



**Minutes of Lakewinds Natural Foods  
Board of Directors' Meeting  
Monday, August 27, 2012**

Doug Engen, President  
John DePaolis, Vice President  
Joe Wagner, Treasurer  
Masha Yevzelman, Secretary  
Dale Woodbeck, General Manager

Cheryl Ahlcrona  
Caroline Hermes  
Fred Ladner  
Brenda Pfahnl  
Taiha Wagner

*Also present at the Board meeting were several of the candidates interested in running for a Board position this fall: Ronald Chandler, Darcie Eckermann, Monica Engel-Pahl, Tracy Kochendorfer, Bob Perkins, Robert Rulhand, Charles Schons, Sarah White, and Nathalie Wilson.*

The President called the meeting to order at 6:31 PM Monday, August 27, 2012 in the Minnetonka meeting room.

**Consent Agenda:**

The consent agenda included a list of new memberships for June and July 2012, a list of repurchased memberships for June and July 2012, and the minutes of the June 25, 2012 Board Meeting. Approval of the consent agenda was moved and seconded and all voted in favor.

**GM and Financial Report – Dale:**

Dale presented the General Manager's report and the Financial Report. Dale pointed out that there were a few small modifications to the FY2012 numbers as a result of our auditor's review. The auditor will present her results at the Board meeting in September. Discussion was held regarding sales patterns during the past fiscal year, noting that May sales are typically higher than the rest of the months.

**Announcement– Dale:**

Dale announced that our marketing manager, Katherine Roseth, was appointed to the Minnesota Organic Advisory Taskforce, which advises the Commissioner of Agriculture and the University of Minnesota on policies and programs that improve organic agriculture in Minnesota, including how available resources can most effectively be used for outreach, education, research, and technical assistance that meets the needs of the organic agriculture community. Katherine will serve on the taskforce from August 2012 through June 2013. Congratulations Katherine!

**Board Self-Evaluation – Caroline:**

Caroline presented the Board members' board self-evaluation results. Discussion was held regarding the continuing struggle of all cooperatives to define member linkage. The Board also discussed how the impacts of our self-evaluation will affect the Board in the coming year.

**Minnesota Food Coop Board (MFCB) Fall Conference – Doug:**

Doug briefly explained MFCB's background and formation. Doug encouraged Board members to attend MFCB's fall conference, which will occur on Saturday, September 29, and will include several

interesting speakers. Brenda also mentioned that CDS will be hosting a conference in the Twin Cities in January.

### **NCGA Co-op Impact Study – Dale:**

NCGA had conducted a study comparing the impact of cooperatives to conventional grocers (including Whole Foods). Dale reviewed with the Board the major results of that study and suggested ways in which Lakewinds could use these results to its benefit. All agreed that the results of the study provide good messaging of what cooperatives bring to the community.

### **Comments from Board Candidates– Doug:**

Doug asked each board candidate to discuss his or her views of member linkage. Common themes that emerged included Lakewinds' successful increase in focus on customer service, the need for member-owners to have opportunities to interact with the Board, and the need to continue educating shoppers and potential shoppers about Lakewinds and cooperatives generally and, specifically, about what it means to be a member-owner.

### **Executive Session—Entire Board and Dale Woodbeck**

- Patronage Dividends—the Board approved a patronage dividend distribution to our member-owners in the amount of \$365,000, which includes a cash distribution in the amount of 1% of each member's patronage (\$207,905) and a capital account contribution in the amount of 0.8% of each member's patronage (\$157,095).
- MN United for All Families Coalition Request—the Board discussed the coalition's request to sign the petition. Board members considered that the petition does not relate to food policy and analyzed whether Lakewinds mission permits signing the petition. Ultimately, the board decided not to sign the petition on behalf of Lakewinds.
- Real Estate Presentation—Dale presented potential sites for expansion.

### **Executive Session—Entire Board**

The Board conducted a review of Dale and approved a bonus based on financial and non-financial criteria. The Board also set Dale's salary for the coming year.

### **Executive Session—Election Committee, John DePaolis, Joe Wagner, and Dale Woodbeck**

The Election Committee and the members of the Board (excluding the members up for re-election) discussed the Board candidates and next steps in the election process.

Meeting was adjourned at 9:10.