

Yahara River Grocery Cooperative Board Meeting
Future Site of YRGC
229 East Main Street, Stoughton, Wisconsin
6:00 p.m.-8:10 p.m., Tuesday, November 6, 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 |
| Philana Friede | Fundraising Committee |
| Homer Howard | Senior Liaison |
| Glen Timmcke | Product Buyers Committee |

Other Committee Members Present:

| | |
|-----------------|-----------------------|
| Jon Hajny | Research Committee |
| Kristine Vaughn | Membership Committee |
| Marlene Widra | Fundraising Committee |

Also Present:

| | |
|-------------|-----------------------------------|
| Mike Markin | YRGC General Manager |
| Peg Sheldon | Sheldon Accounting Solutions, LLC |

Steve Barnes called the meeting to order. The agenda for the meeting was reviewed. On **MOTION** (Anderson/J. Hajny) and unanimous vote the minutes of the October 23, 2007 meeting were approved.

TREASURER'S REPORT

Warren Kmiec reported that the Treasurer's Report dated October 31, 2007 (copy attached) with a balance of \$22,963 in the checking account, balances with the October statement from Evergreen State Bank. Warren noted that the co-op received \$277 income from membership fees and that \$1,500 has been paid down on worker's comp insurance (\$6,000 annual premium). Warren also reported that the co-op is earning 4.4% interest on the \$41,000 money market account and the \$9,000 CD.

Peg Sheldon reviewed a profit and loss statement and balance sheet, as well as a draft of compiled financial statements she prepared for the co-op. Peg noted that Warren and Mike Markin have a chart of accounts. On **MOTION** (Kmiec/J. Hajny) and unanimous vote the Board selected a fiscal year based upon the calendar year. Peg will come to the co-op each month to reconcile the checking account with Mike Markin and will bring any red flags to the Board's attention, noting that problems usually arise from poor customer service and waste.

GENERAL MANAGER REPORT

Mike Markin stressed the importance of upgrading the electricity to the building before it gets too cold. On **MOTION** (Howard/Anderson) and unanimous vote, with Phil Caravello abstaining, the Board agreed to pay Stoughton Utilities \$2,510 to install transformers.

Mike noted that the co-op could order three-quarters of the equipment needed from a “hot list” of freezers, meat cases, etc., that were returned to the manufacturer, the other quarter of the equipment would be new. The delivery for the hot list items would be eight weeks instead of twelve, and the total cost would be \$125,000 rather than \$140,000. On **MOTION** (Sampson/J. Hajny) and unanimous vote the Board authorized Mike to order equipment from Hill Phoenix Refrigeration on Wednesday, November 7.

Mike asked who could help apply for grants, and the Research Committee members present accepted the task. Mike questioned the benefits of a beverage bar over shelving, noting that a twelve-foot section would add seventy product items. Laura Anderson will head-up a meeting to look into ways to find someone who would be willing operate a beverage cart in the co-op.

Mike reported that the co-op could secure a beer license for \$60, and with a total investment of \$850 for fees and training, the store could make a profit of \$2,700 in beer sales in the first year. On **MOTION** (M. Hajny/Caravello) and unanimous vote the Board approved the sale of six-packs of high quality beer.

Mike noted that the co-op could sign-up for ACH (automated clearing house) online banking for \$50 per month. According to Mike ACH would allow automatic deposits for employee paychecks and avoid volunteers handling cash; e.g., if the co-op partners with *Meals on Wheels* to deliver groceries, the volunteers are not allowed to take cash. A discussion ensued relating to whether ACH is more desirable than accepting credit cards and/or cash. No decision was made.

Mike reviewed start-up requirements and a proposed budget for 2008, which assumes funding from North Country Development. Warren noted that he and Stephen Lawrence had reviewed the proposal and found it to be suitable. On **MOTION** (J. Hajny/Sampson) and unanimous vote the Board, understanding that assumptions are built in, accepted the proposal as the current working budget.

FUNDRAISING COMMITTEE REPORT

Philana Friede noted that the organic pies must be ordered by 4:00 p.m. on November 8, and should be picked up at the co-op on the evenings of November 15 and 16, and during the pie party/hootenanny at the Senior Center, 10:00 a.m. to noon, November 17.

Philana mentioned that details are being worked out for the Yahara River Chorus (members of Sweet Adelines) event at the Stoughton Opera House on Saturday, December 15. Warren Kmiec noted that a flyer would be inserted in the program for the Stoughton Opera Company performances, December 8 and 9.

