

**Wheatsville Board of Directors
April Meeting Agenda
Tuesday, April 26, 2011
6:00 – 9:15 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 (5 min)	AGENDA REVIEW 2. CONSENT AGENDA: February 2011 and March 2011 Meeting Minutes B4 – Board Officers C1 – Board Management Connection D1 – Financial Conditions and Activities General Manager’s Report	DISCUSS VOTE
6:15pm (10 min)	3. Board Budget Proposed Board Budget for Fiscal Year 2012	DISCUSS
6 :25pm (5 min)	4. Audit Follow Up Internal audit procedures and bank statement review processes	DISCUSS
6 :30pm (45 min)	5. Nominations Committee Report from the Nominations Committee Information from PCC regarding annual elections, the board, and the board’s role during expansion	DISCUSS DISCUSS
7 :15pm (10 min)	6. Break	
7:25pm (20 min)	7. Draft Business Plan Draft of Business Plan FYE 2012	DISCUSS
7 :45pm (90 min)	8. Strategic Learning Discussion	DISCUSS
9 :15pm (10 min)	9. Fall Owner Gathering	DISCUSS
9 :15	10. Adjourn	

Benefitting Community * Promoting Cooperative Economics * Transforming Society



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Present: Rose Marie Klee, *President*; Lee Blaney, *Secretary*; Steven Tomlinson, *Treasurer*; Theron Beaudreau; Kate Vickery; Kitten Holloway; Reyna Bishop; Mark Wochner; and Doug Addison.

Also Present: Dan Gillotte, *General Manager*; John Perkins, *Finance Manager*; Beth Beutel, *Board Admin Assistant*.

Absent: none

Call to Order

6:00 PM

1. OPEN TIME

- Welcome back Reyna, congratulations.
- Nice no hair, Dan.
- Lee is happy to be present in person again.

AGENDA REVIEW

- Item 3, Item 4 and Item 5 will include votes.
- Bylaws learning was removed from the agenda.

2. CONSENT AGENDA:

6:05 PM

- February 2011 and March 2011 Meeting Minutes
- B4 – Board Officers
- C1 – Board Management Connection
- General Manager's Report

--Mark moved to accept the consent agenda minus D1. Lee seconded the motion. Motion passed 9-0-0.

D1 Discussion

Doug had a question about the exception noted in the monitoring report for Policy D.1.7 regarding late deposit of taxes withheld by FTJ FundChoice in connection with the distribution of 401(k) funds to former employees.

EXECUTIVE SESSION

6:13 PM

RMK moves to enter into Executive Session with John, Dan, and Beth to discuss Wheatsville's 401(k) Plan.

The Board came out of Executive Session at 6:16 pm.

--Doug moves to accept the D1 report, Steven seconds, Motion passes 8-0-1



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3. BOARD BUDGET

6:15 PM

- Steven presented the proposed Board budget for FYE 2012.
- CLBD fees have increased. The budget allows four directors to attend CBL 101.
- Spending on the annual Board retreat increased.
- The budget assumes that financial review and legal fees will be less in 2011.
- The budget now has allotments for childcare during Board activities and compensation for the Board President.
- The Board discussed and confirmed that eight directors are attending CCMA.

Member Meetings and Events:

- Kitten recommends the Board increase the budget for Member Meetings and events in order to have more support equipment: video, speakers, etc.
- A straw poll was taken regarding spending on the Owner Gathering, and the Board agreed that the budget should be increased to \$2,500, making the total Board budget 60,435.

Professional Fees and Accounting:

- The Board discussed whether Financial Review should be a part of the Board's budget or the Operational Budget and noted that it could be done either way. At Wheatsville, it has historically been considered part of the Board's due diligence and is therefore part of the Board Budget.

--Steven moved to accept the budget with the modification that we increase the Member meetings and gatherings to \$2,500 giving us a total budget of \$60,435. Mark seconded the motion. Motion passed 9-0-0.

Storage Update from Lee

6:31

- The fee for data storage is nominal. The current system of data storage is fine, but there is concern about the capacity of the current system compared with anticipated future need.

