

Spiral Natural Foods
Board of Directors Meeting Minutes
November 10, 2021 at 7:00 pm

Location of Meeting: video conference via Skype due to COVID restrictions

Attendees: Tammy McGinn, Pete Macaroni, Jenni Garlough, Annie Zastera, Leigh Arnoldy, Dina Sagan, Jenn Bierma, and Matt Malecha -- Guests: Sarah Budenkse, Brandon Lovejoy --

Absent:

Administration 7:04 pm

- Call to Order: Tammy motioned to call the meeting to order, seconded by Leigh. Motion was voted on and passed.

Board Decisions 7:06 pm

- **Consent Agenda - Tammy**
 - Annual Meeting Oct 26 2021 Meeting Minutes
 - Special Meeting Nov 1 2021 Meeting Minutes - edit to change NCG to supportive rather than excited

Tammy motioned to approve the consent agenda with September moved to next month. Leigh seconded it. The motion was voted on and passed.

GM Business 7:06 pm

- **Store Report - Matt 7:06 pm**
 - We are keeping an eye on utilities, with gas increase for everyone
 - We ended profitable!
 - Our cash position changed and it was a good month, even though we don't try to focus on specific month details

- **B1- Matt 7:09 pm**
 - First B1 where Matt has been able to report fully compliant!
 - Last quarter 10.3% sales growth
 - Right in the same boat to upper end amongst our peers
 - Our inventory has gone up so the Inventory Turns have gone down
 - This quarter we finished has historically been one of our worst, which usually brings us down and then we climb back up - This year, we were actually positive!
 - 34 new members this past quarter
 - Total membership 2203 - Active is 1637 members

Tammy motioned to approve the B1 as compliant. Jenni seconded it. The motion was voted on and passed.

- **Financial Review - Matt & Sarah 7:20 pm**
 - We have had an independent financial review and Sarah, an accountant has joined us tonight to help walk through the information
 - This was from information on June 30, 2021
 - Looked at current assets, current liabilities, long-term liabilities, and members' equity - All are in line with our situation, size and status
 - Our margins look good and are capped by how much inventory we are able to have

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- Our sales per labor numbers are tight and dictated by our small size and labor forces
- Based on our numbers, our sales versus expenses give us a net positive result
- Our cash is going to things like operations, equipment, NCG, and debt
- Went over disclosures & explanations

Tammy motioned to accept the Financial Review. Leigh seconded it. The motion was voted on and passed.

Board Business 7:50 pm

- **D1 Policy - Tammy 7:50 pm**
 - All 5 out of 5's
- **D2 Policy - Tammy 7:50 pm**
 - All 5 out of 5's

Tammy motioned to approve the D1 report as compliant. Pete seconded it. The motion was voted on and passed.

Tammy motioned to approve the D2 report as compliant. Pete seconded it. The motion was voted on and passed.

- **Capital Campaign Funding & Resources - Matt, Tammy, & Brandon 7:50 pm**
 - Member Brandon Lovejoy has given a few ideas on funding and joined the meeting to answer questions - He suggested a Tokenized Voucher Investments
 - Right now, Shared Capital loans are considered the primary and therefore any repayment must be approved and considered appropriate before anything goes out because they would technically be first in line - Matt is concerned about a variable pay-back system and do we have any power in a payback system
 - The Tokenized Voucher Investments system is actually a fairly simple system that is done around the world - It benefits from other local merchants to join in, otherwise it's trading tokens to ourselves
 - Can anyone buy a token anywhere? If so, what does that do with interstate rules? -- It is basically like a gift certificate but more like a visa gift card or spiral bucks. Our current cash register system could accommodate something like this
 - How would we approach other businesses for them to understand and show them a benefit? It would almost be chamber or Hastings bucks instead of spiral bucks
 - We could utilize block chain as well - It helps to keep things legit and nothing gets forgotten or able to be fraudulent
 - Getting others on board would be nice long term but the timeliness of getting started could be concerning right away
 - You can make it simple to start where you just email blast current members with rules on when the money could be spendable, rates, limits, etc.
 - Brandon has a friend, Will, who has a lot more knowledge on legal aspects. He is in Kenya so has a large time difference and wasn't available tonight

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- How will this affect our bottom line down the road when people then redeem their tokens in? Wouldn't we just be moving the problem down the road? -- That's where the rules of redemption would come into play
- Could we have ALL the co-ops around us round up for Spirial? -- We have reached out and have various levels of interest
- Matt and Tammy will coordinate to meet with Brandon and Will and then go forward - Anyone else is welcome to join this meeting

- **Communications Committee - Jenni, Jenn, Leigh** **8:35 pm**
 - Nothing to report

Tammy motioned to move to the closed executive session to discuss store expansion and the GM contract. The motion was seconded by Leigh, voted on, and passed. Meeting moved to the closed executive session at 8:36 pm.

Tammy motioned to move out of the closed Executive session at 9:25 pm. Jenn seconded the motion. The motion was voted on and passed.

Open Discussion: None

Assigned Responsibilities that resulted from Board Meeting:

Task	Responsible Party	Completion Goal Date
Reach out to Brandon and Will to meet	Matt, Tammy, & Jenn	ASAP
Continue Selling C-Shares	Everyone	On-Going

Tammy motioned to adjourn. It was seconded by Jenni, voted on, and passed. The meeting closed at 9:26 pm.

The next meeting is scheduled for December 8, 2021, at 7:00 pm.