

WHOLE FOODS COMMUNITY CO-OP, INC.
Minutes of October 28, 2013, Meeting of Board of Directors
As approved by the Board of Directors on November 25, 2013

DATE: October 28, 2013
TIME: 5:30 PM
LOCATION: Whole Foods Co-op, 610 East 4th Street, Duluth, MN

Attended by Board members: Jennifer Cummings, Chris Edwardson, David Helf, Heather Murphy, Mickey Pearson, Jean Sramek and John Westlund. Also present: Owner Mark Friederichs and General Manager Sharon Murphy.

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 5:30 PM. Mickey was appointed timekeeper. Board members were prepared and reported no conflicts of interest. Jean will not be able to attend the Board's November 2013 meeting. Owner linkage, especially related to the 2013 Annual Owners Meeting, was reviewed. Owner Mark Friederichs attended (5:40-6:05 PM) to discuss growth possibilities other than a second location.

CONSENT AGENDA

The Board approved/accepted (MSC, David, Jean – Jennifer abstained with respect to approval of the Minutes of the September 23, 2013, meeting) the following items on the October 2013 Consent Agenda:

- Important Dates
- Minutes of September 23, 2013, Board Meeting/open session
- Compliance Reports:
 - Policy B8/Treatment of Consumers/Sharon
 - Policy B10/Community Commitment/Environmental Policy/Sharon
 - Policy B11/Peer Accountability/Sharon
- October 2013 Owners Report
 - 69 owner applications
 - 4 Term/Transfer Requests (#9842, 8651, 343, 10801)
 - 1 Matching Fund request (Owner #11441/\$80)
- Board Calendar items
 - Review 2013 Business Plan Progress Report
- New Business
 - Gazette articles due for October 31, 2013: Board Report/Chris; Membership Matters/Jean
 - November Board Compliance Report on Policy D3 Officers Roles/John

REVIEW

MANAGEMENT REPORT

Sharon advised that average daily sales through October 27, 2013, are 14% ahead of sales in October 2012 with a goal of 10% growth.

The Board approved (MSU, Jennifer, Mickey) management's request for a Storewide Performance Bonus for eligible employees in the amount of \$26,348.

The Board approved (MSU, John, David) management's recommendation to invest, unsecured, \$50,000.00 for up to ten (10) years in the Loan Fund of the National Cooperative Grocers Association/Development Cooperative to make commercial loans to new and/or existing grocer cooperatives in the United States for store acquisition, predevelopment, development, improvement and/or expansion.

The Board approved (MSU, David, Heather) renewal of its annual contract with the Cooperative Board Leadership Development/CBLD program for consultant services in 2014 in the amount of \$6,450.00. Following discussion, the Board agreed to not schedule a half-day planning retreat with their CBLD consultant in November 2013 but to plan for a day or day and a half retreat with their CBLD consultant in April after the first round of Owner forums in early 2014. The Board will establish their goals for 2014 at the November Board meeting using the results of their *Google* evaluation survey.

The Board approved (MSU, David, Jennifer) immediate termination of membership and refund of equity to Owner #12521 due to that Owner's repeated failure to comply with Article 1, Section 2 Application of WFC's Bylaws "... to peacefully and democratically participate in the cooperative."

Following discussion, the Board accepted management Compliance Reports on the following policies:

- B4 Financial Condition (July-September 2013)
- B4 Financial Condition (FY 2013 after accountant adjustments)

The Board reviewed a summary of second site location related comments from the vote at the 2013 Annual Owners meeting, emails, comment cards, phone calls and consumer surveys completed to date and also discussed other comments and trends from the September 2013 consumer (Owners/non-Owner shoppers/non-shoppers).

Following discussion, the Board approved (MSU, John, David) management's recommendation to decline a disaster recovery loan from the Minnesota Department of Employment and Economic Development/DEED.

NEW BUSINESS

The Board approved (MSU, Heather, Mickey) the following slate of Board officers effective as of this meeting:

- President Chris Edwardson
- Co-Vice Presidents David Helf and Jean Sramek
- Secretary Heather Murphy
- Treasurer John Westlund

As Jennifer will be unable to attend Board meetings on Mondays at 5:30 PM starting in January 2014, the Board considered alternate times and days of the week for their meetings. No other time/day was agreed on.

Following a written evaluation on process, Chris adjourned this meeting at 7:34 PM.

Respectfully submitted,
Sharon Murphy, General Manager