

WHOLE FOODS COMMUNITY CO-OP, INC.
Minutes of AUGUST 27, 2012, Meeting of Board of Directors
Approved by the Board of Directors on September 24, 2012

DATE: August 27, 2012
TIME: 5:00 PM
LOCATION: Whole Foods Co-op, 610 East 4th Street, Duluth, MN

Attended by Board members: Chris Edwardson, Mark Friederichs, David Helf, Theresa Koenig, Heather Murphy and John Westlund. Also present: General Manager Sharon Murphy and members of the Management Team: Lisa Anderson, Colleen Kelly, Dale Maiers, Deb Manhart, Michael Olker, and Shannon Szymkowiak.

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

OPEN SESSION with MANAGEMENT TEAM

President Chris Edwardson called the meeting to order at 5:02 PM. Heather accepted timekeeper duties. Following discussion, the Board accepted management's Strategic Plan for the Growth of Whole Foods Co-op submitted in July 2012. The Board recommended introduction of this plan to Owners at the 2012 Annual Meeting. This portion of the meeting concluded at 6:35 PM and members of the Management Team, except the General Manager, left the meeting.

Following a break, President Chris Edwardson called this meeting back to order at 6:47 PM. Board members were prepared and no conflicts of interest were noted. The Board set a tentative date of Saturday, November 3, 8:30 AM – 12:30 PM, for its fall 2012 retreat with CBLD Consultant Nina Johnson. The retreat will be held in the classroom at WFC.

CONSENT AGENDA

Chris reviewed the intention and process for a Consent Agenda. By consensus, the following item was removed from the Consent Agenda:

- Compliance Report on Policy D1/Theresa – not received/carry over to August

The Board approved/accepted (MSU, Heather, John) the following items on the August 2012 Consent Agenda:

- Important Dates
- Minutes of July 2012 Board Meeting/open session (*note: Mark abstained*)
- Minutes of June 2012 Board Meeting/closed session
- Minutes of July 2012 Board Meeting/closed session (*notes: start time amended to 7:20 PM; Mark abstained*)
- August 2012 Owners Report
 - 59 ownership applications accepted
 - Owner No. 11049 approved to transfer her equity (\$30) to Matching Funds
 - Owner No. 11413 approved for \$80 of Matching Funds and
 - Owner No. 10508 approved for \$20 of Matching Funds based on eligibility and pending his purchase of additional \$60 of Class B equity
- July 2012 Income Statement
- Compliance Report on Policy B4 Financial Condition/Sharon
- Compliance Report on Policy D7 Governance Investment/Mark
- Compliance Report on Policy D6 Board Meetings/Chris
- Amendment of Policy D6 Board Meetings:

"POLICY D6 BOARD MEETINGS

"...3) Agenda Control: the Board is the sole authority over its agenda. The President will exercise this control on behalf of the Board, but any Board member, with the majority agreeing, may add or delete items from the agenda within the following constraints:

"a. The President or Vice President if the President is unavailable and the General Manager will meet at least two (2) weeks prior to the scheduled Board Meeting date to set the agenda. ..."

- Board Calendar
- Assigned Board Compliance Report for September: D11 GMEC/David.

COMMITTEES

Chris reported that the General Manager Evaluation Committee met and approved the format and text for the General Manager's 2012 Evaluation Summary. A copy of that summary will be maintained in the General Manager's personnel file.

NEW BUSINESS

REVIEW MANAGEMENT REPORT

Sharon noted for these Minutes that, at the July 23, 2012, Board meeting, David agreed to write an International Year of the Cooperative editorial for the *Duluth News-Tribune*, an assignment that Mary Dragich started but did not complete before she resigned from the Board.

The Board approved (MSU, John, Mark) management's request for approval for General Manager Sharon Murphy and/or a Board officer/officers to sign required documents for a Small Business Administration/SBA Disaster Recovery Loan (approximately \$284,000/second mortgage) with respect to recovery from the June 19-20, 2012, flood.

The Board approved (MSU, Mark, John) management's request to accept the August 24, 2012, estimate from Builders Commonwealth for culvert replacement and repairs to WFC's parking lot and retaining wall due to the June 19-20, 2012, flood.

Sharon advised that August sales growth to-date is 9% with a goal of 8%.

The Board authorized the General Manager to sign a petition in support of California's November 2012 Ballot Proposition 37 requiring labeling of GMOs in foods sold in California.

As noted in the August Management Report, Chris led a discussion of Board Policy D3 Officers' Roles with respect to opportunities for officer succession. Also as noted in the August Management Report, Chris asked for comments regarding progress on the Board's 2011 goal regarding facilitation:

"Be intentional in regard to ensuring that everyone has a chance to speak to every issue, that we hear opinions that challenge the wisdom of the day, and all opinions have been considered, especially the opinions of those who are absent."

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

Respectfully submitted,
Sharon Murphy, General Manager