

Natural Alternative Food Cooperative Board Meeting Minutes August 15, 2019

Jeff Peterson called the meeting to order at 6:44 PM.

Present: Board members Jeff Peterson, Lisa Doerr, Zach Mattson, Wendy Peterson, Jason Montgomery-Reiss, Sarah Cook, and co-op manager Marie Clark.

Mattson made a motion to approve the August agenda, Doerr to second, all in favor.

Cook made a motion to approve June 11th minutes, W. Peterson to second, all in favor.

Manager's Report

Staffing

- Liana Bratton has been hired as our new Fresh Buyer. She is well qualified for the position, with a passion for local food systems, experience working with local vendors, and lots of connections with farmers in the area. She is doing a great job so far.
- Kristen Livingston has been filling in for Judy during a vacation for the past month. It's not clear how her position will evolve, but we hope to use her tech skills and attention to detail to help streamline the ordering process, work with our UNFI representative to get the best prices and sales available, and take over some buying work.
- Depending on how Kristen's position evolves along with other factors, we might hire another store keeper in the near future.
- Payroll is currently higher because of training hours and a few more buying hours to make sure that attention to details are not overlooked, allowing us to pass more sales on to the customers.

Store/Office/Supplies

- We're continuing to clean up and rearrange the office to accommodate more people. The vision of clear space and less clutter will better serve our staff. A large desk was exchanged for a long table that can comfortably sit two to three people.
- Zach is helping us research tablets for the buyers for more efficient ordering.
- Liana and Marie are working on getting new merchandising equipment for the produce cooler and setting up the misting system.
- The Co-op purchased a better brewing system, which made it possible for Peace Coffee to offer us a new, functional air pot. We hope to be able to offer higher quality coffee in the near future!
- Kristen is working on making Wellness and Bulk buying more efficient by taking a close look at our vendors and what they offer. There is a lot of redundancy among our vendors, which makes it somewhat difficult to meet minimums. This, in turn, affects shipping costs and adds labor time to figure it all out. We hope to eliminate at least one vendor to simplify things.

- Kristen and Marie met with a UNFI rep to review their customizable ad program. It would be \$85 per month vs. \$25 per month for the sales we are currently offered, but it would allow us to make our own advertising materials and tags. We would have to pay Inter-County to print the shelf tags, but we could make Facebook advertisements and attractive files for our newsletters, showcasing sale items that WE ACTUALLY CARRY! This technology would be extremely useful for us, but Marie is not sure whether it's worth \$60/month extra. This will be discussed with the marketing committee.

**Natural Alternative Food Co-op
August 14, 2019 Financial Report
July 2019**

Overview

Net Sales were hot, hot in July, up 7.6% over 2018 at \$41,685. July 4th week was super with what may be the biggest sales day ever on July 3 with \$3,388. Three departments - Meat, Frozen and Supplements - paid back recent staff efforts with growth at 112%, 24% and 11% respectively. Two large departments, Grocery and Produce, saw growth rebound after weak performance earlier in the year. However, the other big department, Bulk, continues its industry-wide trend with a drop of 10.5%

Basket Size is up over 2018 by 8.9% to \$26.57 with Non-Member sales up again by 5.6%! Customers responded very positively to rounding up for the Frederic and Luck school backpack programs, donating more than \$305 at the register in July.

Gross Profit on Grocery Sales was 24% or \$10,410 missing our target of \$12,612. Payroll Expenses were excellent coming in at \$6,625 or only 15.8% of Net Sales. Net Ordinary Income was \$1,978. After Depreciation, Net Income came in at \$1,061 down \$1,891 from 2018.

However, for all of 2019 we have Net Income of \$3,551, up \$8,054 over 2018. Net sales for the year are basically flat with a 1.6% increase.

Our Balance Sheet remains strong with all Accounts Payable current.

Year to Date Profit/Loss (YTD)

Net Sales 2019 YTD: \$263,093

Net Sales 2018 YTD: \$258,909

Increase: \$4,184 or 1.6%

Net Income 2019 YTD: \$3,551

Net Income 2018 YTD: -\$4,503

Increase: \$8,054

Mattson made a motion to accept the financial report, Montgomery-Reiss to second, all in favor.

**Education and Marketing Committee Report
Tuesday, July 30th 1:00pm**

The cosmology of Marketing was discussed and it was noted that Facebook and e-mail are being effective. Lisa reminded us that our website is another important avenue for marketing, this gets a great deal of hits including non-members.

Old News

*The booth at Polk Burnett with crackers and lemonade had good attendance. The drawing for free merchandise got some people in. It was worth it, but crazy. Most people were looking for free hot dogs and didn't know what organic meant. Rather than do this again, we will consider a more targeted audience such as the Woodland Choral event.

*Sarah and Nancy worked at Lucky Days on Saturday during the car show and Sunday Nancy worked during the parade, offering iced coffee and ice cream samples. The storm and weather had an impact on attendance. Parade will be done again next year with vegetables on a stick for props.

Upcoming Events

August will be the tomato fest. A sign will be put up the week before with a jar for a drawing for ½ bushes of tomatoes. Tomato recipes will be available and the group will coordinate with Liana to have tomatoes on hand.

An item will be donated to the corn feed for the silent auction.

September -Apples and complimentary recipes

October is co-op month. A non-GMO display will be out along with Facebook posts of recipes. A wellness, health, and cookbook swap will be held. The Gandy Dancer Marathon will be taking place and the Natural Alternative is looking to hand out bananas.

Classes

Fall classes are being developed such as build your own spices, healthy eating made easy, essential oils part 2, and more.

There was some discussion of the Education and Marketing title and questions surrounding the Marketing terminology. At this point nothing will be changed and a sub-committee will revisit the current mission statement and goals to make sure they align with the co-op's mission. They will bring suggestions to next meeting.

Building Committee Report

Jeff Peterson has been working on a strategy to address the back wall.

Loft Update – We are currently bringing in \$1,225 a month in rent.

Awning – The awning needs a good washing and we have a possible volunteer for this.

Discussion – The board discussed establishing regular monthly meeting times. Please see the monthly meeting times below and remember, all are welcome!

Monday, September 9 @ 6:30

Monday, October 14 @ 6:30

Monday, November 11 @ 6:30

[No meeting in December]

Monday, January 13 @ 11:00

Monday, February 10 @ 11:00

[Coincides with annual meeting in March]

Monday, April 13 @ 11:00

Monday, May 11 @ 6:30

Monday, June 8 @ 6:30

[No meeting in July]

Monday, August 10 @ 6:30

Adjournment – J. Peterson moved to adjourn meeting at 8:24.

Draft minutes submitted by Sarah Cook