



**When:** October 28, 2019 6:30PM - 8:30PM

**Where:** Whitewater Innovation Center Room 105, 1221 Innovation Drive, Whitewater WI

**Invited:** All Owners of the Whitewater Grocery Co. and their elected board

**Mission & Vision:** We are your (future) friendly neighborhood grocer supporting fresh and local products.

We value:

- community ownership
- quality customer service
- welcoming everyone
- a lively learning and gathering space
- sustainable practices: people, planet, profit

**Meeting Intention:** To touch base after our Annual Meeting (which historically took the place of an October meeting) and begin the budgeting process.

### **Preliminaries: Call to Order, Mission & Intention, Guests, Check-In, and Agenda Review**

The meeting was called to order by President Lacey Reichwald at 6:30 p.m.

Board Members Present: Lacey Reichwald, Greg Majkrzak, Brienne Diebolt-Brown, Anne Hartwick, Praveen Parboteeah, Joanna Baker, Elvia Meza-Klosinski, and Jennifer Crone. Absent: Katy Wimer

Owners Present: Michael Schwabe and Ron Binning.

The mission and values for the Whitewater Grocery Co. was read by Greg. The intention for this meeting is to touch base after our Annual Meeting (which historically took the place of an October meeting), and begin the budgeting process.

Our guests were welcomed, and declined to speak during the designated owner comment period.

Praveen moved to approve the agenda. Second by Jo. Motion passed without dissent.

### **Consent Agenda**

Greg moved to approve the Consent Agenda, which for this meeting only included our previous meeting's minutes. Second by Brienne. Consent Agenda was approved without dissent. No committee reports due at this time.

### **Accountability:**

The Board reviewed our progress on the outstanding action items due for the October 28 meeting. Please indicate *Done* or *Request for Extension*.



- Jen will update the budget to reflect the additional support from Wegner CPA for QuickBooks. **Done.**
- Lacey will talk to our consultants about planning for a January retreat and its content. **Pending.**
- Lacey will include the nomination and election of officers in the November meeting. **Done.**
- Jen is going to start plugging in different scenarios and test for profitability in the pro forma. **Pending.**
- Lacey is going to reach out to the Pensacola Co-op to ask for their financials. **Pending.**
- Anne will send out a meeting invitation for Oct. 28 at 6:00 - 8:30 p.m. **Done.**

**Committee Requests:** *Request to discuss Business Ownerships*

Praveen, Brienne, and Ron Binning have been developing outreach materials to solicit business owners. Anne expressed concerns about a business owning more than one share. We reviewed the Bylaws which specifies that ownership is open to any individual, household, or organization that is in accord with its purposes and is willing to accept the responsibilities of ownership.

Ron has started collecting business addresses in Whitewater. Ron Binning is owner #538, Binning & Dickens Insurance is owner #585, and his daughter is owner #581. She lives in Minneapolis and has worked for both the Seward and Mississippi Market food co-ops.

Ron talked about exploring different categories of business memberships - one where there is a specific share available only to businesses where they can add employees on to their business account (#5858-a, #585-b, #585-c, etc.). The business would be the primary shareholder owner and would still only receive one vote, but the employees would receive the benefits of ownership - discounts, etc.). The patronage dividend might be more for the business share as the employee's purchases would be credited to the business shareholder account.

An example is provided below from the People's Food Co-op in LaCrosse.

Business/Organization: Business owners that use the co-op for their business purchases may want to choose this option. Make a \$100 one-time payment for the primary member/owner, plus \$25 each for up to two additional adults.

[http://www.pfc.coop/assets/documents-general/Stock\\_receipt\\_single\\_2013.pdf](http://www.pfc.coop/assets/documents-general/Stock_receipt_single_2013.pdf)

<http://www.pfc.coop/our-co-op/business-members/>

The other category of business membership would be more of a community partnership relationship. Whitewater Grocery Co. would partner with local businesses to bring member-owners special savings. The Community Partner Program would provide additional benefits to co-op member-owners while strengthening the connection between members and local, sustainable, independently-owned businesses. GroCo owners would present their co-op membership cards at participating businesses to receive the benefits identified by that participating business. The program benefits would be evaluated annually and subject to change.

