



MEETING MINUTES
Whitewater Grocery Co
Board of Directors

When: February 24, 2020 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 review our new strategic action plan, finalize or come close to finalizing our budget, and come to a shared understanding of the consultant's addendum to our market study.

Preliminaries. The meeting was called to order by President Lacey Reichwald at 6:37 p.m.

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

No additional owners were present for this Board meeting.

The mission and values for the Whitewater Grocery Co. was read by Greg. The intent for this meeting is to review our new strategic action plan, finalize or come close to finalizing our budget, and come to a shared understanding of the consultant's addendum to our market study.

Lacey welcomed our owners present and allowed time for any comments not related to the items that are on the agenda.

A new agenda was distributed to the Board at the top of the meeting. This differs from the one that was included in the packet on Sunday, Feb. 23. Some agenda items were moved to the March meeting in the interest of time. These items include the Policy Review section and the two requests from the Finance & Legal Committee.

Katy moved to approve the new agenda. Second by Greg. Motion passed without dissent.

Greg moved to approve the Consent Agenda, composed of our previous meeting's minutes, the Committee Reports, and the most recent Dashboard & Financial Statements. Second by Brienne. Consent Agenda was approved without dissent.

Accountability:

Before the Board checked on the status of the outstanding action items, Anne requested that someone else track Action Items throughout the meeting in the document, so she can focus on taking the minutes. She hopes then to be able to distribute the action items in a more timely manner. Brienne volunteered to track action items. Thanks, Brienne!



Action Items Due for February 24 Meeting

- In preparation for the Feb. 24 meeting all of the following tasks are due by **Wednesday, Feb. 19.**
 - **Katy, Anne, Lacey and Jo** will submit their Committee Reports (Outreach & Ownership, Finance & Legal, Site Selection, and Board Development) to the Secretary. **Done**
 - If action or discussion is required by the Board on any of the activities listed in the plans or the reports, notify Lacey to include in the agenda. **Done**
- **Lacey**
 - schedule a meeting with Cameron to update him on our progress. **Done**
 - update the Dashboard to reflect the most recent progress that has been made for Site Feasibility and Organizational Capacity **Tabled to March**
 - redistribute the board capacity survey to the Board and ask that everyone take it by Jan. 30. **Tabled to March**
 - share results of board capacity survey with Praveen so that he can develop a presentation to share with the Board either at our Board Retreat on Feb. 2 or at the Feb. Board meeting. **Tabled to March**
 - request a month to month lease arrangement from Mark Johnson, Director of the Innovation Center. **Done**
 - reach out to Debbie Suassuna at G2G to determine how much more we have left on our contract with her, to see if we can get our market study updated now so that the expiration date would be extended for a year and have it reflect our latest possible sites as well as the impact of the Kwik Trip and the Arby's locating in WW. **Done**
 - review our systems and see what kind of default permissions need to be updated for our Google Drive and PayPal accounts. **Tabled to March**
 - Jen will update the PayPAL account with generic GroCo e-mail **Tabled to March**
- **Board**
 - schedule a planning session with Outreach & Ownership after our retreat/strategic planning session. **Cancelled**
- **Ownership & Outreach Committee**
 - contact Robert when he returns from his vacation to approach him with this opportunity to sponsor the cost of printing the door hangers. **Done**
- **Finance & Legal Committee**
 - invite Brienne to a future meeting to present on new market tax credits and how they can positively impact our pro forma. **Done**
 - review the pro forma provided by Prairie Food Co-op. **Tabled to March**
 - Update the pro forma with a new gross margin rate that corresponds with food co-op start up trends. **Tabled to March**
 - 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. **Tabled to April**
 - develop a policy for owners whose installment payments have fallen in arrears and present to the Board for review and approval. **Due in March**
 - research and provide a recommendation on the policy for Equity Return to an owner who wants to surrender his or her share. **Due in March**
 - recommend language for the 4.2 Bylaw Terms and Elections. **Due in July**
- **Praveen**
 - Create a presentation to share the results of the board capacity survey with the Board by the March 11 Board meeting **Due in March**



Committee Requests:

The Food For Change Screening will take place on Monday, April 13. The Board will work around this date when we schedule our mid-month meeting.

Jen reviewed the items that were included in the packet for the Budget. .

