

Wheatsville Board of Directors
September Meeting Agenda
Tuesday, October 28, 2008
6:00 – 9:00 pm @ the new Wheatsville HQ! (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: September Meeting Minutes GM Report	DISCUSS VOTE
6:15pm	3. POLICY MONITORING AND FINANCIAL REPORTS	
(10 min)	B9 – Cost of Governance	VOTE
(5 min)	D3 – Planning and Budgeting	VOTE
(5 min)	D4 – Financial Condition	VOTE
(5 min)	First Quarter Financials	VOTE
(5 min)	Board Budget Treasurer's Quarterly Report	DISCUSS
6 :45pm	4. LINKAGE/COMMITTEE WORK	
(10 min)	Bylaws Committee Report	DISCUSS
(5 min)	Nominations Committee Report	DISCUSS
(10 min)	Policy Committee Report	DISCUSS
(10 min)	Reflections on the informal Board Meeting and Owner Linkage	DISCUSS
7 :20pm	5. BREAK	ENJOY
7:30pm	6. STRATEGIC LEARNING "How do other co-ops and how does Wheatsville benefit community?"	DISCUSS
8:15pm	7. PROJECT UPDATE Review of current Pro-Forma	DISCUSS
8:35pm	8. *EXECUTIVE SESSION* Blackstar update (confidential discussion related to real estate)	DISCUSS
8:45pm	9. HOUSEKEEPING/CLOSING ITEMS Administrative update – miscellany & check-in on outstanding action items Review action items/upcoming agenda items Board self-evaluation	DISCUSS DISCUSS DISCUSS
9:00pm	ADJOURN	

Benefitting Community * Promoting Cooperative Economics * Transforming Society



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Present: Rose Marie Klee, President; Jane Kurzawa Cravey, Treasurer; Tom Wald, Secretary; Bob Kinney; David Pease; Theron Beaudreau; Mike Crissey.

Absent: Stephanie Johnson; Jimmy Robertson.

Also Present: Dan Gillotte, General Manager; Sam Vaughan, Board Administrative Assistant.

Call To Order

5:59 PM

1. OPEN TIME

--Introductions of all present.

--Aldia Bluewillow reported on the status of the 2009 Board of Directors Elections, noting that 220 ballots had already been cast and validated and that the votes were evenly distributed between paper and online formats.

--Mike called for the Board of Directors to take a leadership position on owner-patronage rebates for Blackstar. The Board will allow time for discussion at the end of the meeting.

Agenda Review

--RMK recommended that time be added under the Policy Monitoring section to hear Dan's report on the security of our bank deposits.

--The board decided to make time after the Executive Session to begin discussion Mike's proposal regarding patronage rebates and Blackstar.

2. CONSENT AGENDA

- September Meeting Minutes approved 6-0-1.
- GM Report approved 7-0-0.

3. POLICY MONITORING AND FINANCIAL REPORTS

GM Report on Security of WV Deposits

-- Dan noted that the FDIC recently increased the insured limit from \$100K to \$250K. He reported that the banks used by WV are weathering the credit crisis relatively well, and made contact with our primary lender for the renovation project to ensure that they are stable and secure. The National Cooperative Bank currently has a very good rating and is generally conservative in their lending/investing practices. He feels that these institutions are secure and that our investments are prudent. He also confirmed that he will provide the article about Chase's solvency to the board via email.

B9 – Cost of Governance

Are we doing what we said that we would do?	1=NO!	2	3	4	5=definitely YES!	Don't Know
9				2	5	
9.1				3	4	
9.2	1			1	3	2

--The board discussed the results of the monitoring report and noted the low scoring area and the skewed response. Everyone agreed that costs were incurred prudently.

--Bob moved to approve the B9 Policy Monitoring. Mike seconded. Motion passed 7-0-0.



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D3 – Planning and Budgeting

--This item was mistakenly added to the agenda. In April the D3 monitoring cycle was changed from quarterly to annually in April. The Board decided not to monitor this policy at this time.

D4 – Financial Condition (Top Level)

-- The board questioned whether or not there was a more relevant metric for the assessment of financial jeopardy than comparing sales growth to the Bureau of Labor Statistics' Consumer Price Index annualized rate. Dan affirmed that this was the most appropriate metric, but remains open to further suggestions. --The Board commended Dan on the amazing sales figures.

--Jane motioned to approve the D4 (Top Level) Monitoring Report. David seconded. Motion passed 7-0-0.

First Quarter Financials

--Dan presented the first quarter financials and highlighted WV's strong balance sheet and sales. He noted that our current renovation project will make the financial statements look unusual this year—there will be a big transition from showing large liquid assets when our construction costs are re-categorized at the end of the year.

--Dan continues to monitor margin changes, noting erosion due to fuel surcharges and other increases. WV is absorbing some of the increased costs in order to ensure that certain key products remain as affordable as possible, and adjusting to changes due to project-related department growth.

--Personnel expenses came in under 23%, which is just under budget despite the 9% across-the-board wage increase.

--Bob asked that the large Theft and Casualty Loss figure be researched and explained.

--David moved to accept the FYE 2009 First Quarter Financials. Mike seconded. Motion passed 7-0-0.

Board Budget Treasurer's Quarterly Report

--Jane presented an update of the FY 2009 Board of Directors Budget, comparing budgeted to actual expenses. The board discussed variances between actual and budgeted amounts.

