



**Minutes of Lakewinds Natural Foods
Board of Directors' Meeting
Monday, January 23, 2012**

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

Cheryl Ahlcrona
Karen Coune
Caroline Hermes
Fred Ladner
Taiha Wagner

The President called the meeting to order at 6:34 PM Monday, January 23, 2012 in the Community Bank Conference Room in Chanhasen.

Consent Agenda:

The consent agenda included a list of new memberships, a list of repurchased memberships, and the minutes of the December 5, 2011 Board Meeting. Approval of the consent agenda was moved and seconded and all voted in favor.

GM and Financial Report – Dale:

Dale reviewed his written report. Board members discussed the sales figures for December and January, including the impact of Whole Foods on sales and margins. Dale discussed Lakewinds' marketing efforts, including sending a flyer to 54,000 homes every month in targeted zip codes and zones.

CDS Co-op Leadership Session – Doug, Caroline, Cheryl:

Caroline, Doug, and Cheryl presented on their experiences at the CDS Co-op Leadership session. Based on lessons learned at the leadership session, the following suggestions were made: (1) the Board should come up with procedures of what happens in the event of a reduced board; (2) the Board President should meet individually with each board member; (3) old board members should mentor new board members; and (4) the Board should consider having separate strategic meetings as needed.

Anchor Bank Loan Status Update – Dale:

The Board discussed the status of the Anchor Bank loan. Board member Fred Ladner did not participate in these discussions due to a disclosed conflict of interest.

Value Statement and Code of Conduct - Dale:

Dale shared with the Board the Lakewinds Values and Code of Conduct Statement for employees that was to be presented at the staff meeting.

Governance Policies – Caroline:

Caroline led a discussion of Governance Policies 1 through 6. The Board reviewed, discussed, and updated the policies.

Annual Meeting – Doug:

Doug led a discussion about costs, attendance, and participation by members at our Annual Meeting as it compares to those of other Twin Cities Cooperatives. For the past few years there has been more interest from the members in attending the meeting than there available space. Thus, this year Lakewinds has secured a larger venue that can seat up to 600 people. The Board also discussed ideas for trying to increase voting by members for new board members.

Board Compensation – Doug:

Doug presented the Board with information on alternatives to compensating board members and discussed how other cooperatives approach board compensation. The Board will hold a more detailed discussion regarding board compensation at a later date.

Real Estate Updates – Dale:

Dale presented updates regarding office space and the status of parking at the Minnetonka location. Potential expansion opportunities were also discussed.

Lakewinds' Organic Field Fund Update – Dale

Dale discussed that the Organic Field Fund opportunity has been very well received and that we expect to receive many applications.

Land Trust Discussion – Dale:

Dale reviewed with the Board his discussions with the General Managers of other Twin Cities Cooperatives regarding a potential land trust to preserve agricultural land close to the Twin Cities metropolitan area.

Meeting was adjourned at 8:30.