

Natural Alternative Food Cooperative Board Meeting Minutes via Google Meet Conference Call

February 8, 2021

Jeff Peterson called the meeting to order at 6:34 PM.

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

Montgomery-Reiss made a motion to approve the January agenda, W. Peterson to second, all in favor.

Mattson made a motion to approve January 12, 2021 minutes, Montgomery-Reiss to second, all in favor.

Natural Alternative Food Co-op January 2021 Financial Report

Net Sales were flat over 2020 at \$37,719. However, January 2021 had fewer days so Daily Net Sales were actually up from \$1,481 to \$1,617 or 9%.

Our biggest department, Grocery, saw growth of 18%. Dairy, Frozen and Special Orders saw growth of 18%, 37% and 38% respectively. Alcohol continues to perform well with growth of 67%. Produce, Bulk and Bakery continue to struggle with drops of 15%, 12% and 55%.

Basket Size remains strong at \$42, up 46% over 2020 as Covid has people shopping less often. On the other side of that coin, the number of sales per day dropped from 52 to 39.

Donations for Ruby's Kitchen were \$253.

Gross Profit on Grocery Sales was high at 44.5% or \$16,704. Payroll Expenses were 21% of sales or \$7,943. That is only 1% over our goal and really excellent because January was a three pay day month. Rent brought in \$925.

Net Ordinary Income for January was \$6,654. After Depreciation and Other Income, Net Income was \$5,992, up \$4,158 from 2020.

Our Balance Sheet remains strong with all Accounts Payable current.

Two other details are worthy of note. First, we submitted our Application for Forgiveness of our \$16,200 Payroll Protection Program grant. We should hear from Fransden on that in February. In addition, we completed moving our Quickbooks onto a secure cloud server run by Coaxis. That means that Laurie, as well as our accountant, CPA and treasurer can work on the books without having to transfer a flash drive. It also protects the security of our data in case of a fire or other

disaster in our building. After several years of concentrated effort, we have a very good financial team and system in place.

Year to Date Profit/Loss (YTD)

Net Sales 2021 YTD: \$37,719

Net Sales 2020 YTD: \$37,378

Increase: \$341 or .91%

Net Income 2021 YTD: \$5,991

Net Income 2020 YTD: \$1,823

Increase: \$4,15

Montgomery-Reiss made a motion to approve January 2021 financials. Cook to second, all in favor.

Manager Report

Manager Report February 2021

Produce

- There has been a lower-than-normal percentage in produce sales.
- To offset lower produce sales, lower margins for better pricing are being implemented in hopes of increasing movement.

Bakery

- There has been a lower percentage in bakery sales due to less fresh bread availability.
- The movement on Nuthouse bread decreased, therefore this product has been discontinued for the time being. This will gradually be brought back to increase bakery sales.
- Sourcing bakery from Farm Table will take place when they come back to wholesaling to the co-op.
- Café Wren is in full swing after a brief winter pause. They are not yet able to produce cookies for the co-op, which contributes to bakery sales.

Shopify

- Shopify is a convenient online experience that will simplify curbside shopping and offer in town delivery in the future.
- Raya is working with Shopify to rectify some flagged items. Once this has been remedied, we can go online with the store while continuing to update items and product pictures.
- There was a slight setback with the Shopify rollout due to Lakeland unknowingly blacklisting Shopify. Shopify temporarily was not receiving emails. As of February 17th, this hiccup has hopefully been resolved.

Furnace

- There were furnace issues in the beginning of January and it was fixed. February 8th, the furnace went out again. It was determined that the issues were related and with the water holder replaced, all is running properly.

Discussion

The Natural Alternative has been given an opportunity to expand storefront space by utilizing the building next door. This building shares a wall with the Natural Alternative. Discussion of possible ideas such as expanding our checkout counter, the grab and go, extra retails space, and seating for customers to relax and enjoy a meal are soft ideas that we are floating around. Plans to visit the space are set for February 24th.

Annual Meeting

Notices have gone out to members regarding the 2021 annual meeting. There were 200 hard copies that were mailed to those that don't have electronic means.

A huge thank you goes out to Zach Mattson and Lisa Doerr for combing and updating the member list.

Logistics – The online platform that will host the annual meeting allows for 100 guests. Zach Mattson will facilitate the flow of the meeting.

Annual Meeting – March 8, 2021 at 6:00 pm

Board Meeting – April 12, 2021 at 6:30 pm

Adjournment – J. Peterson moved to adjourn meeting at 7:32 pm

Minutes submitted by Sarah Cook