4. AUDIT FOLLOW UP

6:33 PM

- John reported on the new internal audit and bank statement review procedures recommended by Bruce Mayer, noting that operations have tried the procedures and will continue to evaluate whether they are necessary for Wheatsville. The Emergency Preparedness Plan will be included for the June Board Packet; Bill Bickford is prepared to present to the Board upon request.

--- Lee moved to accept follow-up report to the internal audit procedures and bank statement review process. RMK seconds. 9-0-0.



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5. NOMINATIONS COMMITTEE

6:38 PM

- The Committee is working on two challenges: the short-term challenge is the vacancy left by Lee and Theron stepping down from the Board in fall 2011; the long-term challenge is developing a pool of qualified candidates. The Committee thinks that the Board needs to have a clear understanding of what the Board needs in its directors with regard to our Co-op Development Strategy to recruit effectively. Some of the qualities that the Board is looking for include the following:
 - Demonstrate interest in the Board's work;
 - Live in the geographical area of the future store(s);
 - Be involved in the cooperative movement (*e.g.*, the Co-op Think Tank);
 - Have run for the Board in a previous year;
 - Be an expert in law, real estate, economics, and sustainability;
 - Work at Wheatsville;
 - Have good communications skills; and,
 - Expose Wheatsville and cooperative economics to new communities.
- Dan suggested researching the work of other Boards, specifically Boards of two- and three-store food co-ops (*e.g.*, Mississippi Market and Outpost Co-op).
- RMK plans to have breakfast with Janice Parker of PCC.
- Kate noted that nothing the Board is expressing has a direct relationship to recruiting candidates for the fall. RMK said she believes that the Nominations Committee Charter addresses a vacancy strategy but not a recruitment strategy.

6. BREAK

7:33PM

7. DRAFT BUSINESS PLAN

7:43PM

Dan reminded everyone of the parameters for discussing confidential matters and the reasons for confidentiality.

Explanation of Business Plan

- Dan shared more information regarding Board milestones as they relate to the expansion timeline. Dan notes that he is fulfilling the D2 policy around planning by creating this Business Plan, and the D2 Policy shall be monitored in July.
- Dan notes that as a result of Open Book Financing, the entire operation is intimately involved with planning every single week.
- Dan suggests that the calendar may need to change from having the Ends Policy monitored in June, and the Business Plan monitored in July, to having Ends be after Planning. Dan suggests that next year Planning be monitored in May or June, with Ends monitoring in the Fall.



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- Dan notes that the Business Plan is the planning process for economic engine of Wheatsville for the next fiscal year. Dan's going to plan the Co-op Development Model piece of the plan over the next two months.

Response from the Board:

- Kate requested more information about the G2G research group conducting the market surveys; Dan provided G2G's and Debbie Suassuna's qualifications, and approach.
- Dan explained the relationship between ownership and our customer base and how these would differ by having multiple locations. He also explained how additional stores would divide then expand Wheatsville's customer base.
- The Board discussed the strategies of other natural foods stores, and how those impact Wheatsville's growth strategies.

9. BOARD WORK 2011

8:24 PM

- The Board noted that one of the things missing from the schedule is that in July-October the Board will need to plan and implement an Investor Share program.
- Dan and RMK noted that the process will be that Operations researches and chooses the site, architect, financing, and contractor and will present a proposal with background information sufficient for the Board to give its approval.
- The Board discussed a possible need for special meetings, particularly with regard to Real Estate. Doug noted that the Bylaws state that the Board must notify owners four days in advance of a special meeting.
- Steven presented an idea to bring in experts to teach the Board perhaps by using one hour of meeting time or by having separate meetings. He recommends having PR/Media experts to talk to us about communication strategies and to discuss how to optimize the economic engine of Wheatsville.
- The Board discussed ways to create Owner Linkage including: potentially having additional events, particularly in the spring, communications strategies for the Big Direction, and the role of operations in Owner Linkage.

RMK moved to adjourn at **9:04pm**.

ACTION ITEMS

- Nominations Committee is to retool recruitment strategy and bring a proposal to Board at next meeting.
- Beth will survey the Directors in order to determine the best date for the next meeting.