

## Natural Alternative Food Cooperative Board Meeting Minutes June 29, 2017

Lisa Doerr called the meeting to order at 6:37 PM.

**Present:** Board members Stephanie Lundeen, Lisa Doerr, Steve Clark, Jeff Peterson and Jason Montgomery-Riess (arrived late); Interim General Manager Ron Erickson

**May 16, 2017 Minutes were approved** (Steph moved, Jeff seconded)

### General Manager's Report

Ron passed out a GM report; two cashiers resigned the week of June 10<sup>th</sup>; the Member/Owner appreciation Day was very successful; Ron is keeping very busy as are all the staff with improvements being made. Jeff asked a question about "rounding up" protocol and it was agreed staff should be encouraged to ask customers at check out if they would like to round up.

### Financial Report

Lisa provided the financial report that included the following overview:

**Overview** – Sales were 4.7% higher for May over 2016 with Gross Profit up 2.7%. We managed Expenses very closely and saw a 33.9% drop year to year bringing our Net Income for May is up \$2,923.86 from 2016. Net income so far for 2017 is up 3.6% over 2016 at -\$3,278.

#### May 2017

Sales May 2017: \$36,535.550  
Sales May 2016: \$34,883.80  
Increase: \$1,651.70 or 4.7%

Gross Profit May 2017: \$11,747.15  
Gross Profit May 2016: \$11,433.36  
Increase: \$313.70 or 2.7%

Expenses May 2017: \$8,475.28  
Expenses May 2016: \$12,827.90  
Decrease: \$4,666.41 or -33.9%

Net Income May 2017: \$3,700.03  
Net Income May 2016: \$776.17  
Increase: \$2,923.86 or 376.7%

#### Year to Date Detail (YTD)

Sales 2017 YTD: \$158,400.66  
Sales 2016 YTD: \$170,100.11  
Decrease: \$11,699.45 or 6.9%

Gross Profit 2017 YTD: \$42,908.11  
Gross Profit YTD 2016: \$57,925.17  
Decrease: \$15,017.06 or -25.9%

Expenses 2017 YTD: \$50,374.32  
Expenses 2016 YTD: \$63,749.12  
Decrease: \$13,374.80 or -28.2%

Net Income 2017 YTD: \$-3,278.06  
Net Income 2016 YTD \$-3,401.63  
Increase: \$123.57 or 3.6%

Jeff wondered about electric use and if we could get an audit from the electric company. Stabilizing the cost of goods sold is a major goal Lisa explained.

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

### **Lucky Days Discussion**

Our event is in the Lucky Days festival brochure. Need news release to get to paper by noon on July 18<sup>th</sup>. Steve agreed to enlist Ben Jonjak for poster for bike rodeo. NA will not try to create a float this year. It was agreed to recruit 4 volunteers from store to help with bike rodeo.

### **Upstairs Update**

Jeff organized two demo days and rest of Board expressed gratitude for his extremely productive efforts. Lisa will obtain a quote for work that will require use of professionals. Edna's Loft Carpentry Request for Bid – II. Current estimates put remaining funding needs at \$26,000 Could borrow this low-interest \$450/month for 5 years. Jeff moved to put out a bid for the loft, Jason seconded and all were in favor.

### **Personnel & Contract Updates (Closed session)**

### **Adjournment**

Lisa called to adjourn the meeting. The meeting was adjourned at 9:33 PM.

*Draft minutes submitted by secretary Steve Clark.*

**Next meeting date:** July 20 , 2017 6:30 pm

## **Personnel & Contract Updates**

### **Closed session notes not to be published:**

Consensus of the Board to fire Chris

Jeff moved and Jason seconded a \$0.25/hr increase for Judy and \$1.00/hr increase for Stephanie. All in favor.

Clark moved to approve the Policy and Procedures Handbook as with the changes laid out, Jason seconded, all approved.

## **Kitchen Upgrade**

Mark and Nancy Buley have expressed continued interest in creating a space at the Natural Alternative for a commercial kitchen.

A motion was made by Jason Montgomery-Riess and seconded by Jeff Peterson that the Natural Alternative Food Co-op (Co-op) board accept a \$20,000 gift from Mark and Nancy Buley (Donors) based on the following conditions:

- 1.) Funds will be used to upgrade the commercial kitchen operation so that the Co-op can sell Grab and Go items.
- 2.) The gift will be segregated from operational funds in savings account number 680034.
- 3.) Ron Erickson and Stephanie Lundeen will lead the upgrade project and begin work in November 2017.
- 4.) The gift is considered Additional Paid-in Capital for the Co-op, not income.
- 5.) The Co-op is a membership cooperative not a 501 c(3) non-profit. As such, the gift is not tax deductible.
- 6.) The Co-op cannot advise the Donors of the legal or tax implications of the gift on their situation.

Resolution passed with all five board members present voting affirmative.