

Natural Alternative Food Cooperative

Board Meeting Minutes May 16, 2017

Lisa Doerr called the meeting to order at 6:50 PM.

Present: Board members Stephanie Lundeen, Lisa Doerr, Steve Clark, Jeff Peterson and Jason Montgomery-Reiss; Interim General Manager Ron Erickson

April 22, 2017 Minutes were approved (Jason moved, Jeff seconded)

General Manager's Report

Nico SanFillipo's final day of work was April 22 and Ron Erickson began his role as Interim Manager the week of April 24. Ron reported that staff is engaged, knowledgeable and working well together on very minimal number hours. Ron recommended that the Board hire a new cashier. Another priority for Ron currently is updating permits and licenses as well as ensuring that past due tax returns are completed and filed. Ron encouraged Board members to spend "some time here" and consider serving as a greeter at the store for a couple of hours to get a feel for how things work. Staffing is now at around 20% of sales now which is lower than in past (was 32% of sales in 2016) and a good target. New LED "open" sign has been put up on front door. Also discussed was role of volunteers (can they also be greeters?) and timeline for hiring a permanent general manager. There was general consensus that the following month "we decide what to do in terms of a GM, then post the position in August and have someone on board by September. Ron is also working on updating the Co-op's Policies and Procedures document for Board approval.

Financial Report

Lisa and Jeff provided an in-depth financial report that included the following overview and discussion:

Overview – April 2017 Sales dropped \$2,670 or 7.5% over 2016 with Gross Profit down 38.3%. However there was also a significant drop in expenses (28.2 % over 2016). Because of this, our April 2017 net income only dropped \$1,369.82. Cost of goods sold is higher than it should be because of restocking. Also noted is because of changes in how we measure depreciation, there will be a change from \$7000 to \$11,000, a difference of \$4,000 which will decrease net assets.

Also discussed was how there may have been some confusion in the past about margins vs mark-up and so shoppers may continue to see some changes in pricing.

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

Lucky Days Discussion

Steve and Lisa provided a report on the plans for Lucky Days (July 21-23). The Coop will have a float in the parade and Steve is organizing a bike rodeo and E-bike demonstration on main street before the parade begins Sunday afternoon. The bike rodeo and demo will be co-sponsored by CyclovaXC, a bike shop in St. Croix Falls. Lisa and Ron discussed ideas for the Natural Alternative float and volunteered to

use their tractor and wagon for the occasion. Ron, Lisa and Steve all went to the last meeting of the Lucky Days Committee as part of the Luck Commercial club.

Upstairs Update

Jeff and Ron gave an update on the Loft Committee and progress being made on the upstairs. The floor plan has been developed for co-working space including a break room where the existing bathroom is and two new bathrooms. The board also discussed the possibility of adding a unisex shower room to the plan.

Personnel Update (Closed session)

Adjournment

Lisa called for a motion to adjourn the meeting. Stephanie so moved, with a second by Jason. The meeting was adjourned at 9:22 PM.

Minutes submitted by Steve Clark, Secretary.

Next meeting date: June 29, 2017 6:30 pm