

WHOLE FOODS COMMUNITY CO-OP, INC.
Minutes of October 24, 2016, Meeting of Board of Directors
As approved by the Board of Directors on November 28, 2016

DATE: October 24, 2016
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 and Denfeld Store Manager Peter Krieger.

Owners present: Geoffrey Compton, Terry McCarthy, Mechaela Hudak, Chris Rubesch, Andrea Rubesch, Karin White, Theresa O'Halloran-Johnson, Sue Boorsma, Glenn Jackson, Diana Tastad, Larry Sillanpa, Abraham Wangnoo, Sharla Gardner and Ron Salveson.

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 President Jean Sramek facilitated and called the open session meeting to order at approximately 5:32 PM. This session was also attended by the Denfeld Store Manager and the Owners listed above.

Open Listening Sessions - Board Secretary, Mickey Pearson welcomed Owners present and gave an overview of the Open Listening Sessions Rules and Etiquette. Theresa O'Halloran-Johnson, Diana Tastad, Ron Salveson, Karin White, Sharla Gardner, Abraham Wangnoo and Larry Sillanpa addressed the Board. Mickey thanked participants for presenting and indicated the Board would respond via email. The Open Listening Session ended at approximately 5:55 PM.

Board members and management were introduced. Board members were prepared and reported no conflicts of interest. Mickey served as timekeeper.

Agenda review: The immediate equity termination request for Owner #16623 was removed from the Consent Agenda for consideration. The Board approved/accepted (MSC, Brad, Wayne) the termination. No other modifications were made to the agenda.

CONSENT AGENDA

The Board approved/accepted (MSC, Mickey, Wayne) as presented:

- Minutes of the September 26, 2016, Board meeting (open session and closed session were approved)
- Owners Report (for month of September 2016)
 - 76 Owner applications

- Important dates, Board calendar items and assignments
 - Board Retreat, Sunday, November 14th, 9:00 AM – 5:00 PM, Pier B
 - Board Compliance Report for November: Policy C5 Directors Code of Conduct/MaryAnn

REVIEW

COMPLIANCE REPORTS

- ❖ Barring objections, the Board accepted:
 - Compliance Report on Policy C7 Board Committee Principles/Carol

FY2016 AUDIT

- ❖ Audited financial statements for FY2016 were provided to Board members for review; a representative from the accounting firm will present the Audit and take comments and questions from Board at the November 28th Board Meeting.

MANAGEMENT REPORT-

ADMIN

- ❖ On September 27th WFC staff and Owners attended a retirement party for Sharon Murphy that included the dedication of the Sharon Murphy Community Classroom at the Denfeld store. Sharon's last day was October 14th.
- ❖ On October 5th, the Board of Directors announced hiring Sarah Hannigan as General Manager.
- ❖ October 2016 sales to date/consolidated = 16.4% growth; goal is 19.4%
- ❖ Re-authorization for both stores was requested for the MN Department of Health Women Infants and Children Program.
- ❖ Management accepted a policy change request that extends open sessions for employees from the Operations meetings to the Admin meetings; WFC employees have a mechanism to attend and bring ideas and/or concerns to both Operations and Administrative management meetings.
- ❖ The statement from the Board and management on employee organizing efforts was updated and posted to the website at <http://wholefoods.coop/wfc-statement-on-organizing-efforts/>

DENFELD

- ❖ Construction of the staff parking lot was completed in early October; and the closing on the purchase of the completed parking lot took place on October 12, 2016.

HILLSIDE

- ❖ Two-door upright freezer has replaced the bunker freezer across from the express check-out. New equipment allows for better (and additional) merchandising of frozen items.
- ❖ Road construction is in full force on 4th Street. County has done well keeping access to one of the two entrances to the upper parking lot. Large digital signs indicate which avenue allows access to the Co-op. Construction slated for completion mid-November.

OLD/NEW BUSINESS

- ❖ Election of Board Officers
 - The Board approved (MSC, Carol, Brad) the following slate of Board Officers:
 - President, Jean Sramek
 - Vice President, MaryAnn Bernard
 - Treasurer, Wayne Pulford
 - Secretary, Mickey Pearson
- ❖ Board Retreat topics and logistics were discussed; additional ideas to be emailed to Jean who will finalize topics with retreat facilitator in a phone conference on Wednesday, October 26th.
- ❖ Board thanked WFC staff for coordinating the October 21st Annual Meeting, with special thanks to the Brand team. Attendance exceeded prior years. Growing Farms, the 2016 RRR recipient tabled at the event. As 2017 RRR recipient, the Damiano Kids' Café will be invited to table at next year's meeting.

Jean adjourned the open session of the meeting at approximately 7:00 PM.

CLOSED SESSION

After a short break, Jean directed the Board and General Manager to closed session from approximately 7:00 PM to 7:45 PM to hear a report from the General Manager Search Committee and to review and accept the GM Compliance Report on Policy B1 Financial Condition, including financial reports for 1st quarter FY 2017 (July-Sept 2016).

Respectfully submitted,

Sarah Hannigan, General Manager