

Minutes of Lakewinds Natural Foods Board of Directors' Meeting November 22nd, 2010

John DePaolis, President
Caroline Hermes, Vice President
Joe Wagner, Treasurer
Doug Engen, Secretary
Fred Ladner
(* Absent

Cheryl Ahlcrona (*)
Karen Coune
Taiha Wagner
Masha Yevzelman
GM Dale Woodbeck

Board President called the meeting to order at 6:30 at the Chanhassen store.
(Board members interested in a tour of the Chanhassen offices and store facilities met at 6 pm.)

Consent Agenda:

The consent agenda included the minutes of the meeting of October 25th, the list of applicants for co-op membership (73), the listing of repurchased memberships (13), and the General Manager's monthly report.

Joe made a motion to accept the Consent Agenda which was seconded by Caroline and passed unanimously.

General Manager's update:

Dale passed out copies of the 'Cooperative Grocer' Nov/Dec magazine, also a copy of the insurance binder for Directors' & Officers coverage and other reading material. He presented the first stage plans for alterations to the offices to provide room for new personnel including a sound proof office for HR and space for Marketing. Much of the office space is designed for rotating use by managers who spend most of their time in the stores. After review and discussion, Doug moved that the plans be approved for up to \$40,000 in construction costs; this was seconded by Joe and approved unanimously.

Dale presented marketing information with proposed dates for Board Corner articles. Board members will advise John of dates they prefer for articles.

Debt Refinancing:

Dale summarized the refinancing agreement reached with Anchor Bank which will consolidate the balloon payment loans from Associated Bank and from NCDF into a 5 year amortizing loan. Rates are good now for new financing. The board resolution that was e-mailed to Directors earlier was approved and signed by all Directors. Dale and John Case will finalize the loan during this week.

Board Development:

Caroline led discussions on governance policies EP 1-6 regarding the role of the Board and the responsibilities of the General Manager. No changes were proposed to the existing Policies Manual.

Operations Update:

We reviewed and discussed the operations information and Joe presented updated ratios and financial results data. At the January meeting we will have updated comparative data for review.

Lakewinds Strategy – Vision and Mission.

John had e-mailed our summary Lakewinds strategy from the Board meetings in February 2007 and led a discussion on how we want to plan an update in early/mid 2011. We discussed the competitive and economic changes that have taken place since that meeting and what materials we will want to review and prepare prior to setting the meeting. A need was identified to update a member survey so that we can better understand what members interests are, and understand how they use and view the co-op. A member survey will be a key discussion point at the January meeting. We will work with marketing as there is a fine line between Marketing efforts and our goal of member linkage and future business strategy.

Meeting was adjourned at 8:15.