<https://msmarket.coop/community-partner-program/>

Michael Schwabe said that Rotary Garden has a similar program.

Ron said the Chamber of Commerce has 200 members and that we ought to be able to recruit at



least half of that number to become owners. .

The Board thought that perhaps in this stage of development, to offer a separate type of business ownership share arrangement where businesses can add employees to their account might work towards our detriment as it wouldn't incentivise employees to purchase their own share.

The Board thought it would be good to work with local businesses on reciprocal discounts. If the co-op offers a 5% discount to card holders, the partnering local business could do the same. We could list our local business partners on our website and promote their businesses via our social media accounts.

Greg likes the overall idea, but cautioned against identifying specific percentages at this stage of our development.

Jen also expressed that she thought the business network discount was a good idea as it would help foster our relationships with local businesses and increase awareness of our start-up food co-op.

Anne suggested that we could have businesses sponsor certain activities (annual meeting, direct mail campaigns, advertising, etc.) to help offset the costs.

Ron asked that we create a customized ownership application form for businesses and provide him with a list of businesses who have already purchased an ownership share in the co-op.

Action Items:

- Lacey will connect with Jacqueline Hannah at Food Co-op Initiative to ask how other food co-ops approach business memberships.
- Ownership & Outreach is going to work on updating the brochure for a business application.
- Ownership & Outreach will pull a list of current business owners for Praveen & Ron.
- Finance & Legal will research the legality of whether or not we are violating state statute, our articles of incorporation or our bylaws to have the same person own two shares - one as an individual and one for their business.

7:15

**Board Development:** *Annual Meeting Learnings*

Although Katy was not present at the meeting, she did provide a report via email which was copied into the minutes.

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After hearing Jon Steinman talk at the Annual Meeting and based on a lot of my observations/feedback from newly interviewed volunteers as well as chats with Owners randomly, I've realized that we need to step up our communication with Owners and have it be more STORE focused and less "we're a group trying to make this thing happen" focused. I went into the Small & Strong Conference with that goal in mind in the hopes of picking up some things here or there to help us along. Here's what I've concluded:

1. We need to show up in people's inboxes WAY more. MailChimp gets lost in the mix in Promo/Spam/Junk folders more than I'm happy to hear from people, so I want to send more



emails basic style through my GroCo email and make it more personal. These emails will happen more frequently than the monthly newsletter, but will have easily digestible topics/announcements. There is a way to track gmail emails that I can look into if we feel we need to have that info. Otherwise, I'm more concerned right now with reaching people and less with what people click on and such.

