

**Minutes of Lakewinds Natural Foods Cooperative
Board of Directors' Meeting
Monday, January 27, 2014**

Doug Engen, President
John DePaolis, Vice President*
Brenda Pfahnl, Treasurer
Tracy Kochendorfer, Secretary
Dale Woodbeck, General Manager

Caroline Hermes
Fred Ladner
Stephanie Matz
Tim Reese
Taiha Wagner

**absent*

The President called the meeting to order at 6:34 p.m. on Monday, January 27, 2014 in the Eden Prairie headquarters meeting room. This month marks the start of a new meeting format: the first hour will focus on board learning and discussion meant to inform the board's governance of the co-op; the second hour will focus on board business.

Intentional Learning Hour

The board is revisiting portions of our governance principles as we endeavor to provide informed thoughtful leadership to our co-op as it enters its 5th decade of existence. Our work with Art Sherwood of CDS Consulting Co-op, begun at a board/senior management retreat last April, is helping shape our discussions. In preparation for a second retreat with Art and senior management in April, the board will use the January, February and March learning hours to discuss the three components forming "Ends" (expectations), which are the basis of the policy governance approach that the board uses to govern the co-op. In order to identify the Ends, we need to determine: i) Beneficiaries/Recipients (who benefits from the co-op's existence); ii) Intended Outcomes for the Beneficiaries (what are the intended outcomes/benefits/effects for the Beneficiaries); and iii) Priorities/Intended Worth of the Intended Outcomes (what are the costs/benefits of the outcomes/benefits/effects for the Beneficiaries).

Today's learning hour was focused on identifying Beneficiaries of the co-op. A subgroup of the board shared thoughts stemming from its recent work with Art to help us focus on big picture thinking about who benefits from the co-op's existence. The larger board weighed in with various perspectives. More discussion will be forthcoming to solidify consensus around who could, should, will and do benefit from the co-op. Next month we will focus on identifying intended Outcomes/Impacts for the Beneficiaries.

Consent Agenda

The consent agenda included a list of new owners for November and December 2013, a list of owners who sold back their shares to Lakewinds in those same months and the draft minutes of the November 2013 regular board meeting and the December 2013 special board meeting. *A motion was made to approve the consent agenda, seconded and all voted in favor.*

GM, Richfield and Financial Reports – Dale

Dale presented the General Manager's Report, the Financial Report, and the Richfield Report. Sales exceed forecasted budget and membership continues to increase at a rate of about 100/month between the two stores. Open book management and the POS system are nearing full integration and implementation, providing valuable tracking and reporting of measurable events and involving employees in financial and nonfinancial elements of co-op operation. A number of marketing efforts are underway to raise awareness of the co-op and we continue to participate in various activities to connect with, inform, educate and support owners and the broader community. Richfield construction work has been hampered by the cold weather, so new store opening is expected in June instead of May. We have collected/commitments for \$1,500,000 of the \$1,800,000 we need to provide toward the Richfield project.

Location Activity Report

Dale continues to field requests from persons interested in having co-ops in their communities and keeps his ear to the ground concerning real estate activities by others that may impact the co-op. The main focus at present is on successfully opening and integrating the Richfield store into overall operations.

Call for LOFF Committee Members

Dale asked for volunteers to participate in vetting the applications for Lakewinds Organic Field Fund ("LOFF") grant funds. Tim, Brenda, Tracy and Stephanie volunteered to work with a small group of employees and member-owners to review, discuss and collectively choose final grant recipients and amounts to be used for the purposes described in their applications.

There being no further business, the meeting was adjourned at 6:55 p.m.