

Present: Michelle Barness, Scott Hawthorn, Scott Timm, David Lester, Andy Sassaman, Nicki

Move to add the small reports to consent agenda: D1, G1, D2, D3

1st Scott, 2nd Emily: all said I

Approved Consent agenda.

Tabled May Minutes to August Meeting:

Consent Agenda: Motion by Scott T. 2nd By Scott H. Approved.

GM Report:

Sales for June up 3.9%, a little lower than budget, but positive. Pro-forma did not expect a remodel by Fareway. 72 new members. Membership drive in Early September.

Member share equity has grown.

Feeling good about labor.

Produce is our number one department!

Weather is playing a role in decreased local sales.

Above the average of NCG corridor sales.

Farmer's Market numbers are dropping.

Bulk is still dropping.

Waving Grains is no longer. Looking for a space and a baker.

Tunnel Project savings are continuing (\$2500). But there was a major valve that broke in June resulting in a repair bill. Working out kinks in HVAC system.

Hy-vee is coming. We will be focusing on our strategic plan focusing on Staff Education in Training, Local Services and Unique Services.

L1: Went over report. Number of customers staying flat, but baskets have been bigger. This is surprising. This is a customer satisfaction survey year. Up to date on all our licences.

Scott H motion approved L1, Andy Seconds: All approve.

L4: Membership information safety all good. Our system is slow, safe and affordable.

Scott H. Motion to approve L4: Emily 2nd: all approved.

L5: Discussed L5:

Sales: We are almost to NCGA benchmark and slightly under budget. Q2, basically 2% sales growth ....did not anticipate the Fareway/Walmart remodel.

L5.2 we do have an inadequate net income. Mainly due to margin: Our COGS (cost of goods) we were off \$47,000 in COGS. We are underperforming in Meat/Fish, Deli, and Bulk. Our new meat buyer did not perform well. We saw a lot of waste. We had to get rid of a lot of product in April. We lost a lot of product in our departments during the remodel (NOT produce!). We know where our work has to be! We have some work to do in the last half of the year to get our margin back.

We shifted project debt from short to long term with Decorah Bank.

Our quick ratio is .32 in assets to cover each dollar of liability. This is expected.

Scott T. motion to approve L5, Scott H 2nd. All approved.

Put in far more lighting than anticipated and cameras. \$36,000 over budget with Finholt

\$36,000 needed to pay off Finholt, suggest to use Decorah Bank line of credit to pay off and pay this down by the end of the year.

Emily makes a motion to approve, Andy S. 2<sup>nd</sup> , all approved.

Discuss the addition of Detra Dettman to fill Amy W. position.

Emily made a motion to approve. Scott H. 2nd. All approved.

Scott will look into additional firms for options to help with the strategic plan.

Table Food Hub discussion until November. Reach out to Kayla let her know where we are at...

Next meeting August 27th. 5:30.

G5: Scott Hawthorn

Motion to adjourn: Andy Sassman; 2nd Scott.

