

WHOLE FOODS COMMUNITY CO-OP, INC.
Minutes of June 23, 2014, Meeting of Board of Directors
Approved by Board of Directors on July 28, 2014

DATE: June 23, 2014
TIME: 5:30 PM
LOCATION: Whole Foods Co-op, 610 East 4th Street, Duluth, MN

Attended by Board members: Chris Edwardson, David Helf, Heather Murphy, Mickey Pearson, Jean Sramek and John Westlund. Mary Ann Bernard was absent. Also present: Owner Jamie Harvie, Anja Parenteau, General Manager of the Natural Harvest Co-op in Virginia, MN, and WFC's 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 5:31 PM. Board members were prepared and checked in; Chris determined there was no need for a closed session.

Chris appointed Mickey as timekeeper.

CONSENT AGENDA

The Board approved (MSC, David, Jean) the following items on the June 2014 Consent Agenda:

- Important Dates/Board Calendar/Board Goals/Owner Participation Events
- Minutes of the Minutes of the May 19, 2014, Board Meeting/open session
- June 2014 Owners Report including:
 - 71 Owner applications and
 - 2 term/transfer requests (#6474, #3287)
 - 2 Matching Fund requests (#13754 for \$80 and #13265 for \$25)
 - Terminate the memberships of 30 Owners for failure to pay outstanding IOUs (over 90 days) = \$2,278.76/see attached list
 - Terminate the memberships of 4 Owners for failure to reimburse for bounced checks = \$45.31/see attached list

REVIEW

Compliance Reports: The Board accepted the following Compliance Reports:

- Policy D7 Governance Investment (as amended at this meeting with respect to partial compliance on Section 2) and
- Policy B3 Budgeting/Financial Planning including the proposed FY 2015 capital and operating budgets

The Board approved, MSU (Jean, John), to amend Policy D7 Governance Investment as follows:
"2. Incurring governance costs prudently, though not at the expense of endangering the development and maintenance of superior capacity.

- a. Using training and retraining liberally to orient new directors and to maintain and increase existing directors' skills and understandings.
 - i. Prior to the first Board meeting after an election at least ~~two~~ **one** Board ~~officers~~ **member** and the General Manager will meet with new directors to: ..."

Income Statement

The Board reviewed and accepted the May 2014 Income Statement. Sharon advised that June sales growth is at 5.33% with a goal of 8.25%.

Management Report

With respect to the Denfeld Project, Sharon:

- Noted that updates to the preliminary site design and store layout were available on the information table; City Planning has given preliminary approval to site plans with the exception of the design of the roof top “fin” – LHB Architects will develop options for design of the fin and/or other sign options.
- Members Cooperative Credit Union has approved WFC’s loan request for the Denfeld Project subject to other area credit unions participating in the loan and subject a satisfactory appraisal of the final designs (interior and exterior) for the Denfeld Project.
- Still waiting on reports from soil borings on the Denfeld site.
- Reported \$771,000 in Owner loans received and commitments and \$108,500 in Class C shares purchased and commitments as of June 23, 2014 = total \$879,500.
- Promotions Department is developing a plan for the groundbreaking ceremony at the Denfeld site.

With respect to the Hillside store, Sharon reported:

- That remodeling for the re-brand project has moved along rapidly since early June – approximately 50% done.
- The test of the back-up generator was successful and that unit is now fully installed.
- The City’s road construction project on 10th Avenue East has not yet begun.
- The Co-op Explorer Program introduced the first week of June has been enormously successful; the Access Discount (brochure on the information table) was introduced this week.
- The Promotions Department is developing a plan for a grand re-opening after the rebrand is completed.
- Reminders:
 - The submission date for *Garbanzo Gazette* and Annual Report articles is July 31;
 - Board candidate applications and photos are due by August 1;
 - The fall 2014 *Garbanzo Gazette* including candidate and on-line voting information will be mailed to arrive by September 2;
 - There will also be Board election information posted in the store (along with paper ballots and an accessible computer where Owners can vote on line); a remember to vote email to Owners in early September; a remember to vote postcard to Owners the week of September 8;
 - Counting paper ballots on September 18 or 19
 - Annual Report with invitation to Annual Owners Meeting will be mailed the week of September 15 with RSVPs due October 10
 - Annual Owners Meeting on October 17

NEW BUSINESS

The Board reviewed notes and comments from attendees at the 2014 Consumer Cooperative Management Association/CCMA Conference in Madison, WI, June 12-14, especially with respect to Board recruitment and election practices.

The Board watched and then discussed a video of C.E. Pugh, National Cooperative Grocers Association, entitled “Why Does Participation Matter?”

Following a written evaluation on process, Chris adjourned this meeting at 7:30 PM.

Respectfully submitted,
Sharon Murphy, General Manager