

Natural Alternative Food Cooperative Board Meeting Minutes

April 10, 2018

Lisa Doerr called the meeting to order at 6:40 PM.

Present: Board members Lisa Doerr, Jeff Peterson, Steve Clark, Jason Montgomery-Reiss, Zach Mattson, Sarah Cook. Also present was Co-op Manager Marie Clark and Stacey Foster.

New Board Nominations: Motion to nominate new board: Lisa Doerr – President, Jeff Peterson – Vice President, Zach Mattson – Treasurer, Sarah Cook – Secretary

Moved by Montgomery-Reiss, seconded by Clark, all in favor.

February 2018 Minutes were approved

Moved by Montgomery-Reiss, seconded by Mattson, all in favor)

Manager's Report – Marie provided written report and discussed key elements. Marie shared that much of the last month has been spent adjusting margins and prices in the store. Moving forward, we will be verifying pricing on everything that comes in. Marie will be working with CoPOS to figure out how to upload invoices, in hopes that they will automatically adjust cost and SRP.

There are some updates in regards to staff changes. Hannah is trained in as our bookkeeper and needs to get signing rights so that she is able to sign checks. A new employee will need to be hired this summer. Marie will be interviewing a co-op member on Wednesday, April 11, 2018 who is interested in part-time work, a promising possibility. Marie is looking at hiring two high school students as overflow help during truck arrival and busy times. She has been working on refining job descriptions for the staff and is in the process of doing reviews.

April 10, 2018 Financial Report

Feb & March 2018

Overview

Net sales continued to grow robustly over 2017 in both February and March at 9.4% and 18% respectively. First quarter net sales are up 13.8% over 2017. Produce, meat and bakery helped fuel March sales with increases of 52%, 68% and 66%. While the average number of daily sales remained flat, increased basket size was up 10% in February and 13% March.

Gross profit for March of \$9,636 was up 29% over 2017. Labor costs continue to be well managed coming in exactly on budget for 2018 first quarter at 20% of sales. Net ordinary income for the first quarter is up \$886 over 2017 but still leaves a net income of -\$5,666 after depreciation.

Our balance sheet remains strong with all Accounts Payable current and an increase over 2017 in current assets of \$27,251.

Year to Date Profit/Loss (YTD)

Net Sales 2018 YTD: \$103,689

Sales 2017 YTD: \$89,415

Increase: \$14,274 or 13.8%

Net Ordinary Income 2018 YTD: -\$3,720

Net Ordinary Income 2017 YTD: -\$4,606

Increase: \$889 or 19%

Balance Sheet

March 31, 2018: \$247,154

March 31, 2017: \$191,648

Increase: \$55,506

Co-op Loft Update

Work is complete at this point, although the storage room could be converted to bathrooms. All four spaces are rented and as one Cowork space is rented, generating \$1,300 per month or \$15,600 per year.

Signage

Discussion regarding an awning and sign for Co-op Loft tenants by the Loft entrance. Also looking at a hanging sign on mainstreet, at the back of the building, Hwy 35 and near the Gandy Dancer. With this, discussion of rebranding the co-op name was brought up.

Resolutions

2018 Budget - see attached

A motion was made by Peterson and seconded by Montgomery-Reiss to adopt 2018 a modified projected budget. Resolution was passed with all six board members present voting affirmative.

Certificate of Deposit

A motion was made by Montgomery-Reiss and seconded by Mattson to deposit \$10,000 into a CD. Resolution was passed with all six board members present voting affirmative.

Bank Account Signers

A motion was made by Montgomery-Reiss and seconded by Clark to add Hannah Wierenga as a check signer on Frandsen Bank Account #6533 and allow full on-line viewing of said checking account and Savings Account #680034. Resolution passed with all six board members present voting affirmative.

A motion was made by Montgomery-Reiss and seconded by Clark to remove Jeff Peterson from all the bank accounts held with Frandsen Bank & Trust. Resolution passed with all six board members present voting affirmative.

A motion was made by Peterson and seconded by Montgomery-Reiss to add Zach Mattson as a check signer on Frandsen Bank Account #6533 and allow full on-line viewing of said checking account and Savings Account #680034. Resolution passed with all six board members present voting affirmative.

Crystal Ball Roundup

A motion was made by Clark and seconded by Montgomery-Reiss to donate funds from the donation jar and register round-up in April, May and June to Crystal Ball Dairy. Resolution passed with all six board members present voting affirmative.

Adjournment

Montgomery-Reiss moved, Clark seconded to adjourn. Meeting adjourned at 8:15.

Draft minutes submitted by secretary Sarah Cook

Natural Alternative Co-op		10-Apr-18	
2018 Projected Budget			
Profit & Loss		Projected	% Gross
		2018	Sales
Gross Sales		\$452,000	
Owner discounts		\$4,068	0.9%
Employee discounts		\$1,808	0.4%
Senior discounts		\$452	0.1%
Sales Tax		\$5,424	1.2%
Net Sales		\$440,248	
Cost of Goods Sold		\$308,174	70.0%
Gross Profit		\$132,074	30.0%
			% Net
Operating Expense			Sales
Wages & Taxes		\$81,446	18.5%
Workers' Comp Insurance		\$4,323	1.0%
Depreciation		\$13,000	3.0%
Real Estate Taxes		\$2,100	0.5%
Utilities		\$16,000	3.6%
Credit Card & Bank Charges		\$5,283	1.2%
Repairs		\$5,000	
General		\$12,000	2.7%
Total Operating Expense		\$139,152	31.6%
Net Ordinary Income		-\$7,077	-1.6%
Other Income			
Donations		\$1,000	
Rent		\$12,000	
Other		\$100	
Total Other Income		\$13,100	
Other Expense			
Mortgage Interest		\$2,400	
Other		\$600	
Total Other Expense		\$3,000	
Diff Income/Expense		\$10,100	
NET INCOME		\$3,023	