



GENERAL MANAGER REPORT

BOARD OF DIRECTORS MEETING

DATE: 9/18/2017

- **Owner Update:**
 - There were 43 new Owners for the month of July.
 - Number of Owners are 3227
- **Sales Update:**
 - Aug Sales were \$329267 - Budgeted Sales \$306084
 - Daily Average \$10,621
 - This Year's Sales to date \$653537
 - COG's were \$195411 (41%) – Budgeted COG's \$187959 (39%) (make by \$15701)
- **Staff Update: (Hiring.)**
 - Carmen Hoffner is learning and in transition to be the GM successor.
 - I will also be assessing the rest of the Mgmt Team to evaluate if we have the right people in the right place.
- **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 everyday or so, so that we capture people's attention.
- **Operating Results:**
 - I've realigned the operational budget to better mirror our existing P&L. Once I have the refinements in place, I will share it with the finance committee and begin training the GM this week.
 - 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 39 Vendors return our vendor form. That is the lion's share of our vendors. Robyn will go through and see if we missed any.
 - We also have some old outstanding checks that have never cleared, Robyn is going to call and revisit these as our financial position improves.
 - 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** – was behind by **\$112k** when we stated this pack back program. Our balance as of 9/13 is now **\$54,193**. We are making good strides. The down side, their aggressive payment plan has not placed us in a better position to get the small vendors caught up, YET.
 - **Co-op Partners** – is the next large one. We have a balance of \$19067. They say of that, we are \$8500 behind that they need caught up. So they were willing to negotiate a payment plan of a C.O.D. + \$1000 on each delivery until we are in good standing.
 - **Russ Davis Produce** – another large one. We were about **\$50k**, but we are now down to **\$28518**. We are on I believe C.O.D + \$2000 per week to get caught up.
 - **Bismarck Tribune** - \$4630 is our balance, but their contract is up in October, so we'll let that expire and payment plan them back.
 - **Bessy's Best** – At one point we were over **\$10k** on their balance. We have been paying C.O.D. + \$1000 each week to pay them down and as of 9/13 we are at **\$2689**
 - **Dacotah Paper** – Our balance is \$11335. They asked for us to work with them. I offered C.O.D. for tomorrow's delivery, but will ask if they will do C.O.D. + \$500 until we are caught up as the payment plan until we are all caught up.
 - **Garske Produce** – is all caught up now. We have a current balance of **\$311**.
 - M&W Meat Packers – We owe \$8207 to them. They are holding our account until we get caught up.
 - **Riverbound Farms** – We owe them \$7433. About \$5400 is behind. They asked for at least 25% to be by Friday and then a payment plan.
 - **Bischof Dist** - was \$7k behind, their current balance to date is **\$1890**.
 - **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. We are also getting automatic paper towel dispensers tomorrow.
 - Until we get KeHE and CPW in good standing, it will be difficult to make too many more "catch-up plans" with the other vendors. We have been talking with them, and we've expressed that we are on a path to be caught up within the next 2 months at this trajectory. Most of which feel pretty good about that and are working with us.
 - We still have people knocking on our door, but we are getting there.
- As of 8/31 our cash position was \$64,525
- As of the previous weekend, we our cash position is \$28,773 (*and we've been teetering between \$25k-\$35k daily*).
- Payroll Report – Robyn will be back tomorrow to enter in payroll, but what I can tell you is that we've squeezed in labor. We've missed labor goals by \$2178.50, last week, which shows a deficit cut by ½. Still squeezing in. You have to adjust in a measured sustainable fashion to make it long term.
- COG's – Produce missed their budget a little, but the rest of the departments did fairly good last week.
- **Special Events:**
 - Member Appreciation Day is September 30th.
- **Other Goals:**
 - I have not heard back on the inventory from the Good Earth. She was off this weekend. I will call later this week.
 - ECRS – still having reporting issues. Repots are proving difficult. May want to purchase custom reporting tools from ECRS.
 - Waiting for a quote from Dakota Refrigeration on a Gab N Go case for the Deli. Instant return on sales for this one, and they will finance.