

Yahara River Cooperative Grocery Interim Board Meeting Minutes
EMS Building-Training Room
516 S Fourth St
Stoughton, WI 53589
6:00 – 8:00 PM, Tuesday, October 24, 2006

Interim Board Members present:

Caroline Werner, Co-chair
Laura Anderson, Co-chair
Myra Hajny, Secretary
Phil Caravello, Community Representative
Homer Howard, Senior Co-representative
Dick Rem, Senior Co-representative
Warren Kmiec, Business Planning Committee Chair (Temp Co-Chair; Secty Pro Tem)

Interim Board Members absent and excused:

Anne Schmalte, Co-treasurer

Also present:

Steve Barnes, Research Committee Chair
Eric Borchardt, Marketing Committee Chair
Laura Anderson, Membership Committee Chair
Marlene Widra, Site/Location Committee Member
Norma Sampson, Communications Committee Member
Laura Dedrick, Product Buyers Committee Chair
Linda Keider, Product Buyers Committee Member

Members present presented nominations for vacant Co-chair seat on the Board. Marlene Widra nominated Laura Anderson; Caroline Werner nominated Warren Kmiec. Nominations were closed by motion from Dick Rem. Balloting was done by paper ballots and counted by Secretary Myra Hajny. **Laura Anderson was elected to fill the Co-chair seat.** She will continue as Membership Chair as well at this time.

Members present discussed different name options for the co-op and decided that our name should consistently be listed as **Yahara River Cooperative Grocery.**

There was one **motion approved** by the Board:

- 1) Minutes of the Oct 8th Board Meeting were accepted without edit. (Rem/Kmiec) Unanimous vote.

Committee Reports:

Site/Location Committee shared information of the best potential site as the Stoughton Lumber Building. Purchase offer has been quoted by owner at \$180,000 and the building size is 16,000 square ft. A grid of other locations considered was shared with attending members.

Business Planning Committee has the deadline of December 1st to complete a business plan that can meet the Ag Grant expectations. It will not be the most in-depth document but as current and accurate as possible. Current information would indicate possible sales at \$4 million/annually and start up costs in the range of \$1.2 million. Normal investment of membership equity is 1/3 to 1/2 of startup needs.

Communications Committee. Norma Sampson said that all of our prospective name entries for a URL were available. A name may cost \$35 to register, but a monthly fee of approximately \$50 to use a server site was anticipated. Potential use of the website would be helpful for keeping interested persons involved as well as a way to sign up to become a member. . Norma volunteered to be webmaster.

Finance Committee. Anne Schmale has accepted the Co-treasurer position. She is currently absent due to some training she is involved in. Another co-treasurer position is desired. The board seat of Finance Committee Chair is vacant. Outside assistance in addressing this need will be sought from the UW Center for Co-ops by Warren Kmiec. Possibly we can get a presenter to our next Board Meeting. Eric Borchardt has a banker friend he will contact for possible interest.

Marketing Committee. Eric Borchardt reports receiving about 220 surveys from the current distribution effort in the HUB Newspaper. About 50% of the returns indicate that persons are interested in co-op membership. The cost of printing was underwritten by Stoton Cycle(Phil Caravello) at \$144. This was a discounted cost from Inkworks (thanks Dennis). Laura Anderson expects a further bill from the HUB for inserting surveys for \$205. Those who promised support for this effort should contact her to help cover the costs. Eric mentioned a recent letter to the editor he placed in the HUB as well as an interview done for the current Stoughton Today Show on Cable-12 by Caroline Werner and Warren Kmiec for the YRCG effort. Next step is to make a list of the Stoughton community leaders that should be contacted for support. All members are invited to make suggestions to Eric for this list.

Membership Committee. Laura Anderson will make an effort after the elections (Nov 7th) to call persons who indicated high interest in the co-op project on

either previous sign-up lists or the survey response. Myra Hajny and Marlene Widra offered to help with this effort. The call will be to firm up interest, invite volunteer involvement in any number of committees, and inform about an expected Community Meeting of potential members (mid November ?).

Product Buyers Committee. Laura Dedrick reported that her visit to Willy St Co-Op was very informative. She got many good resources and information from Dean Calas, their buyer for many years. He recommends working with United Natural Foods, Inc. as a helpful wholesale distributor. Contact was also made with local producers at the Stoughton Farmers Market with mixed response. In some ways we are viewed as a competitor rather than an additional outlet for their products. Warren requests that Laura make a table of the contacts she has made and what products they provide as a useful reference in the Business Plan. A contact (Peg Pritchell) for UNFI was passed to Warren to call for more set-up information.

Research Committee. Steve Barnes reports that their work has focused on developing our potential By-Laws for operating as a co-op. There are several ways these can be formatted but the committee will make their best judgment of what is appropriate and present it to the Interim Board for edit in about six weeks. Speaking to the Incorporation of the co-op, Warren Kmiec reported a conversation with local attorney David Houser. It is recommended that incorporation as a consumer co-op be pursued rather than an intermediate step of becoming a non-stock corporation. The one issue that seems to need further clarification is how to define the common and preferred stock that best suits our needs. (See comment above about further resource from UW Center for Co-ops.) As a temporary arrangement for expenses and donations, it was suggested that a simple Club-type checking account be established with two signers on the account.

Grant Writing. Caroline Werner reviewed the budget expectations of the Ag Grant proposal. Our proposed budget is for a startup staff person(s) and office rental and supply totaling \$53,000. Possibly \$40,000 of that will be the grant funds, half of these funds must be supplied by the grantee. Use of the funds would be for a project manager or marketing and other consulting needs to establish our business. No monies can be used for purchase of real estate; however, some equipment such as computer and software can be purchased. The grant also is intended to provide new employment for a low-income person.

Next Board Meeting: November 8th (Wednesday) 6-8 PM. Location TBA, possibly the Library lower meeting room.

Respectfully submitted
Warren Kmiec, Secretary Pro-temp