

## WHOLE FOODS COMMUNITY CO-OP, INC.

Minutes of 2019 Annual Owners Meeting held at the Harborside Room,  
Duluth Entertainment and Convention Center on October 29, 2019  
as approved by Owners in the 2020 Annual Election

### WELCOME AND INTRODUCTIONS

Board President Mickey Pearson called the business meeting to order at 5:52 PM. Mickey welcomed owners and guests, introduced current WFC Board members, and thanked WFC staff.

### PROOF OF NOTICE AND QUORUM

Mickey provided proof of timely mailing of the Notice of Meeting and announced 283 owners, plus guests, in attendance, meeting the quorum requirement of 100 owners.

### APPROVAL OF 2018 MEETING MINUTES

Wayne Pulford moved to waive the reading of the Minutes for the 2018 Annual Owners Meeting (held on October 16, 2018) as provided in hardcopy at each of the dining tables in the venue.

Michael Karsh

seconded the motion. Motion carried.

Margie Nelson moved to approve the Minutes for the 2017 Annual Owners Meeting as provided in hardcopy at each of the tables in the venue. Thomas Bates seconded the motion. Motion carried.

### STATE OF THE CO-OP REPORT

General Manager Sarah Hannigan provided the State of the Co-op report for the 2019 Fiscal Year ending June 30, 2019. She shared gratitude for WFC's employees, highlighted relationships that are foundational to the co-op, provided an update on the financial state of the co-op and shared initiatives for the coming year. Highlights include:

- Bi-ennial Shopper Satisfaction Survey was conducted and the real-time online survey tool was launched in the Spring. Feedback provides ways WFC can be a better grocer including better product selection. As a result, product offering has been expanded in both stores, with more projects to support this action in the coming year.
- Online delivery was launched in January through a partnership with Instacart.
- The 3<sup>rd</sup> party administered Staff Satisfaction Survey found employees to be relatively happy, but found distinct areas with high diversity of opinion. WFC focused on these areas and has taken steps to improve internal communication and transparency including the launch on an employee newsletter. Training continues to be addressed and expanded for both new and existing staff. The desire for more appreciation of employees was heard and in

response, WFC closed the stores early one night in September to host a party for WFC employees and family.

- Local vendor purchases continue to increase; this year's annual report features a list of all of the local farmers, foragers, producers and distributors with which WFC had a relationship during the fiscal year.
- The GIVE round-up program collected over \$97,000 in donations from shoppers to support organizations in the community. In addition to raising funds, the program raises awareness for organizations in our community.
- WFC realized positive sales growth in the fiscal year; with most of the new growth realized at the Denfeld store. Expenses were well managed; Owner loans from the 2016 expansion to two stores were repaid; employee wages were increased; and capital investments were made to improve WFC's stores. For the fiscal year, WFC broke even; the slim profit isn't enough to warrant patronage rebates, however all Owners will receive a special gratitude coupon in the mail in November to show appreciation.
- In the coming year, refrigeration and lighting upgrades at Hillside will increase energy efficiency; a solar project will add renewable energy production to the roof top of the Denfeld store.
- WFC will move ahead with some of the recommendations of the Bag It Duluth Campaign, including charging shoppers \$0.05 for single-use shopping bags at the registers starting on January 1<sup>st</sup>.

Mickey Pearson presented the Board report for the 2019 Fiscal Year ending June 30, 2019.

Highlights include:

- With the 2018 approval of the Revised and Restated Bylaws, the Board moved from seven to nine members during the recent term, with four new Board members added in November 2018. The Board acclimated to a nine member entity, and worked to develop newly elected Board members and build a cohesive Board team.
- The ad hoc Owner Engagement Committee created a training tool for Board members focused on engaging Owners in the work of the Board.
- The Recruitment Committee worked to bring a slate of candidates to the 2019 election with diverse backgrounds and experiences.
- As a provision of the Collective Bargaining Agreement between WFC and UFCW Local 1189, the Board heard the first annual presentation from an employee representative of the bargaining unit.
- With the 2018 revision of the ENDS, the Board received the first interpretation and progress report from the General Manager on how the co-op is working toward making progress on ENDS.

## REMARKS FOR THE GOOD AND WELFARE OF THE CO-OP

Owners Terry McCarthy, Paul Chialastri, Wayne Pulford, Kandise Garrison, Susan Brathol, Tom Bates, Jane Borgren, Geiger Yount, Jeremiah Peck, Louise Levy, and Kristin Cook shared

comments including: the concern about excessive plastic packaging and a desire for WFC and Owners to do something to better protect the environment; a question about why WFC can no longer accept egg cartons for reuse; a suggestion that WFC make it better known that carryout assistance is available to shoppers; appreciation for the Denfeld store; concern about “natural flavors” listed as ingredients in some certified organic packaged cereals; desire to collate funds round-up donations; the idea for Owners to have access to a report quantifying their GIVE round-up activity; a call for increased affordability and accessibility so WFC’s stores can better meet the needs of the neighborhoods in which they are located; a request for Board meeting minutes to include greater detail; suggestion to have WFC’s accessibility program be a recipient for the GIVE round-up; kudos for great deli food and ambiance; high praise for the Carolina pulled pork and a challenge to use meat from Yker Acres; shout out to Denfeld’s deli for great food.

## ELECTION RESULTS

Kim Nordin, Board Secretary, announced the following election results:

- Maria Isley, Meli Osanya, and Heather Strasser were elected to serve three-year terms on the Board of Directors.

Kim thanked all the candidates and the Owners who voted in this year’s election.

Mickey thanked outgoing Board member Jean Sramek for her service.

## ADJOURNMENT

Jennifer Gilbertson made a motion to adjourn the meeting. Wayne Pulford seconded the motion. Motion carried. Mickey adjourned the business meeting at 6:22 PM at which time the meeting concluded.

Following the formal business Board meeting, Owners engaged in a Community Exercise in which they shared stories of their co-op experience and what the co-op means to them with others at their tables. Table representatives shared these stories with the larger group. These stories were collected for use in developing a retrospective for WFC’s 50<sup>th</sup> anniversary in 2020. The activity was followed by the announcement of the 2020 GIVE recipients and the distribution of door prizes.

Respectfully submitted by Mickey Pearson, Board President and General Manager Sarah Hannigan