

Spiral Natural Foods
Board of Directors Meeting Minutes
February 11, 2019 at 6:30pm

Location of Meeting: Spiral Natural Foods office space.

Attendees: Lynn Gannon (president), Sue Taylor (vice president), Tammy McGinn (treasurer), Renee Thompson (secretary), Alex Mohrbacher and David Blackie. Nikki Milton (Call in at 7:00pm)

- **Recruitment Committee** - Alex and Sue. Member-at-large: Lynn
- **Communications** - David, Sue and Nikki. Member-at-large: Lynn

ADMINISTRATION **6:39pm**

- **Call to Order** Lynn motioned to call meeting to order; 2nd by Alex. Motion passed

DECISIONS

- **Consent Agenda** **6:40pm**
 - February 2019 Meeting Agenda
 - Minutes of January 2019 Meeting
 - Executive Minutes of January 2019 MeetingMotion Lynn to approve consent agenda. Sue 2nd. Motion passed

GM Business **Matt** **6:41pm**

- **Store Report**
 - 2019 sales have increased quarterly and yearly over sales from 2018
 - No major changes in staffing
 - Utilizing billboard to emphasize Hot Bar to help increase sales
 - Partnering with YMCA to host a class that will target health of aging population
 - Deli and produce have seen slower sales. The inclement weather has hindered some sales
- **B-1 (Financial Conditions)**
 - All items were compliant except for the following:
 - **B-1.2** - non-compliant due to two cooler failures and not meeting shrink goals in Deli and Produce departments in the past quarter. Alex expressed concern that an improved margin might be not enough to create net profit given our margin goal was already being surpassed. Matt felt that without another cooler breakdown, continually improved sales/margin and paid down debts will eventually generate net income. Matt felt this was still the best plan moving forward and no additional changes are necessary.
 - **B-1.3** - non-compliant due to expenses from cooler breakdown losses and purchasing extra product to replace. Matt's plan to improve these ratios was to reduce current liabilities. With respect to quick ratio, Matt believes it is best to stay the course and the ratio should begin to improve again.
 - **B-1.4** - non-compliant due to interest on loans. Increased sales are best chance to improve this situation. Matt also said the debt to equity ratio has been gradually improving this fiscal year and should continue to improve.
 - **B-1.8** - non-compliant d/t being behind in current liabilities d/t low sales. Increased sales will again improve this situation. Also, did not report payroll taxes for 4th quarter of 2017. ADP, payroll processing, is taking responsibility for this error.

Lynn motioned to accept B1. Sue 2nd. Motion passed with acknowledgement of non-compliance. Board also discussed improving the process for accepting non-compliant reports.

- **B-9 (Succession Planning)** - postponed until March meeting
 - Alex motioned to move B-9 to March meeting. Lynn 2nd. Motion passed
- **Grant - Dakota County Recycling Initiative**
 - Matt presented compost drawings for counter/bins that will be installed in the store
- **Q & A** - none

Board Business **7:40pm**

- **Monitoring Reports**

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- **B-1** - Board discussed improving the way the B1 is reported. Alex motioned to form a committee to rewrite/revise B1 with Matt's feedback. Lynn 2nd. Voted. Motioned passed. Committee: Lynn, Alex & Tammy
- **C-1 (Governing Style)** - will start having Board review thoroughly to understand our governing style
 - Four Pillars of Cooperative Governance: teaming, accountable empowerment; strategic leadership & democracy
 - Reference: CBLD Field Guide Policy Governance Quick Guide
- **Board Budget** Tammy
 - Request of what should we include for board expenses, goals for education/training, etc. Tammy will start with a minimal budget as a starting point as a board budget has not been created in the past.
 - Lynn preparing grant request to the Howard Bower Fund for Food Co-ops, which is due February 15th. Lynn will ask for \$3,900 to procure 26 hours of board consulting from CDS. Lynn will coordinate with Matt about whether the Co-op can provide any supplemental funding.
- **Board 2019 Goal** Lynn
 - Increase Board Engagement with Owners & Community
 - Communications committee to set goals, action plans, etc.
 - Increase Board Strength & Capability
 - To prepare Board for store's future
 - Communications/Outreach Committee and Board Recruitment Committee will have 10 minutes each on the March agenda to update the board on their efforts.
 - Increase Board participation
 - Increase Board recruitment
 - Goal of 100 members to attend Annual Meeting on October 14, 2019
 - Keep meetings to 90 minutes
 - Communication preference

Lynn made a motion to move into closed executive session at 8:23pm. Sue 2nd.

Alex made motion to move out of closed executive session at 8:49pm. Lynn 2nd.

Tammy motioned to adjourn. Lynn 2nd. Meeting adjourned at 8:55pm

Next meeting, March 11th at 6:30pm, location TBD.