MARKETING COMMUNICATIONS COMMITTEE REPORT

Norma Sampson reported that an ad would run in the *14 South Artists News* for the next three months advertising the opening of the co-op by January 2008. Norma and Marlene Widra are working on a holiday scene for the front window.

Norma distributed some building exterior comps she put together to show some color ideas for the outside of the building. Following discussion, it was decided that the shingles and window frames should be painted rust and green.

Norma presented options for signage for the building by Openwood Studios, the company who did signs for the Vilas Zoo, and Ryan Signs, the company who did signs for All Through The House. On **MOTION** (M. Hajny/P. Barnes) and unanimous vote the Board decided to proceed with the wrought iron sign proposed by Bill Howard at the last Board meeting when the co-op receives clearance from the state inspector.

MEMBERSHIP COMMITTEE REPORT

Laura Anderson reported that the committee met last Friday. Membership numbers one through thirty-nine had been reserved for original committee members and three vacancies have now been promised. Laura and Kristine Vaughn have noticed that membership increases with publicity. Laura is confident that the merge from the Excel database to Catapult would go fine. There are currently 524 members of the co-op.

Laura and Kristine will explain their vision for how membership applications should be processed after the store opens. Given the uncertainty of which day of the week will be Senior Day the membership welcome letters have been changed to say the day would be announced. Homer Howard will do some checking and let the Board know what day he thinks would be the best for Senior Day.

On **MOTION** (Kmiec/P. Barnes) and unanimous vote, the meeting adjourned at 8:10 p.m.

The next meeting of the Board of Directors is set for 6:00 p.m., Tuesday, November 20, 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: | 10/31/2007 | THIS PERIOD | |
| Balance as of last report (10/23/07) | | \$28,304.82 | YEAR TO DATE |

INCOME

| | | |
|---------------------|-----------------|---------------------|
| Member Fees | \$277.00 | \$38,203.00 |
| Investments | \$0.00 | \$55,250.00 |
| Grants | \$0.00 | \$28,976.36 |
| Fundraising | \$1.00 | \$14,045.77 |
| Donations | \$0.00 | \$4,283.81 |
| Sales | \$0.00 | \$0.00 |
| other | \$0.00 | \$260.00 |
| TOTAL INCOME | \$278.00 | \$141,018.94 |

EXPENSES

| | | |
|----------------------|-------------------|--------------------|
| Rent | \$1,800.00 | \$12,600.00 |
| Insurance | \$1,500.00 | \$3,697.00 |
| Promotions | \$134.00 | \$4,787.29 |
| Personnel | \$1,262.36 | \$9,915.80 |
| Operations | \$100.00 | \$1,061.57 |
| Admin Expenses | \$0.00 | \$1,420.13 |
| Membership | \$0.00 | \$1,238.39 |
| Bank charges | \$227.50 | \$453.20 |
| Accounting | \$595.00 | \$1,597.50 |
| Other | \$0.00 | \$650.00 |
| Equipment | \$0.00 | \$30,634.10 |
| TOTAL EXPENSE | \$5,618.86 | \$68,054.98 |

| | | |
|--|--------------------|--------------------|
| CD & MONEY MKT | \$0.00 | \$50,000.00 |
| Current Checking balance to date 10/31/2007 | \$22,963.96 | \$22,963.96 |

| DATE | CHECK | PAYEE | AMOUNT | \$0.00 |
|------------|-------|-----------------------------|-------------------|--------|
| | | HIDDEN VALLEY | | |
| 10/23/2007 | 1078 | APIEARY | \$34.00 | |
| 10/23/2007 | AUTO | LOAN FEE | \$211.00 | |
| 10/26/2007 | 1079 | MICHAEL MARKIN | \$1,100.83 | |
| 10/26/2007 | 1080 | MICHAEL MARKIN | \$149.99 | |
| 10/23/2007 | 1081 | PHILANA FRIEDE STOUGHTON | \$100.00 | |
| 10/25/2007 | 1082 | LUMBER | \$100.00 | |
| 10/30/2007 | 1083 | NLM RENTAL OFFICE | \$1,800.00 | |
| 10/31/2007 | AUTO | TAX PAYMENTS | \$11.54 | |
| 10/31/2007 | 1084 | ASSOCIATED INS SHELDON | \$1,500.00 | |
| 10/31/2007 | 1085 | ACCOUNTING | \$595.00 | |
| 10/31/2007 | AUTO | MONTHLY FEE | \$16.50 | |
| | | | \$5,618.86 | |

