

Dear Members,

I am happy to report that during the month of July there has been a definite improvement in the performance of our co-op. For the last three months sales have improved steadily, with the Cost Of Goods Sold (COGS) at 66% of revenues. Expenses, on the other hand, have been kept under tight control, without affecting wages, that in turn remained at the normal level of all previous months. Altogether, looking at the numbers only, we see a pretty healthy picture.

When looking at the balance sheet, we have dramatically improved our Accounts Payables (AP) even though we are not completely current with our suppliers. Nonetheless, the aging of our payables is now, for the first time in many months, below 20 days. We still have the liability of the long-term loan contracted to cover the losses of last year transition, but this month will be reduced to less than \$30K.

How did we get to this rosy picture? First of all, many thanks to our co-op staff that are doing the impossible to make ends meet. Second, it appears that the whole co-op membership has responded to the call of keeping our store running. The pledge of many members to spend more at our co-op is working, clearly shown in the increase of revenues. Also, the double help of the "gift certificates" (or advance payment credit/pre-buy groceries), that contribute to the increase of the cash-flow on one side, and to the reduction the credit card fees on the other, has now reached \$7,500!

Is this sustainable? The honest answer is: not yet. We are still keeping our expenses low by artificially keeping our management to a very minimum. In the long run we will need to add to the staff and management of our co-op. Yet the future of the co-op is in the hands of our members. Please keep purchasing at our store as much as you can, please promote our store with everyone you know, please volunteer your time by helping operations, contributing to our committees, or become a member of the board. Please, the key is in a whole community involved with the life of our co-op.

Giordano Checchi, Treasurer

	June 2019	July 2019	Year To Date 2019	Budget YTD
Revenues from Sales	107,381	121,270	696,584	713,506
Cost Of Goods Sold	69,611	80,787	455,255	459,471
Gross Profit	37,770	40,483	241,329	254,035
Expenses	33,129	31,414	226,863	253,606
Net Ordinary Income	4,641	9,069	14,466	429
	Year End 2018	1 st QTR	2 nd QTR	Year To date 2019
Accounts Payable	97,242	73,568	62,126	59,979
Gift Certificates	3,969	4,133	5,346	7,484
Member Equity	60,641	62,070	67,432	68,679
Net Accumul. Income	-47,269	-4,950	3,972	14,115
Long Term Liability	5,000	33,210	31,053	30,370