

Natural Alternative Food Cooperative Board Meeting Minutes June 29, 2017

Lisa Doerr called the meeting to order at 6:37 PM.

Present: Board members Stephanie Lundeen, Lisa Doerr, Steve Clark, Jeff Peterson and Jason Montgomery-Riess (arrived late); Interim General Manager Ron Erickson

May 16, 2017 Minutes were approved (Steph moved, Jeff seconded)

General Manager's Report

Ron passed out a GM report; two cashiers resigned the week of June 10th; the Member/Owner appreciation Day was very successful; Ron is keeping very busy as are all the staff with improvements being made. Jeff asked a question about "rounding up" protocol and it was agreed staff should be encouraged to ask customers at check out if they would like to round up.

Financial Report

Lisa provided the financial report that included the following overview:

Overview – Sales were 4.7% higher for May over 2016 with Gross Profit up 2.7%. We managed Expenses very closely and saw a 33.9% drop year to year bringing our Net Income for May is up \$2,923.86 from 2016. Net income so far for 2017 is up 3.6% over 2016 at -\$3,278.

May 2017

Sales May 2017: \$36,535.550
Sales May 2016: \$34,883.80
Increase: \$1,651.70 or 4.7%

Gross Profit May 2017: \$11,747.15
Gross Profit May 2016: \$11,433.36
Increase: \$313.70 or 2.7%

Expenses May 2017: \$8,475.28
Expenses May 2016: \$12,827.90
Decrease: \$4,666.41 or -33.9%

Net Income May 2017: \$3,700.03
Net Income May 2016: \$776.17
Increase: \$2,923.86 or 376.7%

Year to Date Detail (YTD)

Sales 2017 YTD: \$158,400.66
Sales 2016 YTD: \$170,100.11
Decrease: \$11,699.45 or 6.9%

Gross Profit 2017 YTD: \$42,908.11
Gross Profit YTD 2016: \$57,925.17
Decrease: \$15,017.06 or -25.9%

Expenses 2017 YTD: \$50,374.32
Expenses 2016 YTD: \$63,749.12
Decrease: \$13,374.80 or -28.2%

Net Income 2017 YTD: \$-3,278.06
Net Income 2016 YTD \$-3,401.63
Increase: \$123.57 or 3.6%

Jeff wondered about electric use and if we could get an audit from the electric company. Stabilizing the cost of goods sold is a major goal Lisa explained.

Steve moved and Steph seconded the financial report with all approving.

Lucky Days Discussion

Our event is in the Lucky Days festival brochure. Need news release to get to paper by noon on July 18th. Steve agreed to enlist Ben Jonjak for poster for bike rodeo. NA will not try to create a float this year. It was agreed to recruit 4 volunteers from store to help with bike rodeo.

Upstairs Update

Jeff organized two demo days and rest of Board expressed gratitude for his extremely productive efforts. Lisa will obtain a quote for work that will require use of professionals. Edna's Loft Carpentry Request for Bid – II. Current estimates put remaining funding needs at \$26,000 Could borrow this low-interest \$450/month for 5 years. Jeff moved to put out a bid for the loft, Jason seconded and all were in favor.

Personnel & Contract Updates (Closed session)

Adjournment

Lisa called to adjourn the meeting. The meeting was adjourned at 9:33 PM.

Draft minutes submitted by secretary Steve Clark.

Next meeting date: July 20 , 2017 6:30 pm

Personnel & Contract Updates

Closed session notes not to be published:

Consensus of the Board to fire Chris

Jeff moved and Jason seconded a \$0.25/hr increase for Judy and \$1.00/hr increase for Stephanie. All in favor.

Clark moved to approve the Policy and Procedures Handbook as with the changes laid out, Jason seconded, all approved.

Kitchen Upgrade

Mark and Nancy Buley have expressed continued interest in creating a space at the Natural Alternative for a commercial kitchen.

A motion was made by Jason Montgomery-Riess and seconded by Jeff Peterson that the Natural Alternative Food Co-op (Co-op) board accept a \$20,000 gift from Mark and Nancy Buley (Donors) based on the following conditions:

- 1.) Funds will be used to upgrade the commercial kitchen operation so that the Co-op can sell Grab and Go items.
- 2.) The gift will be segregated from operational funds in savings account number 680034.
- 3.) Ron Erickson and Stephanie Lundeen will lead the upgrade project and begin work in November 2017.
- 4.) The gift is considered Additional Paid-in Capital for the Co-op, not income.
- 5.) The Co-op is a membership cooperative not a 501 c(3) non-profit. As such, the gift is not tax deductible.
- 6.) The Co-op cannot advise the Donors of the legal or tax implications of the gift on their situation.

Resolution passed with all five board members present voting affirmative.