

Spiral Natural Foods Annual Meeting Minutes October 14, 2020 at 6:00pm

Location of Meeting: potential expansion site next door to current Spiral location. Social distancing and mask wearing requirement was practiced during the meeting.

Board Members Attendees: Tammy McGinn, Jenni Garlough, Renee Thompson, Matt Malecha, and Vicki Scott.
Members who attended via Zoom: Peter Maccaroni, Nikki Milton and Annie Zastera

Owner/Member Attendees: Five (5) members attended in person. Others attended via Zoom

Meeting called to order at 6:00pm. Meeting was Matt introduced himself.

- **Board President** **Tammy** **6:03pm**
 - Tammi McGinn introduced herself and thanked Lynn Gannon for her work as previous Board President. She explained what the Board of Directors does for the owners/members.
 - Review of Board of Directors activities over past year
 - Board is responsible for policy monitoring and policy governance
 - Updates Policy Ends Statement
 - Board monitoring store expansion options
 - Tammy thanked GM (Matt) for being a supportive GM

- **Store Report** **Matt** **6:15pm**
 - Spiral did not close during COVID and remained opened. The creative online shopping and curbside pick-up. Increased cleaning protocols, eliminated scoop bins in bulk department, reduced 'touch' points and installed plexiglass barrier at checkout counter
 - Reviewed Annual Financial Report (available in print to owners/members)
 - The largest expense was Cost of Goods (COG). Labor was 28%. Occupancy was 5%
 - Sales increased 3% year to date
 - Credit card fees increased due to COVID because limited cash sales to reduce 'touch' point for cashiers.
 - Costs:
 - National Coop Grocers (NCG) association fee and Joint Liability Fee ~\$19,000
 - By belonging to NCG, Spiral is able to offer Coop Deals & Coops Basics, which lowers cost of goods and lowers prices to customers
 - Store Expansion Expenses \$14,000
 - COVID-19
 - Received PPP loan of \$57,436
 - Name change and logo change as of February 2020
 - From Spiral Natural Foods to Spiral Food Coop
 - Expansion
 - Liquor store site will expand store space by 3x from 1800 sq. ft. to 5,000 sq. ft. It will also increase the variety of products available to meet the needs of members and community room.
 - 2018 market study showed current site was good.
 - Total cost of expansion (land, building, build out costs and equipment)
 - Capital Campaign
 - Goal is \$500,000. Need to raise 20% from owner/members.
 - To date: \$27,500 raised
 - Round-up at register: \$1,700
 - Owners/members can encourage new membership to increase ownership
 - New members: 47
 - Options

**Spiral Natural Foods
Annual Meeting Minutes
October 14, 2020 at 6:00pm**

- C-Shares. This is an asset for financials. \$100/share with minimum purchase of 2-1/2 shares for total of \$250.
- Loan. This is a liability debt for financials
- Donation and Round-up at register. These are taxed

Election

Received 54 votes, which is enough for quorum

- Welcome new Board Directors for 3-year term
 - Peter Maccaroni
 - Jenn Bierma
 - Leigh Arnoldy
- Welcome new board member for 1-year term
 - Dina Sagan

Questions & Answers

- Cost of building
 - Appraised at \$775,000
- What are the other options for funding?
 - Tax Increment Financing (TIF)
- Can coop get community support to cut construction costs?
 - Will need contract with licensed plumbers and electricians
 - There might be volunteer opportunities
- Can costs be cut by purchasing used equipment?
 - Matt would prefer new equipment due to the added expense with older equipment and repair & breakdown costs
- Is a 3D rendition of store build-out available vs. blueprint?
 - Sketch-Up program would be an option. An owner/member could volunteer to create

Meeting adjourned at 6:58pm