

## Natural Alternative Food Cooperative Board Meeting Minutes

February 18, 2019

Lisa Doerr called the meeting to order at 10:06 AM.

Present: Board members Lisa Doerr, Jeff Peterson, Zach Mattson, Jason Montgomery-Reiss, Sarah Cook.  
Manager Marie Clark

January 10, 2019 Minutes were approved - Moved by Mattson, seconded by Cook, all in favor.

### Manager's Report

**Bad Weather** - The store was closed once and closed early once (or twice) over the last two weeks. Our sales stayed surprisingly strong. We need to refine our bad weather policy a bit and figure out the balance between being reliably open and keeping staff safe. Staff members did a great job filling in when others were unable to make it. We had no major malfunctions in the store resulting from the weather, which is great!

**Produce/Grab n Go/Kitchen** - Hoping to move forward with the misting system after we finish out the current Round-Up period at the end of February. We are looking at purchasing a merchandiser for our grab 'n' go items, and to update the kitchen to make a better classroom space.

**Elderberry Class** - We held our first class in a while, and it had a fine turnout despite some last-minute cancellations. Many attendees were not regular shoppers and it was nice to see new faces here. We are looking forward to offering more classes in the future and engaging more with the community.

**Office Clean-up/Back Room Changes** -Marie did a thorough clean-up of one of the office filing cabinets and unearthed vender catalogs from 20 years ago, P&L sheets from 10 years ago, several hundred soy-based recipes, and some delightful tidbits of co-op history. Ron & Lisa volunteered their time to clean and organize the back room and install some very functional new shelves. We are so appreciative. The back room looks great, and staff is appreciating the new break-room area!

**Updated Ordering Technology** - Judy is trained in on using the UNFI smartphone app. Despite a few hiccups, it has made the ordering process (as well as researching new products and special orders) faster and easier.

### Financial Report - January 2019

#### Overview

January Net Sales blew past 2018 by 12.9% to \$37,492. That is a 38% increase over 2017! Meat/Fish, Consignments & Supplements saw the biggest increases with 58%, 50% and 35% respectively. Our biggest department, Grocery, continues its upward trend with a 23% increase. Health & Beauty is the only big underperformer with a drop of 16%.

Once again, Basket Size drove our sales increase, running at \$29.61, an increase of 20% over 2017. Non-member Basket Size again saw strong growth with an increase of 17%. However, Number of Sales a Day was down 5%.

Gross Profit on Grocery Sales came in at 29% or \$10,652. Payroll Expenses were right on target at 18.2%. Net Ordinary Income was \$1,497. After Depreciation and Donations, Net Income came in at \$1,445 up from 2017's loss of \$988

Our balance sheet remains strong with all Accounts Payable current.

**Year to Date Profit/Loss (YTD)**

Net Sales 2019 YTD: \$37,492  
Net Sales 2018 YTD: \$33,194  
Increase: \$4,298 or 12.9%

Net Ordinary Income 2019 YTD: \$1,497  
Net Ordinary Income 2018 YTD: \$832  
Increase: \$665 or 80%

Net Income 2019 YTD: \$1,444  
Net Income 2018 YTD: -\$988  
Increase: \$2,432 or 246%

Peterson moved to accept the Financial Report. Montgomery-Reiss seconded. All in favor.

**Mortgage Proposal** - Mattson presented a proposal to convert the ballooning commercial bank loan with private, unsecured loans.

**Motion** - A motion was made by Peterson and seconded by Montgomery-Reiss to authorize:  
Offering \$42,000 in loans to replace the expiring commercial bank loan.  
Resolution was passed with all board members present voting affirmative.

**Back Room, Kitchen and Grab & Go Upgrades** - Doerr reported that enough has been raised to meet the estimated costs of Phase 3 of this project.

**Motion** - Whereas the Co-op has received enough Equity Paid-in to cover all of the estimated expenses for the Back Room, Kitchen and Grab & Go projects :

A motion was made by Montgomery-Reiss and seconded by Mattson to authorize the Co-op Manager to purchase the following items:

<b>Phase Three - Classes and Heating Prepared Food</b>	
Range - Turbo Air, 6 burner, 36", incl tax	\$1,839
Range gas line	\$300
Stainless Table - 72"w x 30"d, incl tax	\$528
Carpentry	\$200
Misc. Tools	\$300
<b>Phase Three Subtotal</b>	<b>\$3,167</b>
<b>Phase 2 &amp; 3 Delivery &amp; setup</b>	<b>\$1,300</b>

Resolution was passed with all board members present voting affirmative.

**Building and Building Maintenance** - The Co-op loft has co-work space available to rent and Office 1 for \$350/mo rent. The downstairs forced air furnace has a new control board and the basement boiler was cleaned and serviced. All HVAC systems are working well.

**Staff/Hiring** - A new administrator/book keeper is hired and will be starting April 16<sup>th</sup>.

**45<sup>th</sup> Annual Member Meeting Set for March 13, 2019 at 5:30!**

Adjournment - Doerr moved to adjourn meeting adjourn at 7:42.

Draft minutes submitted by Sarah Cook