

Wheatsville Board of Directors

Board Meeting Minutes (approved)

November 27, 2007

Present: Jane Kurzawa Cravey, Johnny Livesay, Marilyn Fowler, Bryan Butler, Jimmy Robertson, Bob Kinney, Rose Marie Klee, Tom Wald

Absent: Colin Borchert

Also Present: Dan Gillotte, General Manager; John Perkins, Finance Manager; Marisa Newell, Administrative Assistant; Gabriel Gallegos, Member Records Keeper; Rae Wilder, Deli Counter; Kim Tehan-Barrow, Bodycare Buyer; Nancy Bender, Grocery Buyer

Call to Order: 6:06 PM

HOUSEKEEPING

Introduction and welcoming of staff members who are present

Consent Agenda: 6:10pm

- October minutes: pulled by Jimmy; changes made.
- Jimmy moved to approve minutes as amended, Jane seconded. Motion passed 7-0-1.
- GM Report: pulled by Jimmy, who wanted to follow up on Dan's offer to provide update on renovation
- Dan responded: still moving along, though there is no final schedule from contractor Harper, but it will be tied with contract when that is set. Nine months is the estimate for completion
- Also, many options available for a potential local project manager
- National Co-op Bank, via conference call, stated they were 2-3 weeks out on finalizing loan
- And, contract with contractor running roughly parallel to that time period
- Jimmy wondered if the Board could receive regular status of these ongoing projects, including reports on bank loan and contracts. Dan agreed to comply.
- Important reminders for anxious members: city permitting, contract closing, financial institution closing, busyness of Austin; many factors to consider in a project of this scale...
- October operations report in paper agenda
- B10 monitoring report: completed by Tom
- Question from Jane: document does not state whether the board is in compliance or not
- Tom suggested the report be discussed privately and then publicly discussed at the next meeting
- Will be deferred tonight for clarity changes to be made
- Rose Marie asked: should the board's monitor be similar to Dan's in the sense that it includes an interpretation?
- Johnny responded that individual interpretations (similar to Dan's) on monitoring would not reflect ideals of the board as a whole
- Bob suggested this be discussed via email. Tom will re-monitor this policy and it will be present in next month's agenda.

Added to agenda: 6:26 pm

- Marshall: offered to do additional consulting because there are unused hours (based on annual allotment of 18 hours)
- Potentially: an evaluation on how the Board functions as a whole though it would be difficult to attempt a thoroughly comprehensive evaluation since he is not present for meetings.
- Bryan suggested approaching him with bylaws issues
- Vacancy on Board
- Johanna Devine received a job offer in Louisiana, hence a vacancy. Because there are no runner-ups, there will be no one available to fill her spot.
- Cannot use extra staff candidate because of bylaws limitations
- Jane suggested the Board actively seek members and not wait six months to fill the vacancy
- Based on Dan's suggestion, Bob offered to contact previous Board members to seek their interest in running again

LINKAGE

Membership Admin Guidelines and amended B7 7:04 pm

- John stated that text is organized and not controversial, but would be glad to answer questions
- Marilyn asked about mail that is returned (Breeze, membership cards, etc.); the two years that members get without a valid address seems long since WV is paying postage, but it is only fair to offer ample time before taking capital and canceling memberships
- Gabriel added that the store actively seeks new addresses, if and when mail is returned
- Jimmy asked about green card members and how they are affected. Gabriel responded that they are required to pay \$25 initial payment, and then pay the remainder within six month before account goes delinquent and benefits are suspended
- A new practice: annual review of all green and blue accounts and those who received \$15 per year worth of a membership but did not pay entire membership investment will convert to annual memberships and expire. Capital turns to income for Wheatsville.
- Bob asked about eliminating green cards, yet many individuals don't want to or cannot pay \$70 in one instance. Green cards are simply not fully paid gold cards.
- John directed the Board to policy amendment (B7)
- Memberships continue to rise, but may fall in the future, especially with the eventual drop of surcharge and annual memberships
- In "Refund Guidelines" of membership guidelines, the Board agreed to clarify B.7.7.1 as:
- "...Wheatsville's current and projected needs, currently \$400,000"
- Rose Marie asked about strategy for implementing the document
- Dan responded that the idea would be explained and illustrated in the Breeze primarily
- John added that these guidelines would also be easily accessible for any staff and/or members in the store
- Gabriel added that having this document would enable more consistency in training, etc. He added that, although it is an abrupt change, the owners have always had the responsibility to pay their entire memberships.
- Jimmy moved to adopt the amended version of Policy B.7, Jane seconded. Motion passed 7-0-1.
- Jane moved to adopt Membership Administration Guidelines, Johnny seconded. Motion passed 8-0-0.
- The Board thanked John and Gabriel for their extensive work on this project

Board Self-Evaluation 7:42 pm

- Discussion will be postponed until next month because entire document not sufficiently included in packet; also missing one member's input

