

Natural Alternative Food Cooperative Board Meeting Minutes

June 14, 2018

Lisa Doerr called the meeting to order at 6:33 PM.

Present: Board members Lisa Doerr, Zach Mattson, Jeff Petersen, Sarah Cook, Co-op Manager Marie Clark by phone

May 2018 Minutes were approved

Moved by Mattson, seconded by Doerr, all in favor

Manager's Report

OWNER APPRECIATION DAY is coming up on Saturday, June 23rd. Our Castle Rock sales rep will be here sampling cheeses and milks. Lisa talked about doing beer and kombucha tastings -- perhaps board members could volunteer to help.

LABOR COSTS -- Sales are strong, and labor costs are staying within 17% of sales. Employees seem to be doing well with current workload.

INVOICES -- We are now able to upload invoices from UNFI to our CoPOS server. This means uploading new products is much quicker and more accurate, we are able to update our costs, which allows us to better track actual margins and keep our prices more accurate.

DISPLAYS -- We're changing displays regularly (and continuing to try out new products), which seems to be having a positive effect on sales.

CREDIT CARD PROCESSING -- In the process of switching over credit card processor to save money & be able to integrate our CC and POS systems. We have encountered some technical issues but are working on them and hope to have things up and running next week.

FNS PROGRAM RE-AUTHORIZATION -- Turned in reauthorization application to be able to continue to accept EBT.

GRAB AND GO -- We're focusing on increasing grab and go options, including:

- carrying a wider variety of beverages in the Barker cooler.
- more Tierra Farm products, including 8 oz granola package -- can pour milk or yogurt.
- compostable tableware.
- organic, natural, microwavable 16 oz soups
- cheese curds, grassfed summer sausage & beef sticks, etc.
- guacamole/fresh salsa

June 14, 2018 Financial Report

May 2018

Overview

Spring came on sweet and strong with May 2018 net sales up 10.5% over 2017! This puts us up 11% for the year. Meat, produce and frozen led the way with gains of 52%, 27% and 24% respectively over 2017. In spite of losing Crystal Ball, dairy held its own thanks to great work by staff to find replacements for our customers. Special orders were especially strong. However, Beauty and Gifts continue to show significant negative growth. Average number of sales was flat but the basket size was up 10.5% from 2017.

May's Gross Profit of \$13,266 was 29.1% of Grocery Sales and 32% of Total Income. Labor costs are right on target at 19.2% year to date. Equipment repair costs for the year now total \$7,063. These repairs take a big bite out of Net Ordinary Income for the year which stands at -\$274.

Our balance sheet remains strong with all Accounts Payable current at \$9,493 compared \$26,191 in 2017.

Year to Date Profit/Loss (YTD)

Net Sales 2018 YTD: \$179,294

Net Sales 2017 YTD: \$159,597

Increase: \$19,652 or 11%

Net Ordinary Income 2018 YTD: -\$274

Net Ordinary Income 2017 YTD: -\$7,466

Increase: \$7,192

Petersen moves to accept financial report, seconded by Cook, all in favor

Marketing Committee

Lake Home Mailing - Zach Mattson has narrowed down a target market of 128 lake home owners on Bone lake. The flyer will let residents and vacationers know who we are and offer a free dozen eggs. The flyer will be going out within the next month.

April/May Roundup - \$400 was raised for Crystal Ball.

June/July Roundup - Petersen made a motion to allocate roundup monies for June and July to the Ice Age Trail. Seconded by Mattson, all in favor.

Building Committee

Kitchen - There will be a meeting the week of June 24th regarding ideas for improving the kitchen, making grab and go food and whether or not the old nursing home, Ruby's Pantry, would be a certified kitchen option to make food.

Maintenance – Discussion on staffing a part time maintenance person to do routine checks on building, equipment, etc. Specific job description to be outlined.

Mouse/Fairy Door – The mice have relocated, allowing a happy family of fairies to call this space their home. There is a window that has been added to the door.

Signage – We revisited the large main street sign possibilities. A circle sign with the current logo may be a possibility. Jeff Petersen will be making calls and getting quotes for the sign.

Back Wall – We are waiting for a quote for a garage door and repairs for the back of the building.

Adjournment

Mattson moved, Petersen seconded to adjourn. Meeting adjourned at 7:37.

Draft minutes submitted by secretary Sarah Cook