

First Alternative NATURAL FOODS CO-OP

Fresh, local, organic groceries for everyone

North Store: 2855 NW Grant Ave • South Store: 1007 SE 3rd St

The SCOOP

January 2023



From the Board of Directors

Jeff Contreras

Happy (fiscal) new year! It's that magical time when we wrap up the 2022 fiscal year and prepare for 2023.

A critical part of that process for the Board is reviewing and approving the annual budget and its components. After all, we would much rather "tell our money where to go" than wonder where it went.

Fortunately, this job is made fairly painless thanks to our skilled finance manager, Mark Tarasawa (pictured below). Mark has done a fantastic job tracking past performance, anticipating the factors that will affect future financial figures, and assigning numbers and percentages to all of those expectations.

He has also made clear to the Finance Committee and the Board his careful consideration of the assumptions behind the projections. He even delivered a Finance for Board Members training course that made me feel like I was back in business school. Needless to say, the Board greatly



appreciates Mark's experience, expertise, and multi-faceted contributions to the Co-op.

I would also like to recognize the collective knowledge and dedicated service of the Finance Committee members. Our Finance Committee chair and Board treasurer, Rob May, sees to it that meetings are run efficiently, that the right questions are asked, and that there is sufficient discussion on the most pressing topics. Anne White, a retired CPA who has also served several non-profit organizations in our community, is always there to field questions on even the most obscure accounting procedures. Larry Goeltz holds an MBA and his professional experience in the credit union industry and as treasurer for three local non-profits provides invaluable insight into financial decision making. John Nichols, a chemist by trade, helped start the Bozeman Co-op (one of the most successful in our region) and has served on the Finance Committee for over 20 years, continually emphasizing what makes cooperative businesses unique. After passing the scrutiny of this group of acutely focused professionals,

Continued on next page...

January Board of Directors Committee Meetings

Board Recruitment & Elections

Committee: Working to recruit qualified Board candidates.

Tuesday, January 10, 6pm

Owner Relations Committee:

The conduit for communication between Owners and the Board.

Tuesday, January 11, 6pm

Owners interested in virtual attendance can contact BREC@firstalt.coop for details.

Finance Committee: Reviews, analyzes, and makes recommendations on financial matters.

Wednesday, January 18, 4:30pm

Board of Directors:

Elected Owners putting cooperative principles into action.

Tuesday, January 31, 6pm

ANYONE CAN SHOP

Open daily 7 am - 9 pm

See back page for an important update about the Co-op Kitchen!



From the Board of Directors

Jeff Contreras

Continued from previous page...

the 2023 budget was reviewed by the Board and approved unanimously.

The past few years have presented some extreme and unexpected economic events that make financial forecasting especially challenging. Of course, the global pandemic threw everything off, not to mention the last few years of the Co-op's financial performance. Now, we are facing the highest inflation rates in more than 40 years, an equally rare rate raising cycle by the Federal Reserve, and the strong possibility of an economic recession within the next 12 months. Nevertheless, we are poised to achieve success in 2023 with a favorable cash position, positive prospects for profitability and a soon-to-be completed annex and commissary.

Here are some 2023 budget highlights:

- We expect to see strong sales growth as our commissary production picks up and hopefully hits full production by the second quarter of 2023!
- Our inflation assumption is 4% for the fiscal year. Inflation has apparently started to subside according to recent CPI reports and with interest rates rising it will likely continue to fall throughout the year. Our assumption is conservative given that higher inflation would actually have a positive impact on sales growth.
- We predict low-income discounts to increase as we continue the Double Up Food Bucks program, making good food affordable to the whole community.



- We hope to maintain a healthy gross margin (in line with the industry average) as we benefit from our recently hired Merchandising Manager who will keep a sharp eye on pricing along with a new automated accounts payable management system.
- We will be providing a \$1.25 per hour salary increase to floor staff as a cost-of-living adjustment, in line with inflation and increases in social security income and minimum wage. This will ensure that employees are earning a living wage and that we are able to retain talent with a competitive compensation package.
- Net income (profit after all expenses and taxes) is projected to be positive yet modest, resembling the bottom line of a healthy and efficiently running grocery co-op.

It has been a pleasure to be a part of this months-long team effort that will surely benefit countless people in our community. I am confident that we are "telling our money" to go to good use.

Keep in mind that we will be recruiting new Board members over the next few months, which means you too could be a part of this important work.

If you would like to attend a Board meeting or a Finance Committee meeting, don't hesitate to reach out to faboard@firstalt.coop and if you are interested in serving on the Board, contact the Recruitment Committee at brec@firstalt.coop. Have a great year!

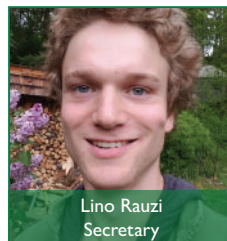
Your 2023 Co-op Board of Directors



Jasmin Woodside
President



Dana Monroe
Vice President



Lino Rauzi
Secretary



Rob May
Treasurer



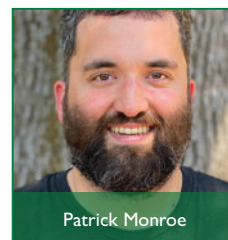
Jeff Contreras



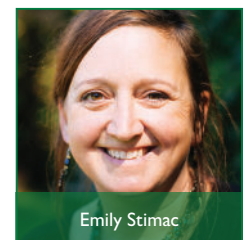
Camille Freitag



Frank Hall



Patrick Monroe



Emily Stimac

Learn more at firstalt.coop/governance.

BEANS 4 BAGS

Bean Tokens Have Returned to the Registers!



