

# Natural Alternative Food Cooperative Board Meeting Minutes

July 12, 2018

Lisa Doerr called the meeting to order at 6:36 PM.

**Present:** Board members Lisa Doerr, Jeff Petersen, Sarah Cook, and Jason Montgomery-Reiss by phone.

## June 2018 Minutes were approved

Moved by Cook, seconded by Petersen, all in favor

## Manager's Report

**Credit Card Processing** -- The new processor is up and running and working out well. Customers are now putting their own cards in the machine, and processing is quick.

**Invoices/Cost Updating** -- We are continuing to improve the way we record information in our POS system so that we have an accurate understanding of our pricing & margins.

**R.O. Water System** -- We are moving forward with having a water filter installed in the store for customer and store use.

**Possible Upcoming Hiring** -- We may need to hire another employee to fill in a short-staff gap in September & October, and to continue to have flexibility for vacation & illness throughout the slow season.

**Phone/Tablet for Ordering** -- We will be looking to acquire a smartphone or tablet (preferable) to use for ordering. UNFI will no longer be servicing the old system.

## Financial Report

### June 2018 Overview

Net Sales in June 2018 were up 9.3% over 2017 and 11.3% year to date. We have now had eight straight months of positive sales growth! Meat, produce, special orders and consignment saw the steepest June gains of 72%, 27%, 91% and 50% respectively over 2017. Average number of sales was flat but the basket size was up 10.7% from 2017.

However, June's Gross Profit of \$10,134 was only 25% of Grocery Sales. Year to date our Gross Profit on Grocery sales is 27.5%, coming in 8% below budget. This is driven by higher Cost of Goods Sold as we rebuild inventory for the busy summer months. We are carefully watching this number and expect improvement in the next 3 months.

Labor costs are right on target at 19% year to date. Equipment repair costs for the year now total \$8,935. These repairs take a big bite out of Net Ordinary Income for the year which stands at -\$616.

Our balance sheet remains strong with all Accounts Payable current.

### Year to Date Profit/Loss (YTD)

Net Sales 2018 YTD: \$219,875

Net Ordinary Income 2018 YTD: -\$616

Net Sales 2017 YTD: \$196,777

Net Ordinary Income 2017 YTD: -\$362

Increase: \$23,098 or 10.5%

Increase: \$252

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

### **Building Committee**

**Loft Update** – As of August 1<sup>st</sup>, office three will be vacated and a new tenant, “All is Well” is moving in.

**Utility Room** – Currently there is not a vent in the utility room where the AC unit resides, causing a lot of water to condense on the unit when the humidity is high. Chad will be called to give us options.

**Loading Dock** – Tom Horst put a new lock on the door.

**Signage** – Jeff Petersen got a quote on the sign. It has been decided that we will use the Natural Alternatives current logo for the sign.

Lisa Doerr made a motion to spend \$2,000 on the signs for the front and back of the building. Jeff Petersen to second, all in favor.

### **Marketing Committee**

**Lucky Days Weekend** – Talk to Steve Clark about the bike rodeo to take place in front of the Natural Alternative. The store will be open Sunday, July 22<sup>nd</sup> from 10-3.

**Owner Appreciation Day** – Was not very well attended on June 23<sup>rd</sup>.

**June/July Roundup** - \$250 has been collected so far for the Ice Age Trail.

### **Kitchen Committee**

Nancy Buley, Sue Nielsen, Lisa Doerr, and Chris Tou continue to look at our options for a space to make food for the Grab and Go. Ruby’s Panty has given the Natural Alternative permission to use their certified kitchen to prepare food if that is the route we decide to go. Chris Tou will be putting menu ideas together to get us started. Stephanie Lundeen will be working on sketching out our Grab and Go corner.

### **Adjournment**

Doerr moved, Petersen seconded to adjourn. Meeting adjourned at 7:23.

Draft minutes submitted by secretary Sarah Cook

