

Minutes: Yahara River Grocery Cooperative Board Meeting

**Giles Dow Room, Stoughton City Hall, 401 East Main St., Stoughton, Wisconsin
6:00 p.m. – 8:00 p.m., Tuesday, January 13, 2009**

Board Members and Committee Chairs Present:

Myra Hajny (President); Norma Sampson (Vice President); Warren Kmiec (Treasurer);

Deb Piper (Secretary); Marlene Widra (Member-at-Large); Homer Howard (Senior Liaison)

Other Committee Members Present: Laura Anderson (Membership); Kristine Vaughn (Membership)

Also Present: Wynston Estis (Interim General Manager), Phil Caravello

Myra Hajny called the meeting to order and reviewed the agenda for the meeting. Deb Piper reviewed the minutes for the December 23 board meeting. Several adjustments were made upon recommendations from Myra. On MOTION (Howard/Kmiec) and unanimous vote, the minutes were approved with the changes.

STATUS OF DANE COUNTY REVOLVING LOAN FUND APPLICATION – MYRA HAJNY

Myra reviewed the email that she sent out today after the meeting with the RLF committee. Myra, Norma Sampson, Stephen Lawrence and Deb Piper attended the meeting. The committee asked a lot of questions about the store's operating and business plans. Though the committee believed YRGC's application fits well with the community development criteria they're looking for, they postponed a decision for 30 days, pending two things from YRGC:

#1 They want to see a community commitment in the form of \$30,000 to \$40,000 cash raised between now and then; and

#2 They want to see the qualifications of the next manager to be sure he/she knows the food business, including inventory.

TREASURER'S REPORT – WARREN KMIEC

Warren reported that three major bills are due in the next three days (taxes, \$1500 due 1/15; bank interest payment, \$1700 due 1/16; payroll, \$3500 due 1/16). With this week's sales around \$8,00-\$9,000, the majority will go toward those bills, with very little left over to replenish inventory. Wynston Estis reported that operational expenses for the next 30 days are \$15,000 (includes rent, loan interest payment, utilities, phone, supplies, trash removal, credit card charges, maintenance, insurance and payroll). Discussion ensued regarding what it would take to operate at a zero loss. Wynston stated that past due amounts could be re-negotiated until the loan decision is made. The only other area to work with is labor, reducing hours or pay, but there's not much leeway to work with in this area. The staff is committed, yet disappointed with the news of the loan delay. Wynston also reported that she has worked out a plan with Willy Street Co-op to continue with YRGC for several more weeks.

INTERIM GENERAL MANAGER'S REPORT – WYNSTON ESTIS

See Attachment 1.

CONTINUING DISCUSSION OF RLF COMMITTEE'S DECISION

The board raised the question of whether the store could continue to operate for one more month until the RLF committee's decision. It was expected that the decision would have been made today. Options were discussed for raising the \$30,000 required by the loan committee, including a direct-call campaign, equity campaign, etc. Wynston stated that if sales could be increased by a minimum of \$3,000 each week for the next month, it would provide a much-needed cushion to run the store.

Deb Piper suggested that the Board take the next two weeks to see what amount of money could be raised before the annual membership meeting. Laura Anderson offered to pull together the contact information of the core membership and a group from the board would make the calls. On MOTION (Kmiec/Widra), the Board would make an effort over the next two weeks to raise pledges from the membership and community resources for the \$30,000 required matching funds for the Dane County Revolving Loan Fund. Discussion continued and it was

agreed that the Board would need to assess the potential to reach that \$30,000 figure by the January 27 membership meeting. Wynston noted that the next two weeks are still critical for store sales in order to meet the upcoming operational expenses. The MOTION passed, with one abstention.

Homer Howard raised the question of whether the store can afford to stay open for the next two weeks until the annual meeting. Wynston stated that she has to assess the figures in the next day or two to answer that question. It was decided that while Wynston worked on those figures, the rest of the board would work on the preparations for making the phone calls. The board will meet on January 14 to continue the process and planning.

Myra Hajny announced that due to a variety of extenuating circumstances that she needed to resign as Board President, with regrets. The board thanked her for her valued service to the co-op. It was determined that Vice President Norma Sampson would assume the duties of president until the annual membership meeting on January 27.

On MOTION (Anderson/Howard) and unanimous vote, the meeting was adjourned at 8:05 p.m.

Respectfully submitted,
Deb Piper
Secretary
Yahara River Grocery Cooperative

**January 13, 2009
General Manager's Report
Plan Check-in and Review**

Attachment 1

Operations

Inventory

Has been reported to Warren and Sheldon CPA, I have not gotten any reports or statements from them yet.

New hours

Opening earlier on the weekend has meet with lots of positive feedback but the shopping in minimal. Saturday evenings the additional hour of service is not being used, I guess without holiday demands people are getting their shopping done earlier than they has been a few weeks ago.

New Monitoring of Register tills

Last month I discovered that using the refund function of the register, most commonly need for deposit returns as well as merchandise returns, was being misused. Our new operational policy is that if a staff member needs to use the refund function they must get a supervisors approval for all instances except deposit refunds. Register reports are being generated at the end of shifts to report on the refund amount per shift, if it is over \$20.00 the supervisor will produce a report that details all of the transactions on

the till. Any suspect activity will be investigated within the week, and if possible the next day with the cashier concerned.

Operations budget

I have been working on this with an eye toward preparedness for the RLF. Our current status is attached to this report (Budget Redux .xls)

Personnel

Employee Manual/Benefits Update is tabled for now.

Alexis Martin is now working part time for YRGC. Lateisha Wheaton has resigned her position.

Team meetings

We've now had two team meetings, one this week and one last week, to bring th4e adult crew up to speed on developments for the business and to communicate operational objectives and tactics. Last week was primarily devoted to detail what would happen if the Dane County RLF decision was to come back positively or negatively. Of course today's meeting was about the unexpected decision and goal setting that was a result of that meeting.

Staff is concerned but still very invested in seeking a way to turn the store around. One of the ways they can help is to help reduce the cost of running the business. Several have volunteered to reduce their hours, and one to reduce her wage. I will check in with staff again tomorrow about the results of this meeting tonight. Staff is tremendously invested and willing to work with the BoD to contribute idea and carry on with the new plan.

Marketing

Weekly specials continue

Terri Wolf is now planning samples, and making sure they happen

We did not participate in the chamber of commerce discounted advertising opportunity. Although it is a nice publication the date of publication is far enough out to make it a nice idea for the future years.