

**Natural Harvest Food Co-op**  
*2014 Annual Members Meeting*  
Friday, October 10, 2014

**Members Present**

Anderson, Delores	Hartz, Ruth	Simola, Vern
Anderson, Karen	Hess, John	Spolar, Laverne
Bednarczuk, David	Hill, Debbie	Strasser, Tim
Booth, Carol	Ismil, Chris & Lori	Tardiff, Sandy
Caddy, Troy & Sam	Jullian, Kathy	Toot, Mark
Cox, Jessica	Koenigsberg, Mel	Trexel, Dawn
Debreto, Sarah	Koski, Shirley	Vosen, Jeremy
Elizabeth, Siyanda	Loiselle, Amy	Walden, Bonnie
Erickson, Carolyn	Luoma, Christine	Wallace, Tim
Freeburg, Doris	Miller, Janet	Wheatman, Gina
Freeburg, Richard	Monacelli, Deb	Wheatman, Kristina
Ganahl, Jim	Nelson, Diane	Wilberg, Wayne & Ardy
Gentilini, Carolyn	Niska, Greg	
Giblin, Joyce	Packa, Sarah	
Goerd, Janna	Roberston, Maria	
Gregorich, Joe	Schmidt, Yvonne	

Jessica Cox called the meeting to order at 6:26 PM and reviewed the agenda and packet of information that everyone received.

Approval of 2013 Minutes:

Member Paul Monacelli made a motion to approve the minutes from the 2013 annual member meeting. Seconded by Member Wayne Wilberg. Motion passed unanimously.

President of the Board Statement:

Jim Glancy wrote the following statement that was ready by Jessica Cox:

“The following are various Board activities for 2014:

- In January of 2014, several Board members attended the “Cooperative Board Leadership 101” training put on by the Cooperative Board Leadership Development (CBLD), topics covered: cooperative history, roles and responsibilities, governance and financial understanding.
- The Board put efforts in updating and re-writing the “Board Book” as well as the “policy Resisters” which covers 1) Ends, 2) Executive Limitations, 3) Board Process, 4) Board Management. Also changed were several employee and employment policies and procedures.
- In the 1<sup>st</sup> quarter of 2014 the Board processed applications to become a member of the National Cooperative Grocers Association (NCGA) which was a very important milestone for Natural Harvest; this membership will provide many benefits to the co-op and it’s members.

- The Board signed an engagement letter with local accounting firm, Walker, Giroux & Hahne LLC for tax and review/audit services. The 2014 review/audit for Natural Harvest financial statements will further establish that our accounting policies and procedures and our checks and balances, are working.
- This year the Board has dedicated time at every board meeting for strategic planning. Areas of review are feasibility, expansion, financial, staff development and cultivating member support.
- Our hot topic for the 3<sup>rd</sup> Quarter has been developing a patronage dividend system.
- We began negotiations with the City of Virginia on our contract for private development, which ends June of 2015.

In summary, I would like to take this opportunity to thank our co-op members and staff for your patronage and support. We are always open to hear your thoughts and questions about our co-op. Please remember you are always welcome to attend any of our Board meetings or retreats.”

#### Election Results:

Janna read through the election results. There were 3 seats up for election this year for a 3 years term. Janna announced to the members that she had resigned and subsequently board member Jean Young also resigned. Therefore, there were 5 seats that needed to be filled and there were 5 people running for those seats. Members winning a 3 year term were: Sarah Packa, Janet Miller, & Gina Wheatman. Members who won that will be filling the remainder of a 2-year term were: Britta Bloomquist and Samantha Krage.

#### 35-Year History

Natural Harvest is celebrating its 35<sup>th</sup> Anniversary this year. Janna gave a wonder summary of the coops history and Wayne Wilberg shared a story of the coops very first day in its new building.

#### CE Pugh

The NCGA Chief Operating Officer was in attendance at our meeting and gave a wonderful presentation on the state of the organic foods industry in this country. A copy of that power point presentation is made a part of these minutes.

