

WHOLE FOODS COMMUNITY CO-OP, INC.
Minutes of MAY 2011 Meeting of Board of Directors
As approved by the Board of Directors on June 27, 2011

DATE: May 23, 2011
TIME: 5:30 PM
LOCATION: Whole Foods Co-op, 610 East 4th Street, Duluth, MN

Attended by Board members: Alison Champeaux, Mary Dragich, Chris Edwardson, Mark Friederichs, David Helf, Theresa Koenig, and Heather Murphy. Also present: General Manager Sharon Murphy and Owners John Westlund, Jodi Cope, Jean Sramek and Walter Sipila.

Motion, seconded and carried is abbreviated as MSC, followed by the names of the maker, second and vote tally. U = unanimous vote.

OPEN SESSION

President Chris Edwardson called the meeting to order at 5:31 PM. David was appointed timekeeper. Owners were welcomed and introduced themselves. Board members were prepared and no conflicts of interest were noted.

IMPORTANT DATES

All dates were reviewed for possible conflicts and the following items were noted:

- Reminder that the June 27, 2011, Board meeting will be held in the conference room.
- WFC will sponsor a film, Queen of the Sun (<http://www.queenofthesun.com/about/trailer/>) at the Zinema on Sunday, July 10, 2011 (time to be determined).

REVIEW

Minutes – The Board approved (MSC, Mary, Theresa; David abstained) the draft, as amended at this meeting, of the Minutes of the April 25, 2011, meeting of the Board of Directors.

Management Report – There were no requests for Board action in the May Management Report. Sharon noted that:

- The Board of the Grant Community School Collaborative/GCSC accepted WFC's request to partner to offer a Sustainable Food Systems Curriculum (developed by the Northland Food & Farming Initiative and to be taught by WFC Owner Kristin Stuchis) in summer 2012; WFC will cover expenses including, but not limited to, instructor fees, materials and farm tour, and GCSC will provide a facility, promotion and administration of the program.
- Copies of Food Fight: A Citizen's Guide to the Farm Bill (updated to 2011) are on order.

Ownership Report - With respect to the May Ownership Report, the Board approved:

- (MSU, David, Alison) 65 new Owner applications,
- (MSU, David, Alison) refund of two term/transfer requests (Owner #4454 and #538)

There were no requests for Matching Funds on this month's Ownership Report. The Board noted that, as of April 30, 2011, WFC has 6,134 active Owners and 1,085 inactive Owners.

Financial Report – The Board reviewed the April Income Statement. Sales growth to date in May is approximately 7% with a goal of 6%.

Compliance Reports – Barring objections, the Board accepted the following May Compliance Reports:

- Policy B1 Staff Treatment/Sharon
- Policy B2 Compensation and Benefits/Sharon

Committees – Theresa reported that the Board Recruitment Committee did not meet in May but followed up with calls and emails to potential candidates. The Board Recruitment Committee has a tentative meeting date of 4:45 PM on Monday, June 27, 2011, at WFC.

Board Calendar – At approximately 6:15 PM, Chris declared the Board in closed session to review the General Manager’s contract for 2011-2012 and confidential items in the May Management Report. The General Manager and meeting guests moved to the conference room.

At approximately 6:45 PM, Chris declared the Board’s return to open session with the General Manager and meeting guests in the classroom.

OLD BUSINESS

Following discussion of Policy D3 Officers’ Roles, Section 5, the Board asked Sharon to calendar this topic for further discussion on the August and/or September agenda.

Following discussion, the Board approved: MSC, David, Heather; Mary abstained the following amendments to Policy D12 Board Compensation:

POLICY D12: GOVERNANCE PROCESS BOARD COMPENSATION

The purposes of board compensation are:

- To begin to address the barriers of time, family responsibilities and distance that may deter potential candidates from participating and
- To recognize the additional responsibilities of the Board President position.

Therefore, the Board shall not fail to direct the General Manager to:

- 1) Compensate each director ~~\$50.00~~ \$100.00 per ~~month~~ regular Board meeting attended payable quarterly by March 31, June 30, September 30 and December 31;
- 2) Compensate the Board President an additional \$50.00 per month, not contingent upon attending the regular meeting, payable quarterly by March 31, June 30, September 30 and December 31;
- 3) If a director is also an employee of this cooperative, board compensation to that director will be included with his/her cooperative wages/salary and subject to employment taxes; and
- 4) Compensation for directors not employed at this cooperative may be tendered on WFC gift cards.

This policy will be monitored annually by internal report in April.

Approved by Board of Directors as of August 27, 2002

Technical edit approved as of June 2, 2003

Amendments approved by the Board of Directors on June 25, 2007

Technical edits requested by the Board on September 24, 2007

As approved by the Board of Directors on January 25, 2010

As amended by the Board of Directors on May 23, 2011, to be effective as of July 1, 2011

Following discussion of the governance budget for FY 2012, Sharon will include \$5,000 for unplanned opportunities under the Board Training item in the draft budget to be reviewed by the

Finance Committee on June 1, 2011. Criteria for eligibility and accountability for accessing these funds will be proposed by the Finance Committee.

NEW BUSINESS

Following discussion of an Owner proposal to prioritize requests for return of equity based on income, the Board took no action on this item.

The June Board compliance report on Policy D7 Governance Investment was assigned to Mark.

STUDY

Heather and Alison introduced the scope of their research on the topic of sustainability and food issues. A folder of Sustainability Study articles will be posted on the main menu of the wiki site within the STUDY folder. The following articles will be discussed at the Board's June meeting:

- Alternative Food Initiatives in CA
- Sustainability in the Balance/Issue Paper #1
- Sustainability in the Balance/Issue Paper #2
- Sustainability in the Balance/Issue Paper #3

Following an evaluation on process, the Board approved (MSU, Theresa, David) adjourning this meeting at 7:35 PM.

Respectfully submitted,
Sharon Murphy, General Manager