

# **Natural Alternative Food Cooperative Board Meeting Minutes via Zoom Conference Call**

**September 14, 2020**

Jeff Peterson called the meeting to order at 6:36 PM.

Present: Board members Jeff Peterson, Lisa Doerr, Zach Mattson, Wendy Peterson, Jason Montgomery-Reiss, and Sarah Cook

W. Peterson made a motion to approve the September agenda, Doerr to second, all in favor.

Mattson made a motion to approve August 17, 2020 minutes, W. Peterson to second, all in favor.

## **Financial Report August 2020**

### **Overview**

August Net Sales were flat over 2019 at \$41,177. However, this is a misleading number because we only had 21 sales days in 2020 instead of 27. Daily Average Sales actually surged 29% over 2019 at \$1,960.

In spite of the limited sales days, our biggest department, Grocery, saw 18.3% growth. Refrigerated also logged 22% growth. Alcohol bubbled big with a 127% increase over 2019! However, we again had negative growth in several larger departments including Produce (-20.4%), Dairy (-14.3%), Frozen (-21%) and Supplements (-22%).

Donations for Ruby's Kitchen food shelf were \$395.09, just 17 cents less than July's \$395.26! Rental Income is still down from 2019 at \$510 but will be rising with Office 1 being rented as of September.

Gross Profit on Grocery Sales was a bit weak at 28.4%, or \$11,694. However, Gross Profit for the year remains on target at 30.8%

Payroll Expenses in August were excellent at 17.6% of Net Sales. Total Payroll Expenses for the year are \$67,487, right on target at 19.5% of Net Sales.

Net Ordinary Income for August was \$2,114. After Depreciation and Other Income, Net Income was \$1,197, down from \$3,134 in 2019. Net Income through August is just \$671, down 87% from \$5,515 in 2019.

Expenses in five areas account for this drop in 2020 Net Income even as we see significant growth in Net Sales. By far the largest is Repairs which only ran \$2,077 in 2019 versus \$9,014 in 2020. Three Covid-19 related expenses also play a role: Supplies up \$2,422, Payroll bonuses \$1,807 and Credit Card Fees, up \$1,332. Finally, we've donated all of the Round-up (\$1,708) this year instead of using it for capital investments in the store.

Our Balance Sheet remains strong with all Accounts Payable current. Cash Flow has been enhanced by a 77% rise in new Member Equity at \$2,650 compared to \$1,495 in 2019.

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

Net Sales 2020 YTD: \$346,178

Net Income 2020 YTD: \$671

Net Sales 2019 YTD: \$304,177

Net Income 2019 YTD: \$5,515

Increase: \$42,001 or 13.81%

Decrease: \$4,480 or 87%

Cook made a motion to approve August 2020 financials. Montgomery-Reiss second, all in favor.

### **Manager Report**

#### **Questions to consider:**

- Where do we post the minutes of the meetings as per section 6.13 of the bylaws?
- Do we look at changing the bylaw pertaining to mailing out correspondence? Members would have the option to opt out of paper and opt in to electronic correspondence.
- Should a history of the Co-op brochure be created? Many people, especially in the summer, come through asking about the history of the Co-op. A brochure might be a nice way to share the Natural Alternative.

#### **Staffing**

**Still in need of one to two more people over 21.**

Some of our younger staff have returned to school. There have been applicants but they are either not yet 18 or want very limited hours. A search for the golden employee is still on.

#### **Sales**

**August 2020-** Avg: 1963.02/day. Up 12% from 2019. We used 68.09 less hours in 2020 than 2019.

#### **Operations**

- Cameras have been purchased for the back entrance and office area. The setup is in progress.
- Considering changing many breads to Alvorado St Bakery. Checking on our movements of each and Alvorado St Bakery's products that can replace for us.

#### **Grab n Go**

The breads have been changed to Alvoardo St. Bakery and the results have been an increase in sandwich sales. There is rarely spoilage of sandwiches and they are made fresh daily. Starting to move into having more salads, with soups as the next addition.

## **Curbside Shopping by Appointment**

We are trying to work with Copos about getting our products onto a Shopify website so we can have an online shopping experience for people.

## **Discussion**

Look at drafting policy changes.

- Specify verbiage regarding special orders
- Outline distribution of profits

## **Committee Reports**

### **Education Committee**

Wendy Peterson will be teaching Fortify your Immune System on October 15<sup>th</sup> via zoom through Luck Community Ed. The Natural Alternative will be working with Wendy to have available the supplies needed for this.

Board Meeting – October 12, 2020 at 6:30

Adjournment – J. Peterson moved to adjourn meeting at 7:30 PM.

Minutes submitted by Sarah Cook