

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, November 20, 2007

MINUTES

Board Members Present:

Steve Barnes	President
Norma Sampson	Vice President
Warren Kmiec	Treasurer
Phil Caravello	Member-at-Large

Laura Anderson	Membership Committee
Eric Borhardt	Marketing Communications Committee
Philana Friede	Fundraising Committee
Homer Howard	Senior Liaison
Stephen Lawrence	Finance Committee
Glen Timmcke	Product Buyers Committee

Other Committee Members Present:

Deb Carter	Finance Committee
Kristine Vaughn	Membership Committee
Marlene Widra	Fundraising Committee

Also Present:

Mike Markin	YRGC General Manager
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Steve Barnes called the meeting to order. The agenda for the meeting was reviewed. On **MOTION** (Friede/Anderson) and unanimous vote the minutes of the November 6, 2007 meeting were approved.

TREASURER'S REPORT

Warren Kmiec reviewed the Treasurer's Report dated November 19, 2007 (copy attached) with a balance of \$4,088 in the checking account. Warren noted that the co-op received \$1,765 income from the pie sales and \$856 from membership fees. Warren noted that the co-op received \$2,900 in grant income. Warren also reported that the co-op ordered equipment and used \$5,000 from its line of credit at Evergreen State Bank. Other expenses included a check to Stoughton Utilities for \$2,510 to install transformers.

Warren reported that he met with Peg Sheldon about QuickBooks at the YRGC office. He asked about working with Mike Markin and another board member as a back up on the QuickBooks system. Stephen Lawrence offered to help with QuickBooks. Warren also reported that he received the co-op's official September 30, 2007 financial report from Peg.

MEMBERSHIP COMMITTEE REPORT

Laura Anderson reported that there are currently 537 members.

FUNDRAISING COMMITTEE REPORT

Philana Friede noted that all the Happle's gourmet organic pies had been sold. Warren Kmiec announced that after expenses the pie profit was \$300. Philana announced that \$50 had been collected for the Stoughton Holiday Fund at the November 17 Harvest Pie Party at the Stoughton Senior Center. Warren will write a check for that amount to the Stoughton Holiday Fund.

Discussion ensued about how much of the pie sale money to give to the Stoughton Area Food Pantry, and it was decided to donate 50 percent of the profit (\$150). Eric Borchardt suggested a photo opportunity of Mike Markin presenting the check to the Food Pantry.

Philana discussed the details of and marketing efforts for the December 15 Yahara River Chorus concert at the Stoughton Opera House. It was suggested that the YRGC contact McGlynn Pharmacy about selling tickets for the concert. Norma Sampson noted that the *Mistletoe and Miracles* insert (December 8 and 9) would promote the December 15 concert and co-op membership.

GENERAL MANAGER REPORT

Mike Markin reported that the Catapult class he attended in Boone, North Carolina, was great and well worth the time and money. He announced that Catapult was on his office computer and would demonstrate how it works after the meeting to interested board members.

Mike noted that he was interviewing for assistant manager and was having a second interview on November 23 with an excellent candidate.

Mike reviewed start-up requirements and a proposed budget for 2008, which assumes funding from North Country Development. He asked everyone to review the budget before the next meeting.

Mike noted that Stoughton Utilities has done some wiring for the insulators, and “DOC” Electric will be handling the build out. Mike also reported that he is working with the general contractor on bids.

Mike said he was planning to have a demolition party in the near future. He said there are a lot of volunteers who want to help with deconstruction. Steve Barnes suggested that the board develop a “release” for volunteers to sign.

Mike reported that the Coffee Bar Committee met on Friday, November 9, and recommended a self-serve self-pay coffee station in the store. Laura Anderson read Warren Kmiec’s summary of the committee’s meeting (see Attachment 2). Mike noted that he would prefer that people pay for coffee at the register as they may purchase additional items at the same time. On **MOTION** (Howard/Borchardt) and unanimous vote the Board accepted the committee’s report and approved having a simple self-serve station within the store.

REPORT FROM FORMER PROJECT MANAGER

Stephen Lawrence reported that he had turned all the contact information for North Country Development Fund over to Mike Markin. He noted that North Country is reviewing financial information and is requesting an outside marketing analysis. Stephen proposed drafting an email to North Country that reviewed memberships including the 537 members of the Yahara River Grocery Cooperative and the 1,200 Willy Street Cooperative members with Stoughton zip codes. Mike said he had called North Country several times and had set up a telephone meeting for November 21.

LEASE

Steve Barnes presented Phil Caravello with a standard lease agreement and a list of amendments and asked Phil to have his mother sign it. Steve noted that because of the electrical work, there would be a reduction of \$326 per month on the lease for 36 months.

MARKETING COMMUNICATIONS COMMITTEE REPORT

Eric Borchardt reported that the committee had helped promote the sale of pies and the concert at the Stoughton Opera House with press releases, web site updates, and fliers and posters. Eric thanked Marlene Widra for taking the lead on the holiday scene in the store window.

