

**Yahara River Grocery Cooperative
Board of Directors Meeting**

**Giles Dow Room in City Hall
381 East Main Street, Stoughton, Wisconsin
5:30 p.m.-7:30 p.m., Thursday, April 23, 2009**

Present:

President: Norma Sampson

Vice president: Deb Piper

Secretary: Dave Sharpe

Treasurer: Warren Kmiec

Directors: Laura Anderson, Regina Hirsch, Spencer Warren and Kristine Vaughn

General Manager: Wynston Estis

Willy Street Co-op Manager Anya Firszt

Call to Order: 6:35 p.m. Welcome, Review Agenda. Agenda approved

Approval of Minutes: April 9 minutes and Mar. 26, Laura/Regina moved approval. Approved by consensus. Minutes submitted by Deb for review would be dealt with at the next meeting.

Treasurer's Report (Warren): Warren reported that our labor costs are at 24.8% that seems to be within the "norm" as he learned at Viroqua. Weekly sales were reviewed. Warren will look at sales figures from previous reports to see why there are differences. Wynston was running sales reports to help figure out where there are issues. Increasing sales haven't yet resulted in increasing profits. Margins will be reviewed and prices adjusted. Grocery orders are declining.

The balance sheet: We've spent about 1/2 of the revolving loan amount. Promised dues have now been written off which is reflected in Acc't. 1250.

Our first monthly loan payment to the Revolving Loan Fund is paid. Officers will sign the Evergreen Forms to continue the line of credit.

Recent pledges needing to be turned into investments: 3/4th were returned with their intent. Warren will now look at the other 1/4th.

Member's interest due: Those who have loaned the Co-op money will be contacted soon by Warren to see how they want to use what is coming to them. Several alternatives will be offered.

A stock option could be considered. This could eventually replace the capital fund now funded by the line of credit at Evergreen. We could offer that when equity loans become due they be rolled into Class C stock. It would cost \$3 – 5,000 to set up (attorney and state fees). Viroqua raised over \$400,000 this way. Warren will supply more information. Class A Stock and B stock is membership equity and C is actual ownership non-voting. Most of this is outlined on Viroqua's web page.

Board Training - Anya Firszt

Any suggested focusing on policies germane to hiring a new manager would be most helpful for us to do first. She provided a handout on the important policies as used at Willy Street.

Reviewed policies:.

Personnel: Harassment, Hiring, non-discrimination, etc.

Financial Planning: General Budgeting, reports (dashboard), Capital Budget.

Financial Condition: Indebtedness, etc.

Asset protection: Inventories, uses of operating funds, insurance/bond for theft, general insurance. etc.

Management continuity policy: Vacations, illness, training, documentation, etc.

There was a general consensus that after we read Carver we'd consider a facilitator/trainer to come to a special retreat to ground the Board in Policy Governance.

General Manager Report (Wynston) Submitted separately.

Board and Operating policies can assist in lowering insurance costs.

A physical inventory is necessary at this point.

Wynston is doing constant analysis to see where improvements are happening, the results of them and where new ones are needed. There are no significant results to report at this time. Reports are being cleaned up for transition.

May 8 will be Wynston's last day with us and Jeanine would accept (if offered) acting General Manager at a recommended rate of \$16. She offered to come back and mentor a new manager on her time off days at Willy Street (for a price).

The operational policies were reviewed and decided that Board members could inform Wynston of recommendations for changes. Operating policies are at the discretion of the General Manager. The GM may ask for Board input, but formal adoption of operating policies by the board is not necessary.

The Marketing Committee will need to take the lead in planning and running special events. These events bring more folks into the store and hopefully increase overall sales.

Committee Reports:

Personnel: Ads are published for a new GM. Regina talked with a person from Illinois today and he had 5 years Co-op experience. She recommended interviews next week with Chuck and this person on Sat. May 2. We will get an email on details.

Membership structure: Warren suggested looking into the class C stock option, a membership 5% shopping day each month. Also move to the yearly dividend if approved by the board and a profit is available. The committee will develop a plan to proceed.

A **motion** was made by Laura and seconded by Deb to adjourn the meeting. **Motion carries** unanimously. The meeting was adjourned at 7:52 p.m.

Respectfully submitted,

David Sharpe, Secretary

Next Board Meeting:
5:30 to 7:30 p.m.
Thursday, May 7, 2009
Giles Dow Room in City Hall
381 East Main Street