

Yahara River Grocery Cooperative Board Meeting
Future Site of YRGC
229 East Main Street, Stoughton, Wisconsin
6:00 p.m.-8:00 p.m., Tuesday, September 25, 2007

MINUTES

Board Members Present:

Steve Barnes	President
Norma Sampson	Vice President
Myra Hajny	Secretary
Warren Kmiec	Treasurer
Phil Caravello	Member-at-Large
Laura Anderson	Membership Committee
Mary Condon	Research Committee
Eric Borchardt	Marketing Communications Committee
Debra Carter	Finance Committee
Philana Friede	Fundraising Committee
Homer Howard	Senior Liaison

Other Committee Members Present:

Jon Hajny	Research Committee
Stephen Lawrence	Finance Committee
Kristine Vaughn	Membership Committee
Marlene Widra	Fundraising Committee

Also Present:

Mike Markin	YRGC General Manager
Katherine Peterson	Interested in Co-op

Steve Barnes called the meeting to order. The agenda for the meeting was reviewed. On **MOTION** (Anderson/Howard) and unanimous vote the minutes of the September 11, 2007, meeting were approved.

TREASURER'S REPORT

Warren Kmiec reported a balance of \$87,397.93 in the co-op checking account and a \$9,000 CD escrow (Treasurers Report dated September 21 attached). He noted that the co-op has now received about one half of the grant money available from the CDBG Agreement.

GENERAL MANAGER REPORT

Mike Markin noted that he would like something in writing about how much he would allowed to spend without Board approval and what amounts need to go to the Board. He would also like his bonus structure defined in writing. Jon Hajny suggested that Mike draft a document for the Board's consideration. Stephen Lawrence suggested that Board members talk to other co-op boards, noting that the General Manager needs structure to work within, and the Board should

not be involved in everything. Mike recommended the *Cooperative Grocer* on-line magazine as another source of information. The Personnel Committee agreed to meet with Mike at 6:00 p.m., Wednesday, October 3, to review a draft proposal before it is submitted to the Board.

Mike reported that he has been busy meeting and talking to people about equipment, remodeling, products and employment opportunities. He noted that it would take ten weeks to get coolers; that people will not be allowed in the balcony, but the railings could be used for signage; that cabinets will be removed from bathrooms to make them ADA compliant; and that he has been interviewing applicants for staff positions. Mike will visit the Viroqua Food Cooperative tomorrow to get some design and color ideas (not grey). Marlene Widra mentioned that Stoughton Lumber offered to donate one half of the paint the co-op would need and that it will sell the other half at cost.

A discussion about profit margins, prices and the possible sale of wine and beer ensued. Eric Borchardt would want to poll co-op members before making a decision about liquor sales. Mike will check with the City of Stoughton about liquor licensing, options, and costs.

Mike asked Board members to let him know their comments on the drafts of the *Customer Service Manual* and *Employee Manual* that he sent via email prior to the meeting. He would like to finalize both manuals in the next month.

Mike noted that there is no phone or email service yet. Steve Barnes will follow up with AT&T.

Mike questioned whether the Food Co-op 500 Program would be beneficial for the co-op and Stephen Lawrence noted that there is an arduous application for limited funds. Mike, Stephen, and Warren Kmiec believe it would be beneficial to join the National Cooperative Grocers Association (NCGA) when the co-op opens for business.

REPORT FROM FORMER PROJECT MANAGER

Stephen Lawrence reported that, according to the fourth loan officer he has dealt with at the Dane County Development Corporation, a loan might be formalized when its Board meets on October 12. Stephen is planning to meet with Stan Koopmans at Evergreen State Bank on October 1, to talk about additional financing.

Stephen noted that he has passed most everything he had been working on to Mike Markin and is now handing over the PJ Design work, as well as trying to find someone to run a coffee bar in the co-op. Stephen mentioned that there are three or four different groups that may be interested in contracting with Just Coffee; however, if anyone knows of anyone who be interested in operating a coffee bar in the co-op, refer them to Mike.

Stephen noted that, although funding is needed to purchase equipment, it would be best to order the POS as soon as possible because of the length of time it will take for installation and training. On **MOTION** (Kmiec/M. Hajny) and unanimous vote the Board authorized putting a 50% deposit down on the POS (\$26,000 on \$51,937), provided Catapult is able to deliver the system by the second week in November. The Board also voted to back up Warren Kmiec if he takes out a personal loan up to \$30,000 to cover start-up costs if cash flow problems develop down the road.

MEMBERSHIP COMMITTEE REPORT

Kristine Vaughn reported that she attended a neighborhood picnic at Bjoin Park on Sunday, September 23. A lot of people asked when the co-op would open, she heard positive feedback about the co-op effort, and two new members signed up.