ANNUAL MEMBERSHIP MEETING

Steve Barnes reviewed the Bylaws as they pertain to the annual membership meeting:

5.2 (Annual Meeting) The annual membership meeting shall be held each year, not more than 30 days after the end of the fiscal year. The annual meeting shall include the election of officers and directors, the presentation of end of year financial and operational reports, and other business as may properly come before the membership.

5.3 (Notice) Written notice shall be provided each member of the time and place of any meeting of the members. The notice shall be sent to the members not less than seven (7) days or more than thirty (30) days prior to the meeting. Email is an acceptable means of providing this notice.

Discussion ensued about holding the annual membership meeting in late January. Philana Friede volunteered the Fundraising Committee to do some research on dates and locations.

Warren Kmiec introduced (by singing) a song for YRGC (tune of *America the Beautiful*):

O beautiful for spacious aisles
And bins of local grain
For purple haired diversity
Seen in our checkout lanes

Cooperative! Cooperative!
Sustainable are we
We sell organic produce here
Please join YRGC

On **MOTION** (Anderson/Carter) 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, December 4, 2007, at the future site of YRGC, 229 East Main Street.

Respectfully submitted,
Norma Sampson, Secretary Pro Tem

Yahara River Grocery Cooperative Treasurer Report

Today's date:	11/19/2007	THIS PERIOD	
Balance as of last report (10/31/07)		\$22,963.96	YEAR TO DATE

INCOME

Member Fees	\$856.00	\$39,059.00
Investments	\$0.00	\$55,250.00
Grants	\$0.00	\$28,976.36
Fundraising	\$1,765.00	\$15,810.77
Donations	\$0.00	\$4,283.81
Sales	\$0.00	\$0.00
other	\$5,000.00	\$5,260.00
TOTAL INCOME	\$7,621.00	\$148,639.94

EXPENSES

Rent	\$0.00	\$12,600.00
Insurance	\$0.00	\$3,697.00
Promotions	\$1,514.00	\$6,301.29
Personnel	\$1,836.19	\$11,751.99
Operations	\$482.70	\$1,544.27
Admin Expenses	\$356.16	\$1,776.29
Membership	\$0.00	\$1,238.39
Bank charges	\$0.00	\$453.20
Accounting	\$0.00	\$1,597.50
Other	\$0.00	\$650.00
Site Improvement	\$2,510.00	\$2,510.00
Equipment	\$19,797.08	\$50,431.18
TOTAL EXPENSE	\$26,496.13	\$94,551.11

CD & MONEY MKT	\$0.00	\$50,000.00
Current Checking balance to date 11/19/2007	\$4,088.83	\$4,088.83

DATE	CHECK	PAYEE	AMOUNT	\$0.00
		STATIONERY		
11/9/2007	1075	STORE	\$356.16	
11/7/2007	1086	AT&T	\$482.70	
11/9/2007	1087	MICHAEL MARKIN STOUGHTON	\$1,100.83	
11/7/2007	1088	UTILITIES	\$2,510.00	
11/9/2007	1100	COMMERCIAL AIR- REF	\$19,797.08	
11/12/2007	1089	COOP PARTNERS	\$1,514.00	
11/15/2007	AUTO	FED TAX DEPOSIT	\$735.36	
			\$26,496.13	
		Current Line of Credit	\$5,000.00	

COFFEE BAR COMMITTEE RECOMENDATION: Have a simple, self-serve coffee station within the store with self-pay at the station.

We met on Friday and spent time reviewing several options for the beverage concession at the co-op. After considering the pros (rent) and cons (unknown outside headaches) of subletting space to some entrepreneur to run a coffee service, we decided that going a simpler route was the best thing to do at this time. So we're not recommending an outside vendor solution at this time.

We were cautioned about Steven Lawrence's advice to stay clear of the "coffee trap" and were duly reminded by Pam Barnes that at previous Board Meetings we voted in favor of "others" doing the coffee thing, not on our own staff's time.

However, we felt the best of all choices at this time was to have a small, self serve coffee station within the store. We anticipate that either Equal Exchange or some other coffee supplier would be able to "give/lease" us a brew machine and grinder. (Mike and Glen are looking into this). We would have three carafes of coffee (one decaf, one strong, and one medium roast) available for self serve next to the brewer/grinder station. The entire coffee station would take up less than 10 ft of wall space and most likely should be put where the water line runs now from the former Java Junction. (Mike is very happy for this idea, because one of the bargain price produce displays he is ordering is too high to fit under the mezzanine on the East wall and he wants to put it on the east wall between the front table area and the current counter).

Our view is that (although making the coffee would fall to volunteers or staff) the time to make the coffee once or twice a day would be minimal. Customers would self serve themselves and leave a payment at the coffee station for a suggested set price. We feel that this option allows for the spirit of hospitality/community that the seating space is meant for without us sinking a lot of time and money into making the coffee service a sub-business. And it also may encourage people to buy some treat to have with their coffee, or to grab a beverage (pay at checkout) of some other item like milk or juice. Mike estimated that if we make 50 cents on every cup of coffee sold, and if we sell on average 60-80 cups a day, the co-op will be making about \$500 a month clear on it as a cost center. This certainly would be equal to the rent anticipated from a coffee wagon vendor and less complicated in terms of business relations.

Summary prepared by Warren Kmiec
November 2007