

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, October 9, 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
Pam Barnes	Research Committee
Eric Borchardt	Marketing Communications Committee
Philana Friede	Fundraising Committee
Homer Howard	Senior Liaison
Stephen Lawrence	Finance Committee
Glen Timmcke	Product Buyers Committee

Other Committee Members Present:

Debra Carter	Finance Committee
Mary Condon	Research Committee
Jon Hajny	Research Committee
Kristine Vaughn	Membership Committee
Marlene Widra	Fundraising Committee

Also Present:

Mike Markin	YRGC General Manager
Julie Ewald-Whitford	Interested in Co-op

Steve Barnes called the meeting to order. The agenda for the meeting was reviewed. On **MOTION** (Howard/Anderson) and unanimous vote the minutes of the September 25, 2007, meeting were approved.

TREASURER'S REPORT

Warren Kmiec distributed an end-of-month report showing a balance \$53,894 in the co-op checking account and a \$9,000 CD escrow (Treasurers Report dated September 30 attached), which includes \$550 income from new memberships and expenses of \$30,000 to the software company for the POS, rent for October, Mike Markin's first paycheck as well as allowances for Mike's health insurance and cell phone, Sheldon Accounting, and the Wisconsin Department of Revenue.

Warren noted that since the end of the month the co-op has received \$5,000 in grant money from the CDBG and \$3,816 from the Viking Chili Bowl so there is almost \$72,000 in Evergreen State Bank as of October 9, 2007.

FINANCE COMMITTEE REPORT

Warren Kmiec reported that Peg Sheldon will prepare balance sheets by the next meeting and that the Finance Committee plans to meet soon to re-look at the start-up budget. Stephen Lawrence added that the committee would revise the dream list so it is in line with what can be done with the money available.

MARKETING COMMUNICATIONS COMMITTEE REPORT

Eric Borchardt reported that the chili event at Stella's Speakeasy on Friday evening, October 5, was very popular due in part to good publicity before the event. There will be a letter to the editor in the next issue of the *Hub*, as well as an e-blast, to let everyone know the event was a huge success. Eric will send personal thank you letters to volunteers.

Eric noted that at its last meeting the committee brainstormed ideas for the grand opening and discussed whether it would morph into community outreach or possibly provide oversight to Mike Markin for marketing in the future. He anticipates that the committee would be on hiatus until closer to opening.

Eric reported that he is still word-smithing the mission and vision statements that were approved by the Board in mid-July. This issue will be placed on the agenda for the next Board meeting.

Warren Kmiec asked whether anyone had followed up with David Sharp about his request for a co-op representative to participate in the United Methodist Educational Fair on Saturday (October 13) from 10:00 a.m. to 2:00 p.m. Laura Anderson noted that she had called Julia Solomon to see if she would represent the co-op and will follow up with her. Eric agreed to call David Sharp.

Eric noted that there were two articles about YRGC in the October issue of the *Willy Street Co-op Reader*.

GENERAL MANAGER REPORT

Mike Markin noted that he would like to conduct a marketing survey to find out what radio stations potential customers listen to. He reported that he signed up for Catapult training in Boone, North Carolina, in November, and that he will need money to cover the cost of airfare and rental car. Mike expressed the need to spruce up the storefront before it gets too cold to paint. He would like to do an advertising blast during the month before opening to generate interest in the co-op as well as increase membership. Mike reported that the Personnel Committee had met to discuss the General Manager responsibilities, approval process and bonus structure, and asked that these matters be considered at the next Board meeting.

Mike mentioned that he and Stephen Lawrence attended a valuable seminar last Thursday on how small businesses compete (co-exist) with big businesses, noting the following key points:

- Advertising – saturate, 15 mile radius
- Customer Service – right products, not out of product, employee training
- Sales Traps – buy on sale anything put on sale
- Pricing -- don't try to compete for prices
- Product – should be unique, non-traditional

Mike noted that he thinks the co-op should have logo items for sale (t-shirts, sweatshirts, bags, go-cups, pens), and this matter was referred to the Marketing Committee's next meeting.

Mike reported that he has filled most of the staff positions. He's still looking for an assistant manager with experience in organic products with a retail background. He plans to schedule training for the assistant manager beginning a month before opening and for other staff a few hours a day for two weeks prior to opening so everyone gets to know product and equipment.

Mike and Stephen informed the Board that the engineer hired to look at the structure of the building has determined that it will be necessary to get state approved plans in order to proceed

with remodeling. The state inspection and approval is required because beams are needed downstairs and a door will be closed off, and it is not clear at this point whether the building will need to be upgraded to current code or whether it could be grandfathered in. The co-op will need an architect to submit plans to the state, and Mike will get more information A.S.A.P.

