

## **Natural Alternative Food Cooperative Board Meeting Minutes – DRAFT MINUTES June 11, 2019**

Jeff Peterson called the meeting to order at 6:32 PM.

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

June agenda approved with a consensus decision as written.

W. Peterson made a motion to approve May minutes, Mattson to second, all in favor.

### **Manager's Report**

#### **Store Changes**

- The new Grab & Go area is very successful! We are getting a lot of positive feedback and sales are great. Customers frequently ask for sandwiches and we are working on it!
- The ice cream freezer and 20 Mile frozen custard are a huge hit.
- The wellness department is getting positive comments. There are still some changes that are being made in this area as we find ways to improve product visibility and maintain some type of sensible organization.

#### **Staff**

- The Fresh & Local Buyer position is currently being advertised for. This position will deal with Grab & Go and most of our fresh product lines.
- The UNFI truck shifted to Tuesdays a month and a half ago. With this brings scheduling changes and the scheduling "sweet spot" is being worked on. Overall the store is staffed well, but there are some issues due to the unreliability of the Tuesday and Thursday trucks. Tuesdays have become busier with the truck change.
- It is possible that a cleaning person that can help with Tuesday evening closings and work as an Assistant Store Keeper on some weekends may be hired.

### **Financial Report**

#### **May 2019**

#### **Overview**

Net Sales were flat over 2018 at \$40,041. Great work by staff in three departments - Meat, Supplements and Health/Beauty - returned strong growth at 26%, 20% and 16% respectively. However, this growth was not enough to counterbalance drops in two large departments - Produce at -6.5% and Grocery at -3%.

Basket Size is up over 2018 by 3.6% to \$27.87 with non-member sales up again in May by 6.2%! The number of sales per day dropped by 3.2% to 48. May register donations were \$221.

Gross Profit on Grocery Sales was 29% or \$11,563. Payroll expenses were right on target at \$7,180 or 18% of net sales. Net ordinary income was \$2,828. After depreciation and donations, net income came in at \$2,233 up just \$158 from 2018.

Our balance sheet remains strong with all accounts payable current.

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

Net Sales 2019 YTD: \$183,299

Net Sales 2018 YTD: \$179,519

Increase: \$3,750 or 2.1%

Net Income 2019 YTD: \$3,106

Net Income 2018 YTD: -\$4,798

Increase: \$7,905

### **Mortgage Resolution**

A motion was made by Mattson and seconded by Cook to authorize:

Jeff Peterson and Lisa Doerr to sign for an extension of Fransden Bank building loan with an estimated balance of \$33,376 at 6.28% interest.

Resolution was passed with all board members present voting affirmative.

### **Marketing**

June 6<sup>th</sup> – The Natural Alternative had a presence at the Polk Burnett Electric open house.

June 22<sup>nd</sup> – Owner Appreciation Day

The “BIG” check has arrived. This is quite an impressive check that we will be presenting to our Roundup recipients. This will give us a chance to present a nice donation while creating a presence in our local papers, media, etc.

### **Building Committee**

Ledges - Ron Erickson kindly built some ledges around the windows that offer a nice space for literature.

Berm – Ron Erickson spent time creating a berm to direct water away from the building to keep it from running into the basement.

Basement clean up – Once the water completely recedes, the basement will need to be disinfected due to the long-standing stale and stagnant water to prevent mold build up.

**Discussion** – The board discussed the CAFO’s that may be moving into our area and whether or not the Natural Alternative should act as an information clearing house. The stance would be strictly fact based where people could be informed and educated of what CAFO’s are.

## **Factory Farms Operations Resolution**

Whereas several potential sites in the Co-op's core service area have been identified for development of hog factories, a motion was made by Mattson and seconded by W. Peterson to authorize:

Distribution of information about factory farms, as well as events and meetings related to decision making about development of factory farms in Polk and Burnett counties through the Co-op's email list, Facebook page, website and store postings. Board members Jeff Peterson and Lisa Doerr will coordinate and approve items that are distributed.

Resolution was passed with all board members present voting affirmative.

Acting by consensus, the board decided to forego meeting in July.

Adjournment – J. Peterson adjourned the meeting at 7:48.

*Draft minutes submitted by Sarah Cook*