

## **Minutes of Lakewinds Natural Foods Board of Director's Meeting October 25, 2010**

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

Cheryl Ahlcrona  
Karen Couné  
Taiha Wagner  
Masha Yevzelman  
GM Dale Woodbeck

(\*) Absent, Secretary Doug Engen

Board President called the meeting to order at 6:32 and welcomed everyone. He confirmed that all had the materials necessary for the business of the meeting.

### **Consent Agenda:**

The consent agenda consisted of the minutes of the September 27<sup>th</sup> meeting, the lists of applicants for co-op membership (76) and of repurchased memberships (32), and the General Managers monthly report. With no discussion, Caroline made a motion to accept the Consent Agenda, which was seconded by Fred and passed unanimously.

### **Committee Reports:**

#### **Board Development:**

John presented the slate of officers and made a motion to accept same. Masha seconded and it passed unanimously. The officers are:

President – John DePaolis  
Vice President – Caroline Hermes  
Treasurer – Joe Wagner  
Secretary – Doug Engen

#### **Governance Budget:**

John led a discussion around where the budget aligns and how it is spent. Some money is used for attending the biannual conference of Co-op Development Services, an organization that works with local cooperative boards on issues like how to work with the GM being an effective board member, and being a board president. The next meeting is summer of 2012.

#### **Planning Calendar:**

John made the point that the current calendar is not all inclusive and is open to additions.

There was some discussion about how to manage the Newsletter's Board Corner with the comment that Katherine might have some ideas for us. Currently the newsletter is bi-monthly. However, Dale explained that the inspired sales brochure is being combined with the newsletter for a monthly edition. Movement is in place

to send the mailing electronically. Copies are placed in the stores and a few copies are still mailed to a core group. The goal is to expand electronic mailing as much as possible. Dale thinks that a quarterly Board Corner would be sufficient and will work on themes for the GM and Board to address in their respective articles.

Additions to the calendar:

Policy Review

GM presents F'12 plan at May BOD meeting

Candidate recruiting – get all information in by July

GM performance review and plan in July

Auditor reviews prior year in August

Annual meeting in September, since confirmed to be Thursday, October 6th

#### **Finance Committee:**

Dale shared that we are close to refinancing Lakewinds' bank debt.

He presented 4 resolutions to update names on accounts, combine two accounts and authorize him to proceed with the refinancing. Fred mentioned that the bank may have their own form that requires a resolution from the board. Karen moved that the board accept the resolutions, Joe seconded and it passed unanimously.

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Deleted:

Joe presented the balance sheet with the observation that sales have dipped over the last 3 months. Summer is always slow, and September had event expenses. We are showing top and bottom growth, year over year – directionally in the right direction.

#### **Miscellaneous:**

##### **Capital Planning:**

With the leaky roof needing to be redone, Dale revealed that the previous office space redesign will now be broken into two phases. He obtained a bid for the roof from Aldo Roofing. The architect working on the office redesign felt it sounded reasonable. John moved to approve \$20M, Caroline seconded and it passed unanimously. Dale hopes to get a bid for the second phase of the office redesign yet this calendar year.

In the bid to become a 40MM store by 2014, Dale gave a quick update on the ongoing effort to look at continuous improvements, such as the removal of the olive bar in the Minnetonka store to improve traffic flow and open up the bread alcove. They are working with a staff member with NCGA to identify other improvements.

##### **Lapsed Memberships:**

We have about 700 lapsed members: 150 incomplete memberships and 550 missing memberships. Per the bylaws, members are out of compliance if they do not keep a current address with us nor shopped in the past 12 months. The board can deem them inactive. The board agreed to retire all 700 memberships with the monies considered as donated capital. It was also agreed that if a missing member should reappear and wish to reestablish their membership, they will be reinstated.

**Executive Committee:**

John led a discussion around the GM's stretch objectives compensation.

**Topics for November meeting:**

Policy Reviews – ER7 and ER11

John to confirm next executive meeting date

Group discussed timing of Nov meeting, with Thanksgiving being the week of the 4<sup>th</sup> Monday. We agreed to leave it on Monday, November 22, 2010, as scheduled.

Meeting was adjourned at 7:56, with a tour of the Minnetonka store to follow for new board members. (Joe moved and Caroline seconded, passed.)

Respectfully submitted by Karen Couné for Secretary Doug Engen