GENERAL MANAGER REPORT

BOARD OF DIRECTORS MEETING

DATE: 10/02/2017

- **Owner Update:**
  - Rita is working on the database. Once it is up to date we can give you an accurate count.

- **Sales Update:**
  - Sept Sales were $290,782 - Budgeted Sales $317,592.
  - Daily Average $9,693
  - This Year’s Sales to date $944,319
  - COG’s were $124,666 (57%) – Budgeted COG’s $177,377.02 (39%) (make by $52,711)
  - RECORD SALES on MEMBER APPRECIATION DAY!!! $21,320.97!!! BIGGEST DAY FOR BCFC

- **Staff Update: (Hiring.)**
  - Victor has some meat experience already, so we asked if he would come back into the meat department, and he graciously accepted, already demonstrating wins in the department and being a supportive figure for the Meat Dept Team.
  - Mike was able to come out of the Café and lend his experience to the Wellness Department as Lead Wellness Consultant.
  - Nancy was also available and happy to come into Wellness as another Wellness Consultant.
  - Deb will now be the Dairy Manager, which seems like a natural progression and we thank her for stepping into that role.
  - Kristiina will become the Production Manager, focusing on the team efficiently producing enough product to meet demand, especially with the advent of a grab-n-go case coming soon.
  - Lindsey with her formal training and experience in traditional grocery stores is willing to bring her expertise and knowledge to the BisMan Co-op and the Assistant Deli Manager.
  - Josh, a new hire, has already begun to adapt his restaurant knowledge and service skills to the meat department forming a power trio that is sure to be successful.
  - Lea was asked if she could absorb the community planning into her duties so that Nancy could help Mike grow the business. We were pleased that Lea was happy to do so

- **Marketing/Advertising Update:**
  - We’ve started a Weekly deals program to build sales in certain categories where we see some lost opportunities. (1 Meat, 1 Fish, 1 Lunch Meat or Cheese, 1 Grab-N-Go as a staple, and open it up to other departments to promote great items or new items to build business.)
  - While realigning prices, this has resulted in some price drops where we now get a better deal than we did in the past. Lea is going to start promoting those price-dropped lines. Something every day or so, so that we capture people’s attention.

- **Operating Results:**
  - The Operational Budget in complete and being utilized.
  - We will have Manager Meetings/Sales Meetings as well as one-on-one consults with staff members to better our service to our customers.
We’ve had 44 Vendors return our vendor form. That is the lion’s share of our vendors. Robyn will go through and see if we missed any.

The management team has voted to start a fundraiser tip jar to raise money to get a Dish Washing Machine. Lea is going to also get the word out. This will help shave labor and supply costs in the deli, but also make it possible to have reusable plates and cutlery which is more sustainable and more in line with the co-op culture.

Financial Report:

- Vendors:
  - **KeHE** – PAID UP!
  - **Co-op Partners** – Payment plan of C.O.D. + $1000 on each delivery until we are in good standing.
  - **Russ Davis Produce** – another large one. We were about $28k last month, but we are now down to $16k. We are on I believe C.O.D + $2000 per week to get caught up.
  - **Bessy’s Best** – Suspended our orders. We were down $12k we now owe $3,500. Last week they called asking for payment in full plus C.O.D. We were not able to pay in full. Michael email on Sunday asking if we could do C.O.D. plus $500. Waiting to hear back.
  - **Dacotah Paper** – Working with Rich. They will do C.O.D. + $500 until we are caught up.
  - **Garske Produce** – caught up
  - **M&W Meat Packers** – We owe $6207 to them, paid $2,000 last month. They are holding our account until we get caught up.
  - **Riverbound Farms** – $5700 total. Paid $2,000 down. Payment plan of $1,000/week until caught up.
  - **Bischof Dist** - was $7k behind, current.
  - **G&K/Cintas** – We talked with Troy today. We renegotiated our agreement. We will get the final quote next week, but our rate will now go from $189/wk down to an estimated $103/wk starting tomorrow. They installed automatic paper towel dispensers.
  - Now that we have KeHE in good standing, we are working to get everyone else caught up in the next 30-60 days.
  - **Timber Ridge** – Michael talked to them today. They stated this is the first they have heard of an insurance claim. They want to know more about it. From there we will negotiate a payment plan
  - We still have people knocking on our door, but we are getting there.

- As of 9/30 our cash position was -$5,947.01 (includes checks written but have not been sent out. Will be sent out as sales generate).
- Payroll Report – Total wages $93K – budget $60K – Over 33K because there were 3 payroll periods that landed on this month.

Special Events:

- Member Appreciation Day was September 30th.
- All Staff Meeting last night.
- Annual Meeting October 29.

Other Goals:

- Good Earth has agreed to help with inventory, when ready.
- ECRS – still having reporting issues. We are going to Minneapolis Oct 24-26 for Catapult training. Looking to send 3 Managers
- Waiting for a quote from Capital Restaurant on a Gab N Go case for the Deli. Instant return on sales for this one, and they will finance. Got a quote from Dakota Refrigeration, waiting to compare the two.
- If Members on payment plan pay in full the month of OCT. they will receive a $25 gift card. $46K in unpaid Member Equity.