Neighborhood committee report 7:45 pm

- Bryan, Jane, and Tom compiled the report
- Tom stated that main focus of committee would be addressed at December meeting
- Rose Marie mentioned that after speaking with Marshall, she is concerned with people's ideas pertaining to another store in new subdivision at former Mueller Airport site.
- Bryan responded that the committee was formed for these reasons (questions regarding surveys, etc). There will be answers to these questions at the next meeting.
- In Rose Marie's discussion with him, Marshall stated that this is not Board work and should be performed by staff (i.e. Dan)
- Jane clarified that this discussion is not only about a second store, but also simply outreach to the community
- Tom added that outreach is something that the committee has not fully addressed
- Committee members will speak to Marshall with ideas about this and report back to Board at next meeting
- Discussion will ensue during VISION segment of December meeting

Ends Policy Draft 7:55 pm

- "Purpose, Mission, and Basic Methods" are now part of A-policies; no longer a preface to bylaws, and consequently will be monitored in the future
- Johnny added that instead of a group of Board members monitoring, maybe the GM could do the monitoring (possibly with a few Board members collaboration)
- Dan liked the idea of using the Ends Policies as a way of formalizing the co-op's actions. As per Rose Marie's suggestion, perhaps the Board could together address one alternating policy during the meetings.
- Jimmy and Johnny moved to approve the new policy draft, Bob seconded. Motion passed 7-0-1.

OVERSIGHT

Board Orientation in January 8:09 pm

- Discussion postponed until December

GM Monitor Policies 8:10 pm

- D3: Bryan moved to accept, Johnny seconded. Motion passed 8-0-0.
- D4: Dan stated that first quarter financials would be available in December. Jane moved to accept, Bryan seconded. Motion passed 8-0-0.
- D7: Tom moved to accept, Rose Marie seconded. Motion passed 8-0-0.

D1 Policy suggested draft 8:19 pm

- Jimmy wondered if someone could offer a quick summary regarding Board's involvement in policies
- Johnny responded that much discussion has ensued regarding staff satisfaction. Evaluation had not been delivered to Dan prior to discussion of outcome.
- Marshall believed policy was too prescriptive, as did other members of the Board

- Johnny felt like the concept should not be ignored, and instead the items should be addressed
- Bryan wondered why GM was being graded based on policies not regularly implemented
- Overall, Dan wondered what the Board would ideally like and expect from Dan. This way of addressing the policies directly will prove more effective.
- Jane mentioned that staff satisfaction is always prevalent in one way or another; consequently, the questions she offered via email were intended to make it more productive and an enjoyable place for staff
- Johnny added that people fear change; some employees fear a drastic change in their workplace, with increased expectations for an increasingly busy business
- Tom suggested that because problems are inevitable, perhaps a policy could be instated and productive adjustments made. So, what could the Board do to make its expectations and ideals evident?
- Jimmy replied that complete harmony within staff has always been problematic; however, most conflicts are over decision-making authority, and less on staff mistreatment. He supported Jane's idea to create a committee in hopes of addressing these concerns effectively with specific questions.
- Dan stated that, while a committee could be productive, perhaps the entire Board could first discuss these questions together
- Johnny also mentioned the importance of knowing the basis of consumer cooperatives, as opposed to workers, etc. There are essential characteristics of co-op that must be fully understood amongst staff.
- Jimmy wondered, since December's Vision is already taken, if perhaps this issue could be postponed for a while, but Bob suggested it could still be discussed in December, piggybacked with outreach discussion
- Jane suggested implementing another co-op's shared document for policy monitoring, but altering it for the Board to monitor GM's responsibilities
- Discussion will continue at December meeting

VISION

Bylaws 8:57 pm

- Rose Marie asked for specific questions about Articles of Incorporation
- John previously mentioned the idea that having Laddie recompile Articles was unnecessary because they would be rewritten soon
- Discussion will be postponed until December meeting
- Jane suggested that a special meeting could be called; Rose Marie will work to plan this

Board self evaluation:

Plusses:

- Ends Policy
- Dan good work on D policies
- Discussion of staff treatment
- Good having guests

Things to improve:

- Should have multiple board packets available for guests; perhaps having electronic copy available would save paper

Meeting Adjourned at 9:05 pm.

Summary of Action:

- October minutes altered, then approved, 7-0-1.
- Membership Administration Guidelines adopted, 8-0-0.
- Amended B.7 approved, 7-0-1.
- New Ends Policy approved, 7-0-1.
- GM Monitor Policies, D.3, D.4, D.7 all passed, 8-0-0.

Action Items:

- Corrections and resubmission of October Minutes Marisa
- GM report, D8 Management Continuity monitor report & follow-up on owner letter about investor shares Dan
- Board monitor reports - revised B10 from Tom and new B11 from Colin
- Consider options to fill Board vacancy Board and Bob
- Board self-evaluation - final copy will be emailed to entire Board prior to December meeting
- Continued discussion of neighborhood committee and staff satisfaction in December VISION