REPORT FROM FORMER PROJECT MANAGER

Stephen Lawrence reported that the North Country Development Board would consider the co-op's application for financing in the second week in November rather than this week. Stephen outlined an option of getting a \$200,000 line of credit from Evergreen State Bank (requiring a guarantee of \$50,000 by co-op members which would be removed in two years if budget is met) and moving \$54,000 of investments to a money market fund. Stephen will pursue this option.

Warren Kmiec announced that he has applied for a personal line of credit for \$30,000 at 7.9% for the co-op to use. The Finance Committee will come up with a strategy to keep Warren from being exposed.

SENIOR LIAISON REPORT

Homer Howard read the following message from Dick Rem, a former Senior Liaison to the YRGC, which was written in response to the letter Steve Barnes mailed to Dick on behalf of the Board:

Homer, Received a Thank You Letter, both beautiful and meaningful, from the Co-op Board containing all the names of the members. This reveals to me, at least, the caliber of the folks involved and conveys the true spirit of the Co-op movement. Continue the good work! Dick

Homer reported that he and Mike Markin would attend the coffee hour at Vennevoll Skaalendal next Tuesday. Homer will introduce Mike, and they will conduct a listening session and let attendees know that it is likely that Senior Day (the day seniors age 62 and older would receive an additional 5% discount and delivery) would be on Wednesdays.

MEMBERSHIP COMMITTEE REPORT

Laura Anderson and Kristine Vaughn reported that there are currently 512 members of YRGC. Laura and Kristine will work with Mike Markin to merge the database into the POS system. They also asked the Board to think about how it sees membership being handled after the store opens.

FUNDRAISING COMMITTEE REPORT

Philana Friede reported that the Viking Chili Bowl as a happening event. Over two hundred bowls of chili were sold and the only complaint she heard was that the lines were too long. As reported by the Treasurer earlier, \$3,816 was raised at the event; expenses included \$43 for hot dogs, brats and buns, and \$147 for seven generators. Thank you to Chris Matti and Erik Ellefsen for making the bowls and to Jan Bruder for hosting the event.

Philana and Norma Sampson noted that the committee would like to do an annual chili event; however, fundraisers after the co-op is open should be done for the betterment of the community.

The committee is trying to figure out what role it will morph into after the co-op opens. Meanwhile, Marlene Widra reported that there will be another hootenanny on Saturday and that she would like to see hootenannies take place once a month after renovation is complete.

ANNOUNCEMENTS

Steve Barnes noted that an annual meeting should be scheduled before April 2008.

Myra Hajny reported that she and Mike Markin had been the program to the New Century Club on Monday night. They received \$125 donations from club, one person signed up as a new member, and other club members expressed an interest in joining YRGC in the near future.

On **MOTION** (P. Barnes/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 23, 2007, at the future site of YRGC, 229 East Main Street.

Respectfully submitted,
Myra Anderson Hajny, Secretary

Yahara River Grocery Cooperative Treasurer Report

Today's date: 9/30/2007 YTD
 Balance as of last report
 (09/21/07) **\$87,397.93**

INCOME

Member Fees	\$550.00	\$36,624.00
Investments	\$0.00	\$55,250.00
Grants	\$0.00	\$16,934.45
Fundraising	\$0.00	\$10,153.77
Donations	\$0.00	\$4,158.81
Sales		
other	\$0.00	\$260.00
TOTAL INCOME	\$550.00	\$123,381.03

EXPENSES

Rent	\$1,800.00	\$10,800.00
Insurance	\$0.00	\$2,197.00
Promotions	\$250.00	\$4,453.53
Personnel	\$1,334.97	\$7,184.97
Operations	\$33.72	\$902.46
Admin Expenses	\$0.00	\$1,198.34
Membership	\$0.00	\$1,238.39
Bank charges	\$2.70	\$225.70
Accounting	\$632.50	\$1,002.50
Other	\$0.00	\$650.00
Equipment	\$30,000.00	\$30,634.10
TOTAL EXPENSE	\$34,053.89	\$60,486.99
CD ESKROW	\$0.00	\$9,000.00
Current balance to date	\$53,894.04	\$53,894.04

9/30/2007

DATE	CHECK #	PAYEE	AMOUNT	
9/25/2007	1055	ECR SOFTWARE	\$30,000.00	\$0.00
9/25/2007	1056	NLM RENTAL OFFICE	\$1,800.00	
9/25/2007	1057	PHILANA FRIEDE	\$250.00	
9/28/2007	1058	MICHAEL MARKIN	\$1,108.00	
9/28/2007	1059	MICHAEL MARKIN	\$149.99	
9/29/2007	1060	ACCOUNTING	\$632.50	
		WI DEPT OF		
9/29/2007	1061	REVENUE	\$84.15	
9/30/2007	1062	WARREN KMIEC	\$33.72	
9/30/2007	AUTO	MONTHLY FEE	\$2.70	

