

Spiral Natural Foods Co-op

Annual Meeting

Monday, October 7, 2019

6:30 pm

Attendance: All current board members [In attendance: Sue Taylor, Renee Thompson, Nikki Milton, Lynn Gannon, Tammy McGinn, Carol Morgan] General Manager Matt Malecha, several Spiral employees/owners, and owners of Spiral Natural Foods. All totaled, there were approximately 35 people in attendance for the meeting.

Lynn Gannon, board president, called the annual meeting to order at 6:30pm and outlined the agenda for the evening. All candidates running for the Board were elected.

Election results:

100 ballots collected. The following were elected to the board: Lynn Gannon, Erin Hood, Tammy McGinn, Annie Zastras and Jennie Garlough.

All elected and current board members were introduced.

Beginning at 6:45pm, Matt Malecha, General Manager, spoke to those present about the co-op's history (almost 40 years), staff, store events, and initiatives such as:

- Business fiscal sales showed a 5.3% over the previous year. Low sales were projected for 2018 so any sales increases were not expected. An increase in sales is positive. Fiscal sales projection for 2019 is 3%.
- Communication: Spiral is utilizing their website, social media, email and newsletter. Updates have been made for improved communication with members and the community

Matt noted that the store's current lease will end April 2021. He has had some conversations with landlord about the lease. The board will also be discussing lease options.

Analysis for determining expansion:

- Market study completed November 2018
- Pro Forma and feasibility study showed 2 out of 3 locations would show profitability by year two.

Purpose of expansion:

- Cost of operation will continue to rise but capacity limits store potential
- Aging equipment results in repair expenses
- Limited parking space
- Inadequate delivery dock and space.
- Cannot add additional services such as community classes
- Cannot offer better pricing with limited space

Plans for Owner-Member Participation

- Listening sessions
- Volunteers to help with fundraising
- Yard Signs

Following both presentations, attendees were invited to ask questions.

- Questions asked:
 - What size store can Hastings support? The market study determined that a store size of 5,000 sq. ft. could be a profitable.
 - Current membership vs. membership when Spiral moved to current site. A member commented that he was reassured that Spiral was a reliable source of clean water when City of Hastings had a bacteria infiltration in their water system.
-

The general member meeting was adjourned at 7:32 pm.