

Natural Alternative Food Cooperative Board

DRAFT Meeting Minutes

July 19, 2021

Jeff Peterson called the meeting to order at 7:04 PM. Present via Google: Jeff Peterson, Lisa Doerr, Amy Free, Zach Mattson, Mike Noreen and Manager Kyle Wondrasch. Absent: Sarah Cook.

Free made a motion to approve July 2021 agenda, Mattson seconded, all in favor.

Mattson made a motion to approve June 2021 minutes with one correction changing Jan to June, Noreen seconded, all in favor.

June Financial Report Overview

June was a surprising month with Net Sales of \$39,913, down just 3% from 2020 despite many supply problems. Supplements and Frozen showed very solid growth at 35% and 19%. Alcohol, Meat, Grocery and Dairy pushed up respectively at 11%, 8.6%, 6.8% and 6.6%. Produce remains a challenge with a drop of 12.4%. Refrigerated took the biggest slide, down 62%. Bakery has suffered from vendor shortages.

Round up donations for the Luck Fire Department's Secret Santa program came in at \$150.

Gross Profit on Grocery Sales was low at 27.6% or \$10,987. Year to date Gross Profit remains at 27%, short of our 30% goal. However, strong rental income of \$5,065 and low Payroll Expenses at 15.5% continue to maintain cash flow.

Net Ordinary Income for June was \$1,864. That's quite a spectacular increase over the 2020 loss of \$8,085 when we restocked the inventory drained by covid-19 pandemic shortages.

After Depreciation and Other Income, Net Income was \$789. This brings us to a Net Income Year-to-Date for 2020 of \$1,637 up from 2020's loss of \$2,802. In an ironic twist, Net Income in 2021 is up over 2020 despite a drop in Net Sales of \$34,454.

It is important to note that our 2020 Payroll Protection Program (PPP) grant of \$16,200 was forgiven in February and taken as non-taxable income. This brings our paper income to \$17,837.

Our Balance Sheet remains strong with all Accounts Payable current.

Year to Date Profit/Loss (YTD)

Net Sales 2021 YTD: \$222,410

Net Sales 2020 YTD: \$256,864

Decrease: \$34,454 or -13.4%

Net Income 2021 YTD: \$17,839 - Includes \$16,200 PPP grant

Net Income 2020 YTD: -2,802

Increase: \$20,641

Noreen moved to accept that financial report. Mattson seconded, all in favor.

Co-op Manager Kyle Wondrasch Report

Work has focused on the following specifics:

- Receiving and storage practices
 - Job descriptions
 - Merchandizing front displays
 - Grab & Go movement and packaging analysis
 - Tying sales reports to labor costs
 - Baseline report for produce
 - Get to know interviews with staff
- NEED STOREKEEPER HOURS!**

Mattson moved to hire Kyle Wondrasch as of July 6, 2021 on terms outlined in a June 25, 2021 job offer letter. Free seconded, all in favor.

Veterans Reward Program - Polk County has a program for businesses to provide rewards to veterans. Free moved the Co-op participate. Mattson seconded, the motion failed.

Building Committee - New Awning - Board reviewed a final quote for the new awning of \$4,850 from Acme Awning. Peterson moved that we accept the quote and use the Wisconsin Tomorrow grant. Noreen seconded, all in favor.

Education Committee - The board discussed examples of questions for a potential Member/Customer survey. Free agreed to be the board representative on the education committee.

Next Meeting - September 13, 2021@ 7:00 pm.

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Adjournment – Peterson adjourned meeting at 8:17 pm.

Submitted by Lisa Doerr