

Yahara River Grocery Cooperative
Annual Meeting
January 20, 2011
Stoughton Area Senior Center

Annual Meeting Agenda

Pre-meeting entertainment was supplied by Sid Boersma.

President Deb Piper called the meeting to order at 6:25 p.m.

Sid was thanked for providing entertainment and a special song he had written for the Co-op.

Some initial door prizes were drawn.

Vice President Laura Anderson explained the ballot. The quorum amendment was to put us in correct alignment with Wisconsin statutes. Amendment 6.4.a was explained more fully.

The candidates for the new Board term were introduced.

President Deb introduced the current Board of Directors.

Thank you certificates were presented to outgoing Board members: Spencer Warren for one half years on the Board, Directors, Steve Tone for filling the rest of Spencer's two-year term, Regina Hirsch for two years and helping with grant writing.

Treasurer Warren Kniec gave the annual financial report. Deb shared the revised business plan that is moving us to profitability. Goal 1: Reduce debt, Goal 2: Obtain profitability, and reduce expenses and Goal 3: Fund Raising

Manager Cindy Cwik gave an operational review. Goals include increasing staff, store changes to make shopping more convenient. Her report follows:
Welcome to YRGC's 4th annual membership meeting and thank you for coming out on this chilly January night. My name is Cindy Cwik, I've been with the co-op since June of 2009 and was offered the position of acting GM in October when Jeanine Holzmann decided to step down to pursue a new path. And it's been quite a ride so far!

As many of you have read in our weekly email newsletter, through a series of fortuitous circumstances and the incredible diligence of the Board of Directors, we ended 2010 by having a third of our debt retired. Quite the energizing boost to start the new year. Now our primary goal is to keep that positive momentum going.

With the guideline always being increasing sales while reducing expenses, stabilizing steps that have been implemented:

Ordering Efficiency

We have organized back-end operations to establish a deliberate ordering schedule that will keep a consistent supply of inventory on the shelves while reducing Barring supplier shortages or distributor interruptions, we are becoming more and more successful with this strategy, in large part due to our ace buying team of Eric Ellefsen and Cal Lamore who track item movement, forecast future sales and place on-point orders. They are invaluable to the co-op and to me. I thank you both.

We have also re-committed ourselves to cleaning up our point-of-sale data, a massive, ongoing undertaking that will yield more accurate pricing and margins.

Reducing Expenses

Together with our board committee, we have made and continue to make a concerted effort to look at every operating expense line-by-line and evaluate the potential for trimming while keeping operations flowing smoothly. We've implemented a few cost-saving measures, increasing energy efficiency with a weatherizing plan and disabling energy-draining refrigeration units.

Strengthening Relationships with Vendors

Because maintaining solid working relationships with our vendors is vital to keep the stocks shelved, we are re-dedicated to keeping in contact with them to remain in good standing. Again, a big thanks to Eric, who, for example, has established a strong rapport with Wisconsin Grass-fed Beef and Cal, for his efforts in moving Just Coffee into the role as our primary coffee supplier.

We have also been cultivating relationships with new vendors to widen product selection, secure more consistent availability and better pricing.

Product Mix

Along those lines, we have re-introduced some lower-priced alternatives to staple items, such as frozen and canned goods. This requires the right balance of the ability to offer lower-cost options while being true to our mission of providing healthy and nutritious foods to the community.

Staffing

This past year we were fortunate to have the culinary talents of Lora Larson who was instrumental in elevating the YRGC deli to a higher and more consistent level of quality. We also held several successful sit-down, family style dinners with Lora at the helm. And though she left the co-op in October, she's still made herself available—she's currently helping us out this month as Jeanine transitions out from full-time employment at YRGC. I want to take this moment to thank Jeanine for her years of dedicated service to YRGC. She has been a tireless advocate of the co-op and has given so much of herself to promote it. Don't be surprised if you still see her from time to time—her connection to YRGC runs deep.

Expect to see some new, as of yet unknown faces at the co-op as well. We will be hiring additional part-time support staff in the near future provide the necessary coverage in our schedule.

YRGC is so very fortunate to have an uber-hardworking and dedicated staff that makes the co-op work. Not having the luxury of larger stores that have actual departments with specialized staff, we all must wear many hats throughout the day to get the job done: bookkeeper, IT specialist, dishwasher, product receiver, janitor, cashier, cookie baker, the list goes on and on.

