

**Minutes of Lakewinds Natural Foods Cooperative**

**d/b/a Lakewinds Food Co-op**

**Board of Directors’ Meeting**

**Monday, November 24, 2014**

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|  John DePaolis, President  Steph Matz, Vice President  Brenda Pfahnl, Treasurer\*  Tracy Kochendorfer, Secretary  Dale Woodbeck, General Manager\**Absent* | Katie Bloomstrom Sarah Carroll Caroline HermesFred Ladner | Karyn PennTim ReeseRyan Sweeney |

1. Call to Order

 The President called the meeting to order at 6:33p.m. on Monday, November 24, 2014 at Eden Prairie headquarters.

1. Consent Agenda

 The consent agenda included approval of the following items for October Member Applications and Repurchases: October 2014 Board Meeting: (i) new member-owners and share repurchases of departing member-owners; and (ii) Board meeting minutes.

*A motion was made to approve the consent agenda, seconded and all voted in favor.*

1. Reports: **GM Reports and October Financials**

 Dale distributed the current organizational chart and presented the General Manager’s Report and October Financials. Again this month, sales and new owner sign-ups at the Richfield Store continue to be strong, and sales at the Minnetonka and Chanhassen stores continue to outpace sales from one year ago. Richfield is substantially beating proforma projections. Recent event highlights included the following:

* + FEAST (local foods trade show): On November 2, some of Lakewinds staff attended a local foods trade show in Rochester to visit with existing and potential new suppliers to the co-op. The event is an extension of the work Dale has been doing with Renewing the Countryside on land access and local foods. The show was successful as each of the buyers that attended found new possibilities for products for Lakewinds.
	+ Wellness Day in Richfield: On November 8 we promoted Richfield’s Wellness Department with a 25% off event. Sales for the day were 7-8 times the typical day in that department. Store sales saw a lift as well.
	+ Bulk Day in All Stores: On November 15, we offered 10% off everything in bulk for the day. Bulk sales ran 5-6 times higher than a typical day and store sales were higher than usual as well.
	+ Media Coverage: Through the efforts of our Marketing department and PR agency, we have been featured on channels 9 and 11 recently. We have been seeing new co-op shoppers as a result of these appearances.
	+ Holiday Bazaar: A holiday bazaar promotion will run on December 6. Each department in each store will feature demos of seasonal products, along with a special local products table.
1. Owner Engagement Feedback

 Dale discussed the findings from comment cards collected at the October annual owner meeting and the results of the most recent new owner survey (typically sent out three months after owners join). Comments reflect that owners are generally very pleased with the co-op and operational questions that arose will be addressed by the appropriate departments. The new member survey reflects a that a big driver for owners joining the co-op are based on the co-op’s principles and values. The Board will continue to receive the compiled results of the new owner surveys periodically during the year. Operations takes comments seriously and tries to promptly respond to comments from surveys and feedback forms in the stores and online. The Board expressed that it places high importance on Operations’ responsiveness to owners and store shoppers, and is appreciative of efforts made in these areas.

1. Real Estate Overview

 Dale presented an overview of how Lakewinds has approached growth going back to 2009. The reasons driving growth have included, and continue to include, the following:

* Desire to Increase suburban market share. More co-op economy means more market opportunity,.
* Desire to manage risk of impact of increased competition or market changes to coop from any one store. Organics is the only category of growth in the grocery market, so competition is increasingly fierce.
* Want to develop contacts and resources to evaluate opportunistic sites within current trade areas to augment growth, protect sales base form ever-interested competitor and increase market areas. We have less risk to individuals stores from immediate competition to an individual store hit with a competitor if we have a broader base.

Based on direction from the 2013 Board retreat, new location approx. every other year. We proceed based on trade studies and other fact-finding and professional are sought.

1. Board Planning Objectives for the year

 John led a discussion about Board planning objectives for the year. The Board reviewed its ideas from the October meeting in answer to the question of what we are most excited about for Lakewinds in the coming year and talked about a number of possibilities for Board focus. These include increased emphasis on leveraging the co-op difference, linking to the Management Team’s 5 Promises, reviewing Executive Responsibilities in relation to the CDS template, preparing for knowable decisions, intentional learning periods, working with our consultant, Art Sherwood. We discussed the desirability of having each Board members visit another Twin City co-op board meeting to help us better understand the Twin City co-op landscape.

1. Other Items

John reported that all of the new Board members are signed up for the CBLD new board member orientation seminar in January. New board members reported that the Board orientation and Richfield store tour led by Caroline, Tim and Dale led was well received.

1. Closed Session

 The Board went into closed session at 8.24 p.m**.**

*The meeting was reopened and a motion for adjournment made and seconded.* The meeting was adjourned at 8:58 p.m.