

WHOLE FOODS COMMUNITY CO-OP, INC.
MINUTES OF BOARD MEETING ON FEBRUARY 23, 2015

Approved by the Board of Directors on March 23, 2015

DATE: February 23, 2015
TIME: 5:30 PM
LOCATION: Whole Foods Co-op, 610 East 4th Street, Duluth, MN

Attended by Board members: Carol Andrews, MaryAnn Bernard, Chris Edwardson, Mickey Pearson, Wayne Pulford and Jean Sramek. Absent: Jamie Harvie. Also present: General Manager Sharon Murphy and Store Manager Sarah Hannigan.

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 Jean Sramek called the meeting to order at 5:35 PM; Carol arrived at 5:40 PM. Jean also acted as timekeeper and determined there was no need for a closed session. Board members were prepared, checked in and reviewed Owner linkage. Jean attended the MN Food Co-op Boards/MFCB meeting on Saturday, January 31, at Mississippi Market Co-op. Jean advised that WFC will host the next MFCB meeting on Saturday, 2, noon to 2 PM, and Jean will facilitate that meeting that is open to members of boards of directors from food co-ops throughout our region.

CONSENT AGENDA

The Board approved (MSC, Carol, Wayne, Chris abstained) the following items on the February 2015 Consent Agenda:

- Important Dates/Board Calendar/Board Assignments (none for March 2015)
- Minutes of the January 26, 2015, Board Meeting/open session

Jean set a time for the General Manager Evaluation Committee meeting due in this quarter: 5 PM on Monday, March 23, 2015, in Sharon's office before the Board meeting.

REVIEW

OWNER REPORT – The Board approved the following with respect to the February 2015 Owners Report:

- 116 Owner applications (MSU, Mickey, MaryAnn)
- ALL pending term/transfer requests = \$4,926.92

COMPLIANCE REPORTS – Barring objections, the Board accepted the following Compliance Reports:

- Policy C Global Governance Commitment/Mickey
- Policy C1 Governing Style/Mickey
- Policy C2 Board's Job/Mickey
- Policy B Global Executive Limitations/Sharon
- Policy B3 Asset Protection/Sharon
- Policy B4 Ownership Rights and Responsibilities/Sharon

The following Compliance Report will be carried over to the Board's March agenda:

- Policy C5 Directors' Code of Conduct/Chris

FINANCIAL REPORTS – The Board reviewed the January 2015 Income Statement and attached financial reports including the October-December 2014 GAP report. Sharon reported that average daily sales growth to date in February is at 2.5% with a goal of 3.5%. The next Owner Appreciation Month will be in April 2015.

MANAGEMENT REPORT

DENFELD PROJECT – Sharon report that as of February 23, 2015, WFC has received \$1,045,000 in Owner loans and \$102,500 in Class C equity investments for the Denfeld Project. The next Owner Finance Program information session will be on Wednesday, February 25, 2015, at 4:30 PM in the classroom. WFC has secured commitments from Members Cooperative Credit Union for outside financing for the Denfeld construction project as well as for the Denfeld equipment loan. Sharon reminded the Board that the agreement to purchase the Denfeld property for a second location was made one year ago at the February 2014 Board of Directors meeting.

HILLSIDE – With respect to the Management Report submitted to the Board prior to this meeting:

- The Board accepted management's recommendations for a FY 2016 governance budget.
- The Board agreed to continue to require dinner prepayment by attendees at the 2015 Annual Owners Meeting with a full refund to Owners who attend.
- The Board expressed support for offering \$45 dollar WFC gift cards – in honor of 2015 as WFC's 45th Anniversary – instead of spending money on a guest speaker and/or professional musicians.
- The Board will consider presenting a skit at the Annual Meeting.
- Mickey, Wayne and Jean plan to attend the June 2015 Consumer Cooperative Management Association Conference/CCMA in Boise, ID.

With respect to email communications to the Board since their January meeting:

- The Board advised that they did not recommend adding an additional open-ended question to the 2015 Consumer Survey
- The Board requested that the issue of authorizing advocacy initiatives be added to the March agenda and expressed appreciation for the information on National Co+op Grocers Advocacy Guidelines distributed at this meeting

Sharon reported that:

- The Management Team is planning a half-day off-site retreat for WFC managers and supervisors that will begin with a keynote address by Carl Crawford, a diversity trainer at Lake Superior College
- Jean, Wayne, Sarah and Sharon will attend the CBLD Cooperative Café in Eau Claire, WI, on Saturday, March 21, and Sharon and Sarah will be among the presenters at that conference

NEW BUSINESS

The Board reviewed a comparison of the table of contents for its current governance policies (adopted in December 2014) and the table of contents of its previous governance policies and determined that:

- Relocation Policy (former B9, last referenced in 2005) was deleted; applicable portions have been incorporated into other current policies – no further action required.
- Community Commitment/Environmental Policy (former B10) was deleted; Carol and Jamie will draft a new proposal to be considered by the Board for incorporation into Food Policies or to be a separate organizational policy.
- Peer Accountability Policy (former B11) was deleted; the Board will determine if the intent of the Peer Accountability Policy (to comply with the terms of WFC's membership in National Co+op Grocers/NCG) needs to be incorporated into the new Communication and Counsel to the Board Policy B6 when that policy comes up for review in May 2015.
- Minutes Procedure Policy (former D8) was deleted; the intent of this policy has been incorporated in the new Board Logistical Support Policy (B8) – no further action required.
- Search Committee Policy (former D9) was deleted; using the text of the former D9, Sharon will draft a Search Committee Charter template for Board consideration.

- Board Recruitment and Election Ballot Committee Policy (former D10) was deleted; using the committee charter template, Mickey will draft a Board Recruitment and Election Ballot Committee Charter for Board consideration.
- General Manager Evaluation Committee Policy (former D11) was deleted; using the committee charter template, Jean will draft a General Manager Evaluation Committee Charter for Board consideration.
- Board Compensation Policy (former D12) was deleted; the Board will determine if the intent of the Board Compensation Policy needs to be incorporated into the new Governance Investment Policy C8 when that policy comes up for review in July 2015.
- Noting that there was no Finance Committee Policy in the Board's previous governance policies, Chris offered to draft a Finance Committee Charter for Board consideration.

The Board agreed not to conduct a facilitated retreat in spring 2015.

The Board agreed to move the monthly Owners' Report and Compliance Reports (except for reports of non-compliance and/or financial compliance reports) to the Consent Agenda.

Mickey requested that Board members email him names of WFC Owners to contact as potential Board candidates. The materials distributed at tonight's meeting include an updated Board application packet; the application packet is also available on WFC's web site and printed copies are available at the Customer Service Counter in the store.

Following a written evaluation on process, Jean adjourned this meeting at 7:35 PM.

Respectfully submitted,
Sharon Murphy, General Manager