

**Yahara River Grocery Cooperative
Board of Directors Meeting
Hall of Fame Room
City Hall
381 East Main Street, Stoughton, Wisconsin
6:03 p.m. – 7:34 p.m.
Thursday, June 23, 2011**

Present:

President: Laura Anderson
Vice President: Wade Moder
Treasurer: Warren Kmiec
Secretary: Eric Borchardt
Directors: Tom Selsor, David Sharpe
Excused: Deb Bicksler, Susan Greenler, Todd Cieslak

Also attending: Cindy Cwik (General Manager)

Call to Order: The President called the meeting to order at 6:03 pm.

Minutes: Dave moved to approve the Minutes of May 26, 2011 and June 9th, 2011. Wade seconded. **Motion carried.**

Operations

Sales

As anticipated, summer sales have leveled off (\$10,922, \$10,411, \$10,606 for the last three weeks). Because of the slower sales and big bills due in licensing and insurance renewals, Warren, Deb and I worked on a payment schedule to chip away at our outstanding A/P while keeping as current as possible. I've contacted several of our vendors and, so far, they've been mostly accommodating—as long as we maintain our regular payments.

Staff

After a couple of part-time weeks under her belt, Mary Huotari's getting more comfortable with the kitchen and deli's workflow. She's creating some delicious grab & go and salad bar offerings and her enthusiasm is brimming over. She's a great addition to the co-op. Tony's last day of work is today, June 23. Still conducting interviews for part-time replacements.

Inventory

Second-quarter inventory is scheduled for Thursday, June 30 at 7pm. As always, volunteers are welcome.

Stoughton Opera House & The Stoughton Press

It's ad time again for the 2011/2012 season of the Stoughton Opera House Arts & Culture Guide. We will be able to run a half-page ad again for \$550 and pay for the ad in catering orders as we did last year. They've also offered us a full page ad (\$925 value) under the same terms. The Stoughton Press is gearing up for their second issue. The smallest ad size is an 1/8 page at \$150 which includes a replication in the interactive web edition. A 1/2 page ad at \$500 includes an additional 1/2 page business profile that we could compose ourselves. July 1 deadlines for both ads.

Other Advertising

I was approached by a rep for Living Social, a daily deal site like Groupon. Our coupon would be available to the Madison area. The rep suggested a \$15 for \$30 groceries daily deal, wherein the customer would pay \$15 dollars to Living Social directly, LS issues the voucher to the customer, customer comes into the store to redeem \$30 voucher. We pay nothing to Living Social and receive half of the value of all vouchers sold (limit 200) and, of course, are required to honor and fulfill each voucher that comes into the store. The idea is that the offer will bring in some new faces to the store and most shoppers will spend more than the \$30. Basic math breakdown: If all 200 offered vouchers are purchased, $200 \times \$15 = \3000 , \$1500 to Living Social, \$1500 to YRGC. Redemption of vouchers = $\$30 \text{ face value} \times 200 = \6000 , less the 50% cut = $\$6000 - \$1500 = \$4500$ (\$1575 COGs at 35% margin or \$10.50 for every \$30 redeemed) that we would have to cover. If we did proceed with this offer and since our average basket is around \$20, I'd be more comfortable with a lower coupon amount, as well as looking into the possibility of a more favorable commission split with Living Social (60/40 instead of 50/50). Feedback is welcome.

Stoughton Business Expo

The Stoughton Business Expo, held on June 9, was a worthwhile \$50 (the registration fee) spent on marketing. Laura, Eric & I staffed the YRGC booth, which included a "What Are You Picking Up For Dinner?" themed display, membership information, photos from the Co-op and a tasty sample of Mary's yellow cake topped with fresh fruit compote. Overall, 66 local businesses participated in the expo and though the Chamber didn't have a firm count of general public who attended, it was a good opportunity to network with our fellow businesses. Plus we were included in the Hub's Expo article with some nice quotes from Laura.

Hootenannies

Paul Otteson is leading the charge to bring hootenannies back to the co-op for the summer. Saturday morning, July 9 & August 13 are on the schedule for the "hoots."

ServSafe

I passed the ServSafe exam and now just need to apply for a WI Certified Food Manager's license.

Submitted by Cindy Cwik
June 23, 2011

Other Operations Business

- Tom moved that we give Cindy the authority to move forward with Living Social as an advertising medium if she so chooses. Warren seconded. **Motion carried.**

Treasurer's Report (Abbreviated)

The board was sent three regular reports reviewing the past 4 weeks of operations. Once again we are overlapping months with almost two weeks in May and two weeks in June.

- 1) P&L report looks on target. The report missed the depreciation posting date from both months and so the bottom line if adjusted for a depreciation expense is still positive by \$53.
- 2) Balance Sheet Changes as of 6/18/11 compared to the start of this reported period (5/22-

6/18/11) shows a greater reduction of cash available (-\$5,681) almost all of which can be seen in the reduction of A/P.

3) Accounts Payable on 6/18/11 was \$30,640 with 92% of it 30 days or less.

Income to Debt Ratio Watch

Definitions

Income = Net Income + Depreciation + Interest Paid

This report: \$2,821+ \$514 = \$3,335

Debt = Total principal and interest due

This report: \$451 +877 = \$1,328

Ratio of Income to Debt should be 1.2% greater than debt due.

This report: Ratio of Income to Debt is 2.51%

Committee Reports

Business Expo Review (Eric)

Eric reported the event was a success with several people stopping by who did not know about the Co-op or did not know where it was. We were able to talk to several people and hand out samples. It was worth the investment.

Membership discount card program proposal (Warren)

Warren proposed members be given the benefit of buying a discount card. Warren proposed a 3% discount with everything they buy with the card. They could continually add more money to this card. Tom proposed that the Membership Committee meet to decide how this works. All agreed.

Volunteer (Wade)

He had sent Laura a list of volunteer jobs that volunteers could do. He proposes having the jobs laid out and having a Volunteer Orientation sometime in August at the store where we let people know about the program and if you volunteer 10 weeks you get a discount of some amount. Wade will send the list to all board members for review and offer ideas. Wade would then like a Volunteer Committee meeting to assess the idea.

Form Board Candidate Nomination Committee (Laura)

It was agreed we need a board candidate nominating committee. Determine the needs of the board and seek candidates. Dave volunteered for the committee and Susan was going to be asked to join. Laura would head the committee. Further discussion is required at the next meeting.

Form Fundraising Committee (Laura)

An ad hoc committee was formed last meeting. Tom will head the committee.

Other business

Laura brought up that Warren will be leaving for the Peace Corp in January. A new Treasurer will be needed at that time. Warren puts in 8-10 hours a week. The job could be split into data entry of A/R, another could do A/P, another could do payroll.

Dave moved to adjourn. Warren seconded. **Motion carried.**

Next meeting
Hall of Fame Room
Stoughton City Hall, Lower Level
5:00 p.m. – 6:30 p.m.
Thursday, July 14, 2011