First Alternative's Beans for Bags program supports sixteen different community organizations by splitting an annual donation of \$4,000 between them in a proportion determined by our shoppers.

How does it work? Each store has a display at the entrances that showcases four non-profit organizations per quarter. Each organization has a jar beneath their name to collect Bean tokens.

Every time a customer uses a reusable bag, they can take a Bean token from the holders at each register and drop it into the jar of their choice. At the end of each quarter, the tokens are counted to determine what percentage of the quarterly \$1,000 donation each organization receives.

We removed the Beans for Bags displays and tokens during the pandemic, but now we're excited to bring them back and allow Co-op shoppers to engage with this great program again in 2023!

Donation recipients for January, February & March:

Coastal Range Food Bank
Community Outreach Inc.
Philomath Community Gleaners
Vina Moses



**Bring your reusable
bag to cut waste and
support local charities!**

Customer Q&A

Answering the Co-op Community's Questions

Q: When Owners receive a patronage dividend, what percentage of my purchases is that and how do I know what my total purchases were for the year?

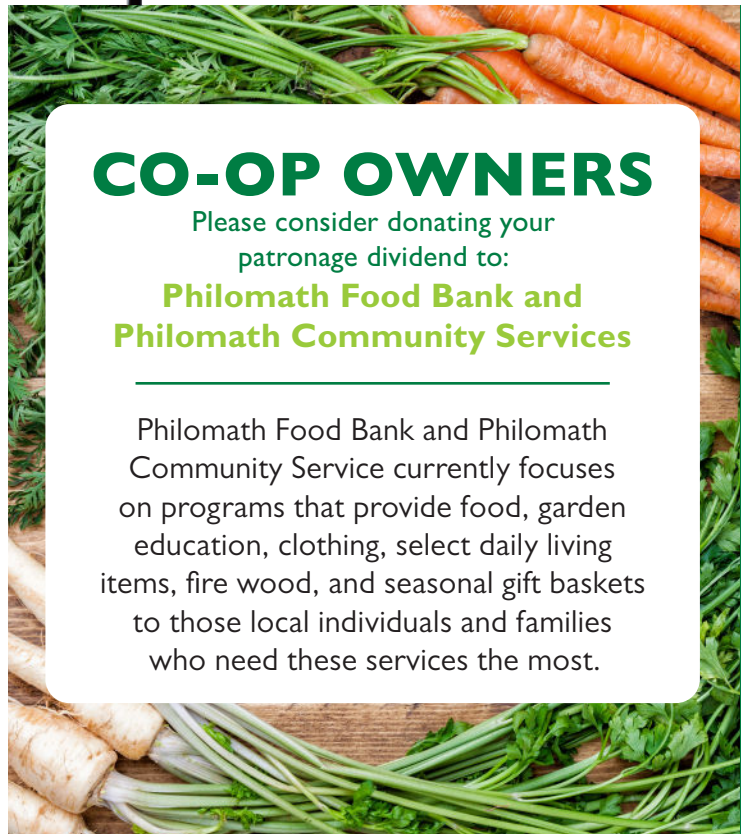
A: Patronage dividends are declared by the Board of Directors in years the Co-op is profitable. The specific percentage of each Owners' purchases that they receive will vary each year depending on how well the Co-op does financially, and the specific amount you receive will vary based on how much you shop (the more you shop, the more you earn!)

CO-OP OWNERS

Please consider donating your patronage dividend to:

**Philomath Food Bank and
Philomath Community Services**

Philomath Food Bank and Philomath Community Service currently focuses on programs that provide food, garden education, clothing, select daily living items, fire wood, and seasonal gift baskets to those local individuals and families who need these services the most.



TBD: Temporary Co-op Kitchen Production Pause in January

Co-op Kitchen prepared foods & bakery items will be temporarily unavailable

We expect Co-op Kitchen production will be paused for approximately a week this month as the commissary team moves into their new kitchen space. We're excited to resume production and once more provide all the Co-op Kitchen foods you love, and we appreciate your understanding and patience during this transition.

Follow our social media profiles for up-to-the-minute info on the temporary closure. Once we're back up and running, we anticipate it will take some time to get back up to full capacity, but are looking forward to the Co-op Kitchen's return to full-scale production as the year progresses!

Questions? Please let a Deli team member know!



A TASTE OF ETHIOPIA

HOSTED BY CORVALLIS SISTER CITIES - GONDAR

Join us for a night of culture, food and fun.
All proceeds will fund education, water and cultural exchange projects!



First Congregational United
Church of Christ
4515 SW. West Hills Rd
Corvallis

JANUARY
29
2023

Doors open at 5 PM
Program starts at
5:30 PM



Enjoy Ethiopian Food
A presentation by Open Hearts Big Dreams
A raffle with great prizes!

**FOOD
CULTURE
PEOPLE**

Tickets
Adults \$30
Students
18 and under \$10
Children
6 and under Free

TICKETS AVAILABLE AT:
• GRASS ROOTS BOOKSTORE
• BY TEXT AT 541 231 9824
• ONLINE:
• SISTERCITIES.CORVALLIS.OR.US/A-TASTE-OF-ETHIOPIA
• AT DOOR IF AVAILABLE

Save • Earn • Support • Vote

Become a Co-op Owner!

Get all the details and
become an Owner today at
firstalt.coop/ownership

Save • Earn • Support • Vote

The Co-op welcomed

35

new Owners in
November 2022

Subscribe to our Email Newsletter



Scan this QR Code with
your smart phone to join
our email list. *Subscribers
receive twice-monthly emails
plus occasional special offers,
coupons & announcements.*



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