

**Yahara River Grocery Cooperative
Board of Directors Meeting
Hall of Fame Room
City Hall
381 East Main Street, Stoughton, Wisconsin
5:00 p.m. –6:30 p.m.
Thursday, June 9, 2011**

Present:

Vice President: Wade Moder

Treasurer: Warren Kmiec

Secretary:

Directors: Tom Selsor, Todd Cieslak, David Sharpe

Excused: Laura Anderson, Eric Borchardt, Deb Bicksler Susan Greenler

Call to Order: The Vice President called the meeting to order at 5:15 pm.

Operations: Wade reported that Mary was starting in the deli on Saturday. Cindy has taken the food handler's course.

Treasurer's Report:

Month of May P&L to Budget.

Bottom line is a profit of \$4,323. Notes: Sales or Acct. 4000 is +3,063 over budget, COGS 5000 is higher than budget, Gross Profit \$21,122.

Expenses: Labor under budget by \$1,071, Utilities under by \$381, resulting in Ordinary Income of \$2,784. Add fundraising of \$1,693 and money from sale of conveyor belt \$900, subtract the cost of interest paid on loans \$1054, Net Income of \$4,323.

Year to Date P&L (Jan-May) 2011 vs 2010

Bottom line is a profit of \$8,679 vs a loss of \$22,551. Sales in 2011 are \$2,500 less, COGS is \$10,000 less in 2011. Gross Profit is \$7,000 greater in 2011. Expenses: Labor is \$14,000 less in 2011, Accounting Fees are \$2,000 less in 2011. Ordinary Income is \$9,329 in 2011 and - \$17,685 in 2010. Fundraising is \$6,000 less in 2011. Interest expense is \$5,000 less in 2011. Net Income in 2011 is \$8,679 vs 2010 at -\$22,551. (A close reviewer of the document will have ???, but I will go over footnotes at the meeting.)

Balance Sheet changes 5.31.11

Total Cash in Accounts: \$466 less. Inventory increased by \$6,378. Total Assets increase by \$1,203.

Accounts Payable increased by \$1,884. Other Current Liabilities (Loans) decreased by \$2,600. Net Income \$4,323

Accounts Payable 5.31.11

Total = \$30,788 98% is a month or less. Taxes to Stoughton are completely paid up. .

We have been doing an amazing job in management and support of the store as is shown by our Profitability this year as opposed to losses and squeaking by last year. Dave suggested that members needed to hear the "good News".

Warren brought up a rewards type of gift card that would get additional income and reduce some costs like credit card fees. The income could be used to generate more inventory as well. Hopefully that would generate increased sales.

Member Discount Card Program

Goals

- #1) Raise capital for the store to purchase more inventory.
- #2) Give members a "benefit" that rewards their patronage.

Simple Concept

- * It's similar to the gift cards currently used.
- * It's different in so far as only members can purchase it.
- * When used to make a purchase a discount applies to the sale.
- * Money can be added to the same card at any time.
- * Avoids a credit card fee for both the co-op and the member.

What level of participation at what cost? See possibilities below.

Monthly Sales	10%	20%	30%	40%	50%
\$49,550	\$4,955	\$9,910	\$14,865	\$19,820	\$24,775
3% disc	\$149	\$297	\$446	\$595	\$743
5% disc	\$248	\$496	\$743	\$991	\$1,239

purchase price	U-Pay
@ 3%	\$10 \$9.70
@ 5%	\$10 \$9.50

Dave **moved** to refer the plan to the member benefits committee. Warren seconded. **Motion carried**

Fund Raising options were discussed: wine tasting at Vincenzo's, bowling nite for members, a co-op dance, and by all means a meat raffle. Laura needs to appoint a Fund Raising Committee soon as we are behind our goal so far this year. Wade, Warren and Tom volunteered for the Committee. Dave and Todd offered to do tasks with the events.

Tom moved to adjourn, second Warren Motion carried.

Respectfully submitted,

Dave Sharpe, Secretary pro-tem

Next meeting
Hall of Fame Room
Stoughton City Hall, Lower Level
6:00 p.m. – 7:30 p.m.
Thursday, June 23, 2011