We also owe a great debt of gratitude to our committed team of volunteers, past and present, without whom we would suffer. Some our current volunteers include:

Marlene Widra, Volunteer Extraordinaire. Thank you for being the relentlessly thinking of ways to insure the co-op's success.

Jen Lister, our Beer Expert. Without Jen, we wouldn't even have a beer section, let alone one filled with thoughtful selections and product information.

Pat Foltz, for making office supply runs and cheerfully helping out in the kitchen or wherever you're needed.

Helga Cope, for your profuse baking talent.

Diane Echelbarger, for your rockin' shortbread, which you continue to make with everything you're going through.

Kay Weeden, for your awesome cheesecakes.

Norma McReynolds, for the professional touch you provide to the co-op's ads, graphics and weekly newsletters.

Jane Tweet, for your happy disposition while working in the kitchen, doing whatever is required.

Sue Meyers, for never failing to appear every Monday to break down salad bar and allow Eric and me to focus on ordering.

Larry Liebman, for showing up every Wednesday, rain or shine, to help unload the UNFI truck.

Mona Semerau, for doing the thankless jobs of breaking down boxes and basic cleaning.

Mary Huotari, for the attention to quality and detail that you supply along with your superb baking skills.

Jenny Bicksler, for your sheer stamina while putting in full days of needed cooking and baking.

Katherine Peterson, for bringing daughter Katie to package pounds and pounds of bulk products.

And to those of who I may not have mentioned who have helped us out in one way or another, I thank you all, you are not taken for granted!

Future Projects

Improving store layout and merchandising to make the shopping experience more inviting and enjoyable.

Re-instituting the suggestion box so we can actively engage in a dialogue with our members.

Regular price-checking with area groceries to make sure we're remaining competitive.

Current Stats

Weekly Sales Total (2010): \$11,300 AVERAGE

Weekly Sales Total (over the past 12 weeks): \$11,600 AVERAGE

Inventory Total (end of Fiscal Year 2010): \$56,000

Personnel: Total personnel expense is approximately 16 % of sales, while the industry average ranges from 21-24%

185 hours of staff time, including GM hours, is scheduled weekly on average

YRGC employs 9 total staff; 1 General Manager, 1 full-time supervisor/manager, 2 part-time supervisor/managers, and 5 cashiers

Vendors: YRGC purchases from approximately 50 vendors, mostly local, to stock the store's shelves

Closing Remarks

There's no question that we are still in an uphill battle to get a foothold in this market. We face competition not just from the conventional local grocery and specialty outlets, but from Basics in Janesville and Madison's Trader Joe's, Whole Foods and the powerhouse that is Willy Street. This year could be pivotal in determining whether the Yahara River Grocery Co-op can find its niche among such strong competitors. We have lot of work to do, but I truly feel it's achievable.

It's a privilege to serve the members of YRGC, to help fulfill the co-op's mission and to get to know each and every one of you. I'm amazed at the dedicated support of a core of members who continue to believe in the co-op. We are here because of you.

The Ballot counters informed President Deb that a quorum had been reached through pre-voting at the store and those in attendance at the meeting. The results of the election were announced:

All four amendments passed:

5.6 A quorum at a membership or special meeting shall be 10% of the first 100 members plus 5% of additional members or 50 members, whichever is less.

6.3 (Eligibility) In order to qualify for election to the Board, a member must be in good standing. The General Manager of the Co-op may not be elected or appointed to the Board and no more than two employees of the Co-op may serve as Directors at any one time.

6.3a The staff may nominate a person to run for membership on the Board in the same manner as other nominees. This person shall run for vacancies along with other nominees subject to election by the membership at the annual or special meeting.

6.4.a In some rare instances where the Board feels that the interest and skill of a Board member is needed for another year, and that person's term is expiring, the Board may set one of the next three terms to be a one-year term. The nominee would need to be elected by the membership from the full slate of nominees.

Deb Bicksler, Tom Selsor and Susan Greenlier were all elected to the Board for a three-year term ending in 2014.

Laura Anderson, **moved** to adjourn. Diane Eckelberger Seconded. **Motion carried**

The meeting adjourned at 7:42 p.m.

Respectfully submitted,
David Sharpe, Secretary