

1 same, relative to the costs that we pay our suppliers. Personnel costs were higher in
2 2023 because of the new Auburn store. These costs were higher as a percentage of
3 sales than is optimal, which we expected and is normal after opening a new store. We
4 expect these costs to reach targeted levels by the end of 2024. Other operating costs
5 were significantly higher in 2023 due to one-time promotional and supplies costs to
6 open the Auburn store and also due to rent and electricity on the Bell Road location
7 (we own the building in Grass Valley, so we don't pay rent and our solar array covers
8 about half of our electrical costs). Other income (expense) includes \$1.9 million in
9 Employee Retention Tax Credits. These are one-time tax credits from the Federal
10 government which are being granted to employers as incentive for retaining
11 employees during the Covid-19 pandemic. Without this income, these costs would
12 have been higher than last year, due to interest expense and depreciation expense
13 related to the new Auburn store.

14
15 Cash – The decrease in cash from last year was anticipated and is normal during the
16 initial period after opening a new store. Our balance at the end of 2023 and our
17 current balance today represent more than 20 days' worth of operating expenses
18 and are believed to be more than adequate for the near future. Inventory balances
19 increased significantly, reflecting the product inventory added for the new Auburn
20 store.

21
22 Building and equipment decreased slightly from the prior year, due to depreciation
23 expense, partially offset by the final costs related to the completion of the Auburn
24 store.

25
26 Loans payable increased due to final loan draws early in the year, while completing
27 construction on the Auburn store.

28 29 3.0 Question and Answer

30
31 Answers to questions from Owners:

- 32
- 33 • Sustainability Coordinator, Lauren Scott, offered a detailed explanation of the
- 34 efforts we are taking to reduce R404 refrigerant leaks which negatively contribute
- 35 to climate change.
- 36 • Cash on hand for the co-op (20 days' worth of expenses) is approximately \$3.2M.
- 37 • The Grass Valley store had sales of \$35M for 2023. The Auburn store yielded \$5M
- 38 and is projected to reach over \$13M for 2024. The feedback is incredibly positive
- 39 for the new store, and we are listening to how we can improve. We are investing in
- 40 ways to encourage shoppers to return and make the co-op a regular destination
- 41 for their grocery shopping.
- 42 • More advanced public communication and larger attendance was requested for
- 43 future Owner Meetings to help grow ownership and co-op engagement.
- 44

45 4.0 Meeting Adjournment: The Owner Meeting was adjourned at 7:40 p.m.

46
47 Minutes prepared by Mary Hunter on June 5, 2024.

48

1 APPROVED BY:  DATE: 6/25/24

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3 (These minutes were approved by the Board of Directors on June 25, 2024. The
4 official signed copy is on file.)
5

BRIARPATCH COOPERATIVE OF NEVADA COUNTY, INC.
Annual Owner Meeting - May 28, 2024
Attendee List

TOTAL = 41 attendees: 28 in person, 13 virtual

Christy	Barden	Lisa	Macrina
Ken	Barrett	Dre	Maher
Aleta	Barrett	Chris	Maher
Rachel	Berry	Matt	Marguilies
Anitra	Cole	Mike	McCary
Jonathan	Collier	Carol Lee	Meinhold
Zachary	Conroy-Salmassy	Stephanie	Nuttman
Glenn	Dal Porto	William	Ososki
Richard	Drace	Linsdey	Pratt
Kathleen	Fenton	Takahiro	Sasaki
Mark	Fenton	Danielle	Scallin
Chealsea	Hardy	Lauren	Scott
Bill	Hunter	George	Siffri
Mary	Hunter	Loyce	Smallwood
Katie	Ivy	Dave	Thomas
Dan	Krikorian	Rebecca	Torpie
Sarah Jo	Lang	John	Watson
Gary	Lehar	Chelle	Wheatley
Sara	Lehr	Kiyoko	Wilcox
Cassidy	Limberg	Deborah	Yashar
Alana	Lucia		