--This information will be provided quarterly, although it may be in the "FYI" section of the packet rather than as a discussion item on the agenda. Jane may also propose revisions, based on known or predicted changes.

4. LINKAGE/COMMITTEE WORK

Bylaws Committee Report (DP)

--David reported that the election is going well and noted that the committee is working on recommendations for policy updates that would complement the proposed bylaws changes.

--RMK reported that we did not receive feedback on the amended bylaws at the October Owners' Meeting.

--RMK shared an update on the project budget to date, noting that we have not received an invoice for legal expenses incurred after July 31. The committee will provide a future update when the total project cost is known.

Nominations Committee Report (MC)

--Mike noted that the candidates were present at the October Owners' Meeting.

--The board discussed the merits of a voter drive and Jane volunteered to lead this effort with Mike beginning the first week in November.

Policy Committee Report (TB)

--Theron and Mike commented that the Policy Committee was missing monitoring results from the board for B1, B4 and C1. The board agreed to resubmit their votes for these policies.



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--Theron also suggested potential future committee tasks, including policy changes related to the bylaws revision project, expanding the scope of the committee to review Ends and Executive Limitations, and proposing changes to the monitoring schedule and process.

Reflections on the Informal Board Meeting and Owner Linkage

--The board agreed that the informal meeting was helpful and fun and they would definitely find it beneficial to have such meetings in the future. The free-form discussion style resulted in excellent interactions between participants and the comfortable setting was conducive to an open sharing of ideas.

5. BREAK

7:10 PM

6. STRATEGIC LEARNING

7:20 PM

--Jane lead the discussion of how WV and other co-ops benefit the community by asking “big-picture” questions for the board to discuss. The board’s discussion focused on two questions: What do we mean by *community* and what do we mean by *benefitting* the community?

--The ensuing discussion revolved around WV’s values and the values of our owner/members and included comments on extending those values beyond our current reach.

--A few nuggets from the conversation (paraphrasing)

- Wheatsville serves as a modern-day town square in the absence of traditional communal meeting places.
- There’s something safe about being at WV.
- Are we meeting and exceeding our community’s expectations and ideals? If not, why not? If so, how can we improve on that?
- WV, as an alternative, is beneficial by definition.
- Recent survey indicates that our community would like to see more outreach and education.
- Leadership shapes values.
- *Our* community thinks about impacts of what they buy and where they buy it.
- How can we convince others to share in our values? How could we make WV work in different types of communities?

--Other questions the board didn’t get to because of time constraints revolved around how we could focus our collective attention, how to connect ideas and how to create forward movement. Everyone enjoyed the discussion and looks forward to increasing the amount of time spent discussing our vision at these meeting.

7. PROJECT UPDATE

8:10PM

Review of current Pro-Forma

--Dan’s goal for the discussion was to update the board on issues that have come up since his last report.

--The Pro-Forma continues to be updated as the project moves along, and when available, actual costs are incorporated.

--Much love given to Dan for his continued excellent work!

8. EXECUTIVE SESSION

8:38 PM

--RMK moved to enter into Executive Session to discuss confidential matters relating to real estate. Dan Gillotte and Sam Vaughan were invited to stay for the session.

--RMK moved to come out of Executive Session at 8:50 PM.



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9. HOUSEKEEPING/CLOSING ITEMS

8:50PM

Administrative Update

- RMK checked in BOD about desire to reschedule of Nov-Dec meetings. This will be done by email.
- The BOD decided that we do not need to vote on re-enrolling in CBLD. RMK will send out our registration form to get feedback before we submit.
- RMK reviewed action items from past meetings this year, which have not yet been addressed/discussed. She will prioritize our work for the last two meetings of the 32nd BOD, and welcomes feedback from all.
- Our facilitator, Barb, has decided to resign. The BOD discussed our experience with her and whether we need to find another facilitator. No urgent action is needed.

Supporting Blackstar

- Mike proposes that we encourage WV Owners to donate their patronage rebates to Blackstar.
- The Board discusses and decides to continue discussion by email, hopefully with resolution in time for the November 10th Breeze deadline.

Review Action Items/Upcoming Agenda

- Due to time constraints, RMK will email this info to the Board.

RMK moved to adjourn the meeting at 9:18 PM. David seconded. Motion passed 7-0-0.

ACTION ITEMS:

- Dan to send article from Forbes (this came up during our discussion of security of deposits)
- Board to have email discussion about how/whether to promote support of Blackstar to WV owners (e.g. Breeze article about donating patronage rebate) - Mike to lead
- Ask John about line item "Theft & Casualty Loss" (p. 20 of packet/p.3 of 1stQfinancials) - rmk
- Get out the vote initiative - Jane and Mike
- BOD to remonitor 'missing' policies (B1, B4, C1) - Policy Committee
- Policy committee discussion @ November meeting
- BOD to receive quarterly proforma update (in executive session)
- Renew enrollment in CBLD - rmk
- Reschedule Nov and Dec BOD meetings due to holidays - rmk
- BOD self-evaluation @ November meeting
- monitor B10, D4 (full policy), D7

Parking lot/action items review:

- March/April/etc – owner survey
- April – policy language regarding (not) having staff directors who are direct reports to GM
- May – schedule next owner dinner
- May – consider revision of D-monitoring calendar timing of D3 and business plan
- May – board budget what % of sales should this be, what should be included?
- June – CCMA learning xfer
- June – Ends policy revisions
- August – potential grocery store price comparisons
- September – continued discussion on conflict of interest, specifically related to other Austin co-ops