2. We need more ads. I will be discussing this with the Outreach Committee at our next meeting. This includes in newspapers and a constantly running Facebook ad to reach beyond our core people.
3. I need to change focus on Facebook posts to helping Owners and non-Owners VISUALIZE our store and values. This includes more images of produce layouts, awesome signage, images of the full store right when you walk in, posting a photo of the Farmers Market with text like, "Community cooperation at its finest. Can't wait to have this kind of energy present at our store." OR Highlighting local businesses already doing things we'd like to also do in our store: Taco Fresco's outdoor seating (maybe), people having coffee together at SweetSpot, or even feature other leaders in the community offering a cooperative climate (library). I can't be everywhere, always, so if you shop at a different store and think, "Hey, this is what we want," take a photo and send it to me with your why.
4. We should show Food Incubator and Community Kitchen examples and get people really understanding how our store will be more than a store.
5. We have to get our newsletter out there beyond emails from MailChimp: printed and mailed and/or ask if the Whitewater Banner would be okay with us featuring our newsletter once/mo
6. We need more FACE-to-FACE communication with people beyond the tabling we do. This includes door-to-door chats and maybe Whitewater Grocery Co. Listening Sessions that are informal and simply for people to show up and dream about the store or their ideal grocery solutions as well as learn about the GroCo if they want to hear an update or ask questions. These don't need to have snacks, themes, an agenda, or any extra effort except show up at Second Salem for a beer and chat, etc. This needs to extend beyond the O&O Committee, though, and should occasionally/always have a Board member present. I bring this up because I was discussing with Brienne during our 6hr drive home from MN about how we'll never know what the majority of our community wants if we're always expecting people to show up on our time with our agenda in places we decide are the most comfy places to be. Sometimes, it's about listening and showing up in places we never thought about (churches, people's homes (with their permission of course! Lol!, maybe even schools).
7. We obviously want more outreach happening within the University, which has already begun with Jonathan, Praveen, and Brienne, but Brienne thought it'd be fun to see if the Royal Purple would do a "Cooking On A Budget" column by the GroCo for students to learn simple recipes that will eventually require them to shop at our store. ;)
8. We need to print more flyers regularly (general and for events or strong messaging) and hang them up frequently.
9. I changed our language on the website and Instagram (need to check Facebook) to sound less like a start-up and more like a grocery store that will happen. IG: We are your (future) friendly neighborhood grocer supporting fresh and local products. Community-owned. Community-driven.



10. We need more PR. Don't have ideas for this just yet, but I know we need to be out there more on the radio and in newspapers.

That's where I'm at. The O&O Committee plans to have a brainstorm session at one of our upcoming meetings to further flesh out/discuss better communication ideas. Please comment on this or add your thoughts if you'd like!

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Lacey then reviewed the <https://grocerystory.coop/resources> tab on The Grocery Story website and thought we could cannibalize it to help educate our community about the issues Jon Steinmann talked about during our annual meeting, who owns your grocery store and why food co-ops are so important. She also suggested that the Board get comfortable with this content so that we can work it into our conversations we have with people.

The task of incorporating the content of the [grocerystory.coop/resources](https://grocerystory.coop/resources) into our Facebook posts, newsletters, blog, website, etc. was referred to the Ownership & Outreach Committee. Brienne said that she thinks that the Ownership & Outreach Committee will have a plan in place on how to educate, do better with marketing, etc. hashed out by this Friday, November 1. Brienne said that it might not cost any more money than what we are currently spending on marketing, it might just be more work. One of the things that she learned at the Small & Strong Conference in Minneapolis on Saturday, October 26 is that door to door campaigns are the key to increasing awareness, engagement, and ownership.

Praveen said he heard anecdotally at the annual meeting that people had no idea how much we do on a daily basis to keep the progress of development moving forward.

Lacey said that she wanted to highlight from Katy's report is that we can't expect people to come to us...we have to go to them. And also to start being creative about where we go...explore events and places that we've never thought about before.

### **Board Business: 2020 Budget**

Jen kicked off the budget planning process for 2020 by reviewing the timeline and guidelines. Jen will share the Detailed 2020 Budget planning from 2019 Actuals Google Spreadsheet with the Board after the meeting. Jen asked that we think about what we want to accomplish in 2020 and what we will need to spend in order to accomplish it.

#### **1st Budget Planning Meeting (Oct)**

- Agree on financial goals and strategic goals.
- Review current year's actual vs. budget.
- Analyze variances.

#### **2nd Budget Planning Meeting (Nov)**

- Develop draft expense and income budget.
- Estimate costs for our goals.
- Project our income.



### **Final Budget Planning Meeting (Dec)**

- Present final budget to board for approval.

### **SOURCES BUDGET**

- New owner goals
- Donations
- Grants
- Sales

### **USES BUDGET**

- Planned expenses from 2019 that have not happened yet - push into 2020
- Planned expenses from 2019 that we will likely have similar spending in 2020
- New and different 2020 expenses

Jen understands that once we approve a budget, it will immediately become outdated, but the process of drafting a budget by the Committees and the Board is a productive one as it helps us to start thinking about our goals for the new year. She is anticipating that after our Board retreat in January, we may need to make some adjustments.