Laura Anderson reported that there are currently 504 members of YRGC – Mike Markin is #500.

MARKETING COMMUNICATIONS COMMITTEE REPORT

Eric Borchardt reported that the full committee met for the first time in a number of months to discuss the opening and grand opening as two separate functions. There could be a “members only” preview for the first few hours on opening day and then open to the public at an established time in the afternoon. The theme for the grand opening would be “community,” possibly announcing the winners of a Stoughton landmarks treasure hunt, recognizing local artists, etc. The committee would like to see the exterior of the building painted, and Norma Sampson will be talking to the City about signage. Another committee meeting is scheduled for Wednesday.

Mike Markin said he has some ideas on how to give back to the community and would like anyone else who has ideas on how to involve and support the community to share them with him and/or the Marketing Communications Committee.

FUNDRAISING COMMITTEE REPORT

Philana Friede reported that the chili cook-off is coming up soon, and she is projecting that it will make several thousand dollars. The committee is looking at the “Viking Chili Bowl” as the fireworks of their fundraising efforts. Philana asked for volunteers, and she asked that volunteers bring friends. The committee is working to sign-up twelve teams to make a minimum of two gallons of chili each, using the kitchen at MASH if they don’t have a state-approved kitchen available, and to transport the chili to Stella’s Speakeasy in Nesco roasters and crock pots. There is a \$66 license fee and a cost of \$60 for 1-ounce tasting cups. Mike Markin noted that LL Foods would donate chips. Hot dogs and brats will be sold. Stoughton Lumber donated tables to use during the event. On **MOTION** (Friede/Anderson) and unanimous vote the Board approved a budget of \$250 for the event.

Marlene Widra asked if the Board had any objections to letting kids paint the co-op windows on Saturday, October 20, and whether it wanted to participate in Main Street trick-or-treating. The Board had no objection to easy-wash paint and would participate in trick-or-treating for kids but not for adults.

Marlene also reported that the hootenanny on September 15 was a feel-good time. Two new members signed up that day and a few YRGC mugs were sold. The next hootenanny (the 3rd) will be October 13, as sanctioned by Board at its mid-August meeting.

REPORT ON THE STATUS OF THE LEASE

Steve Barnes reported that Phil Caravello's mother would consider the current draft of a 5-year lease for final approval. The monthly rates for the main floor and lower level are \$1,800 and \$700 respectively; however, the rent would be reduced by \$685 for 36 months to compensate for electrical upgrades to parts of the building that will not be used by the co-op.

ANNOUNCEMENTS

On **MOTION** (Anderson/J. Hajny) and unanimous vote, the meeting adjourned at 8:00 p.m.

The next meeting of the Board of Directors is set for 6:00 p.m., Tuesday, October 9, 2007, at the future site of YRGC, 229 East Main Street.

Respectfully submitted,
Myra Anderson Hajny, Secretary

ATTACHMENT
9/25/07 YRGC Minutes

Yahara River Grocery Cooperative Treasurer Report

Today's date: 9/21/2007 YTD
 Balance as of last report
 (09/07/4/07) **\$82,745.74**

INCOME

Member Fees	\$975.00	\$36,074.00
Investments	\$500.00	\$55,250.00
Grants	\$4,315.03	\$16,934.45
Fundraising	\$76.00	\$10,153.77
Donations	\$700.00	\$4,158.81
Sales other	\$30.00	\$260.00
TOTAL INCOME	\$6,596.03	\$122,831.03

EXPENSES

Rent	\$0.00	\$9,000.00
Insurance	\$0.00	\$2,197.00
Promotions	\$1,318.74	\$4,203.53
Personnel	\$0.00	\$5,850.00
Operations	\$0.00	\$868.74
Admin Expenses	\$66.00	\$1,198.34
Membership	\$0.00	\$1,238.39
Bank charges	\$0.00	\$223.00
Accounting	\$0.00	\$370.00
Other	\$0.00	\$650.00
Equipment	\$559.10	\$634.10

TOTAL EXPENSE \$1,943.84 \$26,433.10

CD ESKROW \$0.00 \$9,000.00

Current balance to date **\$87,397.93**
 9/21/2007 **\$87,397.93**

DETAIL	EXPENSES		\$0.00
	9/12/2007	1050 N SAMPSON (CUPS)	\$868.74
	9/12/2007	1051 STOUGHTON OPERA	\$100.00
	9/12/2007	1052 DANE CO PUB HEALTH	\$66.00
	9/18/2007	1053 OFFICE DEPOT	\$559.10
	9/19/2007	1054 STOUGHTON OPERA HS	\$350.00