

Yahara River Grocery Cooperative Board Meeting
EMS Building-Training Room
516 South Fourth Street, Stoughton, Wisconsin
6:00 p.m.-8:00 p.m., Tuesday, January 15, 2008

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
Jon Hajny	Research Committee
Homer Howard	Senior Liaison
Glen Timmcke	Product Buyers Committee
Philana Friede	Fundraising Committee

Other Committee Members Present:

Pam Barnes	Research Committee
Mary Condon	Research 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** (Anderson/P. Barnes) and unanimous vote the minutes of the December 18, 2007 meeting were approved.

TREASURER'S REPORT

Warren Kmiec reviewed the Treasurer's Report dated January 14, 2008, his year-end report dated December 31, 2007 (copy attached), and Peg Sheldon's draft of her year-end report. Warren noted that the checking account balance on December 31 was \$2,515.99, and the balance on the line of credit at the end of last year was \$69,437.43. The co-op took in a little over \$200,000, including loans against the line of credit, and most of the money spent was for equipment, improvements to the site and rent. The net activity for 2007 shows a loss of \$6,000. Steve Barnes questioned the third paragraph in Peg's cover letter, and Warren will ask her to explain it to the satisfaction of the Board.

REPORT OF THE FINANCE COMMITTEE

Warren Kmiec reported that he had communicated with an attorney about stock options for the co-op. Warren sent background information to Scott Herrick and received a letter of proposal noting that he would charge \$2,000 to work with YRGC by talking to the Board about restructuring and assisting with drafting documents. Following discussion about benefits to the co-op and investors and who would track the sales of the stock, the Board agreed not to pursue the sale of Class C Stock at this time.

MEMBERSHIP COMMITTEE REPORT

Laura Anderson reported that there are currently 554 members of YRGC.

Laura noted that she gave co-op brochures and buttons to Sarah Enke to distribute through her business, *Welcome to Stoughton*. Sarah will send monthly invoices for her services to Mike Markin for payment.

In response to the recent death of a member, Laura questioned whether a deceased member's membership could be transferred to a surviving spouse since Section 4.7 states "no member may transfer or divide a membership..." The Board decided that the intent of the bylaw is to prevent members from voluntarily transferring memberships (as might be done in the event of a move), but the Board could offer a deceased member's membership to another person in that household. Laura will follow up with the deceased's widower.

LEASE

Steve Barnes circulated a near final draft of the lease and asked that the people who have been working on it with him review it for final edits as soon as possible so the President and Secretary can sign it before the Annual Membership Meeting.

GENERAL MANAGER REPORT

Mike Markin distributed his timeline to opening in 6-1/2 weeks. Mike reported that the build out should be 99% done by the end of the month and that another e-blast will be sent out soon asking for more volunteers to paint and clean.

Mike noted that he had watched a Food Co-op 500 Webinar, which he found to be very informative. He encouraged Board members to watch one or more of six free (except for the phone call) 1-1/2 hour webinars about co-ops. The next one is at noon tomorrow.

MARKETING COMMUNICATIONS COMMITTEE REPORT

Norma Sampson reported that the Marketing and Fundraising Committees met in conjunction last night. Norma detailed some of the advertising that will be take place prior to the soft opening, including an ad in the February issue of the Willy Street newsletter, a feature article and a free 1/8 page ad in *Bountiful Cupboard*, and ads about the opening in the *Hub* and the *Shopper*. Norma also noted that Mike Markin struck a deal for four weeks of advertising on billboards located downtown, on County N, and on Highway 51 south of the Beltline, and Mike is considering a vinyl sign that could move from one billboard to another as space is available. Mary Condon and Jon Hajny voiced their concern that billboards might be considered blight on the community and questioned whether they are a suitable way for the co-op to advertise.

Marlene Widra described some of the events planned for the grand opening in mid-March, noting that other downtown businesses want to get involved and do some special things to welcome YRGC. Plans are developing for a puppet show by Reed Miller, an organic veggies cooking demo at All Through The House, a speaker on healthy eating at the Library, and a party with music at Club 121 on Saturday evening, March 15.

Norma reported that Bill Howard plans to hang the co-op sign by March 1, and that he will make a presentation to the Planning Commission for a variance to allow the sign to swing. Homer Howard will attend the Planning Commission meeting with Bill on February 11.

Phil Caravello offered to add the YRGC logo to Stoton Cycle jerseys.

Norma mentioned that there's a countdown to opening on the co-op's website. She updates the site every Sunday with pictures, calendar, news, and calls for volunteers. She will send an e-blast tomorrow for a painting party at the co-op on Saturday and Sunday.

