

Natural Alternative Food Cooperative Board Meeting Minutes

September 13, 2018

Lisa Doerr called the meeting to order at 6:35 PM.

Present: Board members Lisa Doerr, Jeff Petersen, Zach Mattson, Sarah Cook, manager Marie Clark, and Jason Montgomery-Reiss by phone.

August 2018 Minutes were approved

Moved by Petersen, seconded by Mattson, all in favor

Manager's Report

Staff/Hiring

- Amy Free has been hired as a Store Keeper and is training in and doing great. She will be working 20-30 hours per week.
- One more person will be hired in the next couple of weeks from a few applicants.
- Marie updating documents for employees regarding store process, hoping to get the store running as efficiently as possible, and to make sure overlooked tasks are getting done.
- The operations person has given her resignation for the end of November. It is the hope that someone with an accounting background who is capable of doing higher-level bookkeeping will be able to fill this position. The operations person currently cleans the Loft as well. In the next couple of weeks, a new cleaning person will be hired.

Construction

- The construction crews have been doing a great job keeping the street open as much as possible, and our store does not seem to have suffered much so far.
- We are getting some updates from the construction firm, so we will give as much notice as possible if the store does need to close, or if we need to re-route customers through the back door.

Register Round-up

- A co-op member has requested that we consider supporting the Northwest Alliance Community Foundation with our Round-up.

Reverse Osmosis

- This will be installed as soon as a plumber, scheduled September 14th, installs a valve.

September 13, 2018 Financial Report - August 2018

Overview

August Net Sales outpaced 2017 by 15%! This puts us up 10.3% for 2018. Our smaller departments - special orders, consignment, meat/fish and alcohol sales - were all up over 2017 by more than 50%. Our largest departments, grocery, bulk and produce also saw gains of 17%, 4% and 14% respectively. Bakery and dairy saw drops of 15% and 7%.

Basket size in August was \$26.41, a very healthy increase of 15%. Basket size for members and non-members rose 18% and 11%.

Gross Profit for August was \$10,970. This was a weak 27% of Total Income due to the planned addition of a new line of supplements and a month with five large UNFI bills.

Year-to-Date Gross Profit on Grocery Sales remains at 28% compared to 2017's 31%. Ongoing efforts to increase inventory account for much of this but we are also assessing margins. Payroll Expenses for August appear high at \$10,044 because it is a month with three payrolls instead of two. However, labor costs are right on target year to date at 19%.

Net Income for August came in at -\$3,297. Net Ordinary Income year to date is \$6,743. After Depreciation and Capital Repairs on Equipment, Net Income year to date stands at -\$8,071.

Our balance sheet remains strong with all Accounts Payable current.

Year to Date Profit/Loss (YTD)

Net Sales 2018 YTD: \$298,993

Net Sales 2017 YTD: \$271,008

Increase: \$28,719 or 10.3%

Net Income 2018 YTD: -\$8,071

Net Income 2017 YTD: -\$4,064

Decrease: -\$4,007

Net Ordinary Inc: 2018 YTD: \$6,743

Net Ordinary Inc: 2017 YTD: \$12,662

Decrease: -\$5,919

- **Building Committee**

Signage – Jeff Petersen made our new signs a reality. We now have a new sign on the street side and a sign on the back of the building. Jeff and Ron worked together to put the sign up at the back of the building. We are still looking at getting two smaller signs to identify loft residents.

Garage Doors – A down payment has been made on a new garage door which will be installed in the next two to three weeks.

- **Marketing Committee**

Tomato Fest – This was a success!

June/July/August Roundup - \$484.34 was raised for the Ice Age Trail.

September/October roundup will be for the co-op to put towards a new freezer.

November/December roundup will be discussed further at the October meeting with recommendations including the Serenity Home or possibly a food shelf.

A request has been made to roundup for Northwest Alliance Community Foundation.

Doerr moved that we designated our roundup for Northwest Alliance Community Foundation during March/April 2019. Cook seconded, all in favor.

Grab and Go – Discussion on getting window treatments for the big windows behind the register. It is a concern when merchandise and food are in the path of the sun. Our prime display areas tend to be affected.

Therefor...

Front Window Shades

A motion was made by Petersen and seconded by Montgomery-Reiss to authorize:

A contract of \$896.87 with Jensen Furniture to install heat and UV reflecting shades for 3 front windows directly behind and south of the cash register. This is being done to protect products displayed in the front window and front aisles of the store. All in favor.

Stainless Steel Veggie Cart – What a treat to roll the veggies out, allowing for less juggling acts and trips to the kitchen. It works just lovely!

Freezer – Discussion on whether or not we invest more money on a higher efficiency freezer. The facts are that the co-op will save \$500/year in energy costs and it gets colder.

Adjournment

Doerr moved to adjourn meeting adjourn at 7:23.

Draft minutes submitted by secretary Sarah Cook