The second tab of the Detailed 2020 Budget planning from 2019 Actuals Google Spreadsheet is the Budget Planning Worksheet that lists our sources and uses categories for 2019, what we budgeted for vs. actual realized income and incurred expenses, and then a column for 2020. The third tab includes all of the transactions for 2019 to date, including income, expenses and transfers.

Brienne talked to Stuart Reid from FCI this weekend about our grant. He is going to look for the email that Brienne sent to him following up on the request to be reimbursed by the grant for the qualified expenses. According to her discussion with Stuart, it sounds like they can still reimburse us.

Brienne will follow-up with USDA to see why we didn't get the grant that we applied for in the Spring, 2019. We will be reapplying for the grant in 2020.

Jen asked if there are new grants in the horizon for 2020. Grace Crickette and Brienne have a meeting to see if their grant writers can help us, although the Grant Department at the University is down by two people and might not have the resources they once had to help us.

In 2019 we budgeted for 271 new owners, but to-date we have 76 new owners. 271 new owners is what we needed to get to 800 which was our goal for 2019.

Jen said that while it is important for us to have stretch goals for ownership, it is equally important for us to budget our spending on more realistic goals and trends.

In 2019, we spent \$20,000 over what we brought in from our sources. For the most part, we've stayed true to our budget for 2019. Our postage was a little out of sync.

Lacey requested we set aside \$15,000 for a GM search and \$25,000 for an ownership loan campaign.

Jen asked that all Committees and Board members provide their budget requests to her by Friday, November 22.



**Looking Ahead:** Review Board Calendar & next meeting(s)

The Board reviewed and commented on the Board Calendar.

Board members requested the following items be included in the agenda for the November meeting:

Business Ownership Update

Site Selection Update

Board members requested the following items be included in the agenda for the December meeting:

Pro Forma Review

**Closing**

President Reichwald officially adjourned the meeting at 8:27 p.m. The minutes were respectfully submitted to the Board on November 20 by the Board Secretary, Anne Hartwick



**DRAFT OF NEXT MONTH'S AGENDA**

Time	Topic	Board Action or Outcomes	Leader(s)
6:00	Gather, Socialize, Settle In	Enjoy and settle in by 6:30	
6:30	<b>Preliminaries:</b> Call to Order Mission and Intention Guests Personal Check In Agenda Review	Officially start the meeting Shared understanding of our co-op's mission and tonight's purpose Welcome, set expectations for meeting participation, allow for comments Share and listen; make our readiness known Approve the agenda; decide on any changes	Lacey
6:40	<b>Consent Agenda:</b> Approve minutes from April Accept Board Reports  Accept Treasurer's Report	Accept and enter into record our previous meeting's minutes Acknowledge and accept Board Reports and our three priority Action Plans: 800 Owners, Business Plan, Site Selection Acknowledge and accept most recent Dashboard & Financial Statements	Lacey
6:42	<b>Accountability:</b> Check on progress of Action Items	Verify delegation and deadlines of new and outstanding action items	Anne
6:50	<b>Financial Report:</b>		
7:00	<b>Committee Updates:</b>		
7:05	<b>Board Business:</b> Business Plan Update	Review and approve final version of current business plan for distribution	Lacey
7:20	<b>Board Development:</b> Education Topic		
7:45	<b>Administrative:</b> Quarterly Review	Review and approve changes to Timeline	Anne
7:55	<b>Self-Assessment:</b> Policy Review	Site Selection Committee Charter	
8:10	<b>Looking Ahead:</b> Review Board Calendar & next	Comment on Board Calendar, recommend changes, review draft agenda for next month; Board is prepared	Anne



MEETING MINUTES  
 Whitewater Grocery Co  
 Board of Directors

	meeting(s)	for between meeting work	
8:20	<b>Closing:</b> Review decisions & tasks Adjourn	Discuss and agree on what we accomplished Officially end meeting	Lacey Lacey
8:30	Goodbye and Good Job!		