#### General Manager's Report

The following was submitted by the coops General Manager, Anja Parenteau.

Reporting on fiscal year 2013

Thank you all for attending your Co-ops Annual Meeting.

I hope you enjoyed your dinner, it was cooked for, like last year, by Melissa Sundvahl from Hibbing and the nummy Co-op birthday cake was baked by Rachel Bodas, our long-time Deli Manager. She celebrated her 10 year Co-op anniversary in 2013.

Like so many things we do at the Co-op, putting this Annual meeting together is a cooperative effort. Three of our board members have coordinated the food & the program for tonight. Thanks to Amy, Jessica and Janna for that. Patty, our marketing and member-services coordinator, has worked closely with Christina Hofsommer from Vivid Design in Aurora, to put our history into a little story that you can admire on the poster boards we

brought and will be displaying in the store. Patty and I and Wayne Wilberg, poured over a couple of photo albums to select the best ones and Wayne told a great story. A story that showed us how much perseverance and hard work by staff and volunteers it took, by many people in this community, to continually make this Co-op a better place. Where people can gather over a cup of tea, or shop for their groceries and know that the products that our buyers pick for our store are the products that our shoppers want. You can also get a little advise what to do with teff or quinoa or how to make your own sauerkraut, and you are supporting a business that is owned by 1377 members, your friends and neighbors, that shopped here in 2013 and all of us are reaping the benefits of having this Co-op in our community. And as far as I can see, we are going to continue to thrive because of all the people that are involved in this cooperative business.

Our business continued to thrive in 2013 with sales surpassing \$2,000,000. That was an increase of 6.47% over 2012. Profits for the year were \$50,836.25. Member equity rose to \$83,303.01. Out of those 1377 active member that were shopping at the Co-op, 221 were new members!

We invested heavily in physical changes at the store. A POS system and new cash registers were installed, the bulk department was completely redone, the Wellness area received new shelves. Less visible improvements included a new phone system for the store, new computers for the office. Buyers started using an electronic device for most of our ordering and inventory, which saves a lot of time and is more efficient. We installed a safe in our office for money drops and added a desk space.

To better serve our members and customers Sunday hours were extended to 5:00pm. To attract new members we now extend the 10% discount on the day they join and to encourage re-usable shopping bags shoppers get a 10 cent incentive for every shopping bag that they bring in per shopping trip.

We continue to give to many charitable organizations and events, supporting these community efforts with gift cards or gift baskets for raffles. Earth Fest and the Mesabi Trail ride are the big events we take part in, but we are also present at health fairs and other events in our community. I am starting to track these efforts, so we are able to tell if we are increasing our presence every year. We go to local school districts to show kids fun recipes they can quickly prepare at home, instead of opening a bag of chips, and through cooking classes at the store we are making efforts to educate the public on topics such as cooking soups from scratch, bread baking and gluten-free cooking.

We have increased local products in the store and we continue to seek out more local farmers that we can support. This is another effort I'd like to start tracking, to show you at the next annual meeting that we are growing the local food economy as stated in one of our ends.

Early in 2013 we were accepted as associate members into the NCGA, which allowed us some access to better vendor contracts and full access to staff training and consulting through their industry experts. Reaching the \$2,000,000 allowed us to apply for full membership, and we were accepted as full members in April 2014.

2013 has been a year of change for the Co-op. Growth that allows us to be part of the National Co-op Grocers Association, a lot of physical improvements and change in our store.

Another big change came when long-time General Manager Anne Carter left at the end of August, to be the GM at the Medford Co-op in Oregon and long-time Assistant Manager and Bulk/Supplement and Brewing Supplies buyer Wayne Wilberg left a couple of months later to pursue a new career path. The board hired me as the GM in October and I'm looking forward to many years serving this great Cooperative.

Adjourn

Member Vern Simola made a motion to adjourn the meeting. Seconded by member Maria Robertson. Motion passed unanimously.