that a problem area with wages is that managers have an inordinate amount of work and pressure and that that needs to be addressed from both ends of the employee spectrum.
- Jane asks how the Team Objectives mentioned in the business plan came about.
- Dan explains that the management team comes up with store goals every year. Then, Dan meets with each department head and they develop team goals. A meeting with each individual team follows, where a plan for implementing those goals is developed by the group.
- Jimmy would like to know how the money for Ongoing Development will be spent.
- Dan says that half of the budget will be spent on NCGA and the other half will be spent on other trainings. He notes that a tiny percentage will be spent on preliminary expansion costs (consultations, etc.).
- Jimmy is glad that more money is being spent on trainings.
- The board noticed that the push toward better training for employees has coincided with huge sales growth.
- Dan says that most expansion costs fall under Long-Term Development.
- The BOD makes minor suggestions for revision to Dan.
- The board will email any other question regarding the Business Plan to Dan and it will be voted on for approval at the June BOD meeting.
- It is requested that there be an email address that will send to all individual directors' addresses.
- Greta will ask Ryan about that.
- The board requests that discussing the board goal regarding "market share" and clarifying its meaning go in the parking lot..

Patronage Rebate Guidelines: 7:49 PM

- The member policy revisions won't be done by September 1, but the board can still move forward with changing the guidelines regarding patronage rebates.
- Bob motions to adopt John's suggested wording of BOD policy regarding patronage rebate eligibility.
- Jimmy seconds.
- It passes 8-0-1.

Wheatsville Joining Co-op Community Fund: 7:56 PM

- Dan says that there isn't a lot of urgency surrounding this idea, so it isn't necessary that the board vote on it this month.
- The reasons Dan thinks Wheatsville joining the Co-op Community Fund (CCF) would be a good idea are that it is a way for Wheatsville members to donate money in a tax-deductible way and it's a way for Wheatsville to make donations that wouldn't affect the sales budget.
- Dan suggests that a couple of Community Action Wednesdays be used for the CCF. It would probably be November and December.
- it would augment Wheatsville's current methods of making donations for awhile, but would eventually replace them as the way Wheatsville makes donations.
- Daniel asks who would decide who would receive the money from the fund.
- Dan says that there would probably be a task force developed for that.
- Wheatsville wouldn't be able to decide to whom their capital was donated, but it would have control over the dividends returned to it.

- The capital required would be \$5, 000. The Blooming Prairie Foundation has offered to match that, so Wheatsville would be paying in 10, 000.
- Dan says it is possible to have the investment returned, but is unsure about the details of such a process.
- The board requests that he investigate that question.
- Jane suggests that being affiliated with the CCF could be an avenue for funding a second store.
- Dan says that it's a way to offer an umbrella of charitable investments to members.
- The BOD decides by straw poll to postpone voting of joining the CCF until the June meeting.
- Questions the board would like Dan to answer before they vote: What is the process for having one's capital returned? What are the risks financially? When would the dividends be received? What are the ICA and the Co-op Fund of New England?

Merging of Bylaw and Membership Committees: 8:14 PM

- Greta will send out the notes from the Bylaw Committee meeting of 5/16 by e-mail.
- The two committees share every member but one.
- Some things regarding membership policies need to be decided upon before the Bylaw committee can move forward.
- Brian Lawhorn would like to be on the Membership Committee and Dan thinks that that's a good idea.
- The bylaw committee is also asking of an extension of two months.
- Recommendations for bylaw revisions can be made by July.
- Colin moves to combine the two committees and extend the deadline for bylaw revision recommendations to July.
- Rose-Marie seconds.
- It passes 9-0-0.

Rescheduling of GM Policy Monitoring Reports: 8:20 PM

- Dan explains that he has realized that he made some mistakes regarding the policy monitoring calendar (reporting on some policies twice and possibly skipping others).
- He will have all reports needed for last year by July in time for his evaluation.
- Dan can also give a recommendation for a new calendar in July.
- Jane would like to have some reports by June.
- Dan says he thinks that that will be possible. He will also give an update in June and send out reports via e-mail as he straightens things out.

July Evaluation of General Manager: 8:24 PM

- Bob explains that the evaluation process consists of first reviewing the monitoring reports and then reviewing the goals set for Dan last year.
- Bob suggests that Greta and Colin collect what has already been reported on in the meantime.
- Rose-Marie will compile the results of the evaluations made by individual directors.

- Bob will also get in touch with Marilyn Scholl to get her input on the BOD's process of evaluating the GM.
- The board would like to put in the parking lot an item on reviewing the BOD's self-evaluation tool.
- Last year's written evaluation and tool with the compiled information will be sent out to the directors along with the questionnaire for this year.

Volunteers for Policy Monitoring Reports: 8:36 PM

- The policy calendar will be reinstated in the Board packets.
- Marilyn suggests taking the D policy monitoring reports off of the consent agenda.
- Due in June is a monitoring report on C2: Accountability of General Manager. Jimmy volunteers to do that report.
- Jane requests that the board receive their agendas for the following month earlier.
- Bob says that might be difficult.
- Colin agrees to do the monitoring report for C3: Delegation to the General Manager, in July.
- Bob will do C4: Monitoring General Manager Performance, in August.

Lease: 8:45 PM

The board went into executive session at 8:45 PM.

The board ended its executive session at 9:07 PM

Board Self-Evaluation 9:07 PM

Plusses:

- good dinner,
- having everyone present,
- good facilitation by Jane,
- deciding to combine the vision and expansion discussions

Changes:

- agenda-including time limits-should be revised by straw poll,
- D14 needs to go in the policy review calendar

Bob will facilitate the June meeting.

The meeting adjourned at 9:20 PM.

