

WHOLE FOODS COMMUNITY CO-OP, INC.
*Minutes of January 23, 2017 Meeting of Board of Directors
as Approved by Board of Directors at the February 27, 2017 Meeting*

DATE: January 23, 2017
TIME: 5:30 PM
LOCATION: Whole Foods Co-op, 4426 Grand Avenue, Duluth, MN

Attended by Board members: Carol Andrews, MaryAnn Bernard, Jamie Harvie, Brad Nelson, Mickey Pearson, Wayne Pulford and Jean Sramek. Also present: General Manager Sarah Hannigan. Owners present for Open Session: Andrea Woyt.

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

OPEN SESSION

Board Secretary Mickey Pearson facilitated the meeting. Jamie Harvie served as timekeeper. Mickey called the meeting to order at approximately 5:31 PM.

Open Listening Sessions:

With no guests in attendance seeking to speak to the Board, the Board closed the Open Listening Session at approximately 5:32 PM.

Board members and management introduced themselves. All were prepared and reported no conflicts of interest.

Agenda review:

No modifications were made to the agenda.

Consent Agenda:

The Board approved/accepted (MSU, Jean, Wayne) the Consent Agenda as presented:

- Minutes of the December 19, 2016 Board meeting (open session and closed session were approved)
- Owners Report
 - 59 Owner Applications in December 2016

Review:

Cooperative Board Leadership Development (CBLD) 101 and Leadership Training, January 7, 2017:

- No Board members to attend this session; Michael Karsh, Operations Manager to attend CBLD101.

Compliance Reports:

- Compliance Reports D, DI-D4 (Board-Management Connection, Unity of Control, Accountability of the General Manager, Delegation to the General Manager, Monitoring General Manager Performance) were discussed and accepted as written. There were no compliance reports scheduled for December.

Management Report:

- Owner Linkage:
 - Patronage Rebate Checks: 50% of Owners cashed their patronage rebate checks at WFC, making them eligible for \$25 off a shop of \$150 or more. The incentive helped increase the average sales per transaction during December.
 - January Owner and Owner Equity Drive update: all new Owners and all Owners who pay off the balance of their equity receive a free WFC canvas totebag.
 - WFC will welcome the 10,000th Owner in February. To celebrate, WFC will donate to Second Harvest Northern Lakes Food Bank funds to support the rescue and redistribution of 20,000 pounds of food.

- 2017 Annual Owners Meeting has been scheduled for Tuesday, October 24th. It will take place in the DECC's Harborside Ballroom.
- Admin:
 - On January 3rd, UFCW Local 1189 filed a petition for election with the National Labor Relations Board. An election will be held on January 26th at both stores to determine if approximately 100 of WFC's employees will be represented by UFCW Local 1189 for collective bargaining purposes. The election will be overseen by an agent from the NLRB. Votes will be counted immediately, but election results will not be certified for up to a few weeks following the election.
 - WFC received three Best of the Northland Awards from The Reader: Best Grocery Store, Best Customer Service and Best Green Business.
 - 2016 RRR recipient, Growing Farms, received a total of \$7481.10 in donations: \$0.10 for each of the 74,811 transactions where customers brought their own bags. The 2017 RRR recipient is Damiano Center's Kids Café.
 - Finance Manager is working with WFC's accountant to identify equipment and fixtures to be moved into an accelerated depreciation schedule for tax purposes.
- Hillside
 - Organic re-certification inspection complete, pending final determination.
- Denfeld:
 - HVAC modifications are complete.
 - Johnson Wilson Contractors and LHB are finalizing paperwork for LEED certification.
 - Organic Certification inspection complete, pending final determination.

Old/New Business:

February Compliance Report Assignments:

- Jamie will complete Compliance Reports for Policy C and CI (Global Governance Commitment and Governance Style).

Board Study Topics discussion:

- Board discussed plan for studying best practices for Board/Owner communication:
 - Jean and Sarah to request pertinent resources from Board Consultant, Joel Kopischke
 - Attendees of Co-op Café event on March 4th to gather additional ideas/resources
 - Board to review resources and formulate actions over coming months

Recruitment Committee update:

- Mickey updated the Board on recruitment activity.
 - One existing Board member will not run for re-election.
 - Three potential candidates will soon be attending Board meetings to learn more.
 - One candidate indicated that she is no longer interested.
 - Additional candidates are being sought; Garbanzo Gazette articles to feature recruitment efforts.

Bylaws Committee update:

- Wayne reported that three meetings have been scheduled for committee members to meet to begin bylaw review.

Open session adjourned at approximately 6:45pm. Owner Andrea Woyt left the meeting.

CLOSED SESSION

Mickey directed the Board and General Manager to closed session at approximately 6:45pm.

Policy B1 Compliance Report (Financial Conditions) was presented by the General Manager for the quarter ending December 31, 2016 (2nd Quarter of FY2017). The compliance report was accepted as presented.

The Board considered a proposal to revise the FY2017 Budget to align budgeted income with actual sales through the first half of the year and projected sales for the second half of the fiscal year. Revised Budget for FY2017 was accepted (MSU, Wayne, Carol).

Closed session ended and meeting adjourned at 7:45pm.

Respectfully submitted,

Sarah Hannigan, General Manager