ANNUAL MEMBERSHIP MEETING

Steve Barnes distributed a proposed agenda for the 1st Annual Membership Meeting and Potluck, noting that no agenda items had been received from members. Steve calculated that with 554 active members the required quorum would be 33 members. Laura Anderson reported that she mailed 150 postcards to announce the meeting to members who have not provided email addresses. The Membership Committee will check membership cards as people arrive at the meeting and hand out ballots to members. The election will be for the following positions and with the following nominees (nominations will not be accepted from the floor):

President	Myra Hajny
Vice President	Norma Sampson
Secretary	Deb Piper
Treasurer	Warren Kmiec
Member-at-Large	Philana Friede and Marlene Widra

MISSION/VISION STATEMENTS

Myra Hajny noted that it might be time for the Board firm up the mission and vision statements that had been considered on July 17, 2007. On **MOTION** (J. Hajny/Anderson) and unanimous vote the Board adopted the following mission statement:

Our mission is to help grow a community of healthy individuals, a vigorous local economy, and a higher quality of life for residents of Stoughton and Southeast Dane County through the values, products, services and outreach of a grocery cooperative.

[This would change the current mission statement, which reads: Our mission is to operate a financially sound cooperative grocery store serving residents in southeastern Dane County and located in Stoughton, Wisconsin.]

The Board noted that Section 1.1 of the bylaws should be amended to conform with the new mission statement, and that the amendment should be presented to the YRGC membership at the Annual Meeting at the end of the month.

On **MOTION** (J. Hajny/Kmiec) and unanimous vote the Board adopted the following vision statement:

The Yahara River Grocery Cooperative will:

- ◆ Provide a portal into the community as an anchor business in downtown Stoughton with the feel of a neighborhood gathering place.
- ◆ Leverage its unique member control business model to provide a mix of safe, high quality, nutritious products and services that promote the mission and represent the interests of the membership.
- ◆ Provide a variety of specialty products unavailable from other retailers in the region.
- ◆ Seek opportunities to do business with and support local businesses, farmers, producers, artists, service groups, and other community groups.
- ◆ Offer exceptional customer service from convenience services to the friendly and personal manner in which it interacts with its customers.
- ◆ Utilize staff and volunteers that are highly knowledgeable about the products being sold.
- ◆ Demonstrate authenticity in all that it does with actions consistent with its beliefs.

- ◆ Engage in ethical, humane, and environmentally friendly business practices.
- ◆ Provide outreach and education on sustainability, disease and allergen prevention, food manufacturing processes and other similar topics of interest.
- ◆ Embrace and embody the seven cooperative principles.

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

The 1st Annual Membership Meeting and Potluck will begin at 6:00 p.m. on Tuesday, January 29, 2008, at the Stoughton Area Senior Center, 248 West Main Street.

The next meeting of the Board of Directors is set for 6:30 p.m., Tuesday, February 12, 2008, at the future site of YRGC, 229 East Main Street.

Respectfully submitted,
Myra Anderson Hajny, Secretary

Yahara River Grocery Cooperative Treasurer Report

	THIS PERIOD	YEAR TO DATE
Today's date: 12/31/2007		
Balance as of last report (12/17/07)	\$3,214.45	
INCOME		
Member Fees	\$252.00	\$40,190.00
Investments	\$0.00	\$55,250.00
Grants	\$0.00	\$31,000.00
Fundraising	\$1,072.50	\$18,193.77
Donations	\$0.00	\$4,483.81
Sales	\$0.00	\$0.00
Other	\$59,500.05	\$69,760.05
TOTAL INCOME	\$60,824.55	\$218,877.63
EXPENSES		
Rent	\$1,800.00	\$16,200.00
Insurance	\$0.00	\$4,697.00
Promotions	\$1,068.22	\$8,257.79
Personnel	\$1,419.12	\$17,344.41
Operations	\$82.66	\$1,865.63
Admin Expenses	\$83.32	\$1,859.61
Membership	\$0.00	\$1,238.39
Bank charges	\$170.40	\$838.27
Credit Card Expense	\$0.04	\$0.04
Accounting	\$227.50	\$3,535.00
Other	\$0.00	\$650.00
Site Improvement	\$12,344.74	\$14,854.74
Equipment	\$44,219.80	\$94,650.98
Donations	\$0.00	\$200.00
Loan repayment	\$0.00	\$62.57
interest charges	\$107.21	\$107.21
TOTAL EXPENSE	\$61,523.01	\$166,361.64
CD & MONEY MKT	\$0.00	\$50,000.00
Current Checking balance to date 12/31/2007	\$2,515.99	\$2,515.99

CURRENT LINE OF CREDIT BALANCE

\$69,437.43