

## **Minutes of Lakewinds Natural Foods Board of Director's Meeting July 26th, 2010**

John DePaolis, President (\*)  
Jennifer Reilly, Vice-President  
Joe Wagner, Treasurer  
Doug Engen, Secretary

Caroline Hermes  
Fred Ladner  
Katherine Roseth

GM Dale Woodbeck

(\*) Absent

Board Vice-President called the meeting to order at 6:30.

### **Consent Agenda:**

The consent agenda included the minutes of the meeting of June 28th, the list of applicants for co-op membership, the listing of repurchased memberships, and the General Managers monthly report.

Doug made a motion to accept the Consent Agenda, which was seconded by Fred and passed unanimously.

### **On-line approval of credit card usage:**

On July 15<sup>th</sup> John had made the following motion on-line ""The Lakewinds Board authorizes Spire Federal Credit Union to issue credit cards with \$10,000 credit limits for Dale Woodbeck and Penni Ruben for use in conducting Lakewinds business." This was seconded by Doug and approved by on-line voting.

### **Annual objectives for GM:**

Dale presented his draft of objectives for the year. These were discussed and some adjustments made. Fred moved to approve the adjusted objectives and Doug seconded. The motion passed unanimously. Jennifer will incorporate the objectives, with some stretch objectives, into the annual bonus framework and present to the board for approval next month.

### **Candidates for Board Election in September:**

We have 3 open positions on the board plus one additional potential position that may open due to a pending move. Katherine gave an overview of the 4 candidates we have at this time. Applications are accepted until July 31<sup>st</sup> and we may have an additional candidate or two. Doug and John will set up meetings with the candidates by mid-August. We will have bios and information ready by early September for the voting process. Katherine will place the apps on the Google doc's site and provide the board access.

**Policy Review:**

Policy reviews for this month were GP 7-9 (Board responsibilities and budget) and B/GM 1-3 (Board and GM responsibilities). There was discussion of all of the policy guidelines but no proposed amendments. In the next meeting we will review in more detail the budget for governance.

**Dividends:**

We will vote on the dividend to members next meeting so we reviewed the criteria for determination of dividends. Dale will provide historical information on past dividends as well as a breakdown of current year member sales and preliminary audited income information prior to next meeting so we are prepared for that decision.

**Financial Performance and Benchmarking:**

Joe led a discussion on the financial parameters for Lakewinds over the last two years (current and other balance sheet ratios, inventory turnover by store, and others) as well as comparisons with other local coops. Generally Lakewinds compares favorably – always with room for improvement to meet the best of the pack. Joe will continue to provide this information monthly for our review and discussion with Dale.

**Debt Restructure:**

We have a proposal from our bank to renew our debt at a lower rate. This will be reviewed in more detail by Dale and John Case and they will provide recommendations on the best alternative. Rates are lower now so a good opportunity to fix a rate.

**Topics for August 23<sup>rd</sup> Board Meeting:**

Overview of Meetings with Board Candidates. Doug and John.

Board (governance) Budget details. Dale/John.

Dividends decision. Dale will provide historic details and current year member related sales.

Stretch objectives and bonus targets for GM. Jennifer

Annual Dinner planning and Board duties. Dale

Annual Board Evaluation. Katherine

This part of the meeting was adjourned at 7:40. The Executive Session that followed adjourned at 8:00.