1. Chart with "Full Budget"

WWGroCo 2020 Full Budget

Actual & Projected, As of 2/21/2020



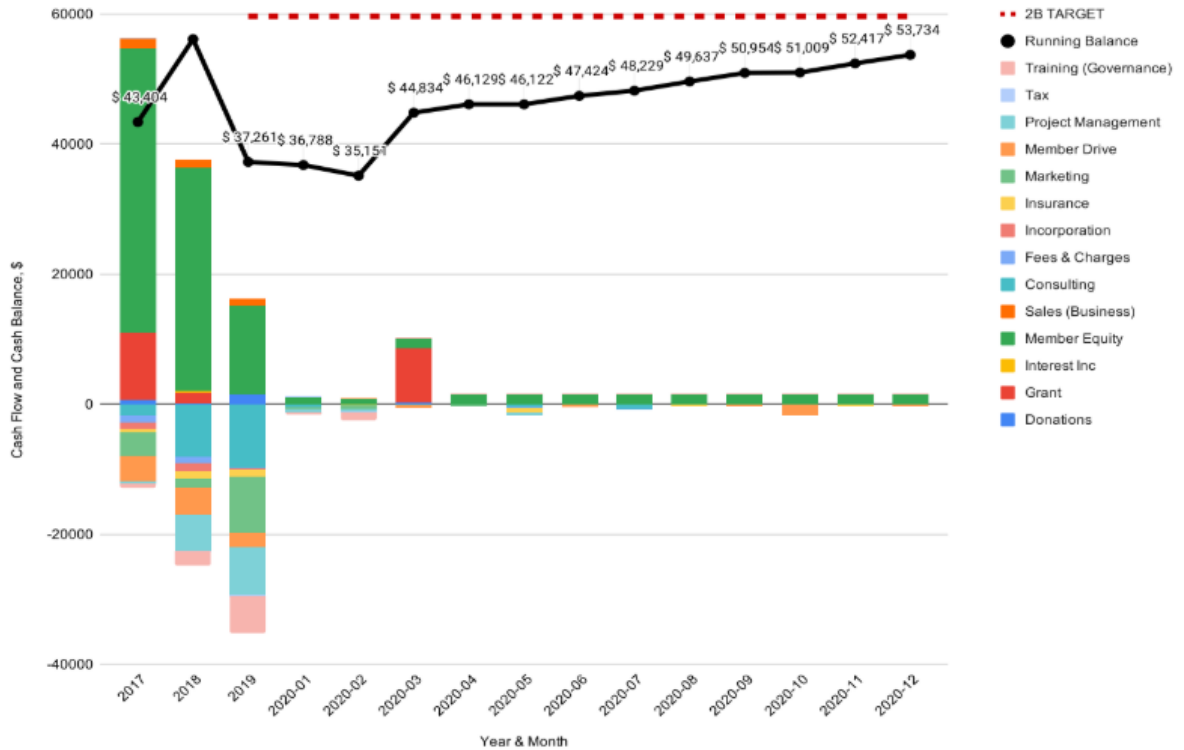
The red dotted line at the top of the chart represents our target cash flow level of the amount we need for Stage 2B. If we fully fund the budget requests, the black line representing our running balance does not come anywhere close to our red dotted line target suggested by the Food Co-op Initiative (FCI). This chart is based on 10 members joining each month and \$20,000 worth of expenses.



2. Chart with "Low/Non-Negotiable" Budget

WWGroCo 2020 - Non-Negotiable Budget

Actual & Projected, As of 2/21/2020



Jen prepared another version of the budget chart with the non-negotiable expenses. This budget does not include a line item for an office and minimal budget for events, promotions, and the annual meeting. She removed QuickBooks, but kept NationBuilder and our insurance. These items are the expenses we are committed to paying. When we dial everything back, we do gain ground throughout the year towards our red dotted line target. However, just spending on items that are non-negotiable doesn't move us forward with the things that we need to do to get our store built. Jen created these charts as she wanted to give us a visual perspective of how much ground we need to cover and how our expenses impact reaching our target cash flow. This expenses included in this chart are approx. \$9,000. Lacey and Anne expressed concern about downgrading our QuickBooks level.



3. Table with Non-Neg Expenses

2020 Non-Negotiables Expenses														
Actual Expenses, Contract, Must-Haves, Reasonable Needs														
Category:SubCategory	Description	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Grand Total
Consulting:Accountant	Wegner CPA	-\$486				-\$550								-\$1,036
Consulting:Legal	Lawyer							-\$750						-\$750
Fees & Charges	PayPal	-\$16	-\$25	-\$25	-\$25	-\$25	-\$25	-\$25	-\$25	-\$25	-\$25	-\$25	-\$25	-\$291
Incorporation:Filing Fees	Dept Of Financial Institutions						-\$15							-\$15
Insurance	Banco Insurance Agency					-\$587								-\$587
Insurance	Great American		-\$147			-\$147			-\$147			-\$147		-\$588
Marketing:Advertising	FaceBook	\$0	\$0											\$0
Marketing:Advertising	Pecan Pie Productions	-\$260	-\$260	-\$260	-\$260									-\$1,040
Marketing:Promotional Materials	Doorhangers		-\$275											-\$275
Member Drive: Events	Event Supplies-Quarterly			-\$250			-\$250			-\$250			-\$250	-\$1,000
Member Drive:Annual Meeting	Annual Meeting									-\$1,500				-\$1,500
Project Management:NationBuilder	NationBuilder Annual Subscription					-\$278								-\$278
Project Management:Office	Innovation Center	-\$460	-\$460											-\$920
Project Management:QuickBooks	QuickBooks	-\$40	-\$40											-\$80
Tax:Sales Tax	Wisconsin Dept Of Revenue		-\$48											-\$48
Training (Governance):Registration	Cooperative Network	-\$250												-\$250
Training (Governance):Registration	Up & Coming Conference		-\$1,188											-\$1,188
	Grand Total													-\$9,846

This table lists all of the non-negotiable expenses of just under \$10,000. It does not include our office.

4. Table with Optional Expenses

2020 Optional Expenses														
Optional Expenses for the Board's Review														
Category:SubCategory	Description	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Grand Total		
Marketing:Advertising	FaceBook	-\$50	-\$50	-\$50	-\$50	-\$50	-\$50	-\$50	-\$50	-\$50	-\$50	-\$500		
Marketing:Advertising	Pecan Pie Productions			-\$260	-\$260	-\$260	-\$260	-\$260	-\$260			-\$1,560		
Marketing:Advertising	Whitewater Banner		-\$1,600									-\$1,600		
Marketing:Promotional Materials	Brochure Printing				-\$1,000							-\$1,000		
Marketing:Promotional Materials	Canva	-\$25			-\$25			-\$25			-\$25	-\$100		
Marketing:Sellable Items	Lawn Signs			-\$1,100								-\$1,100		
Marketing:Sellable Items	T-Shirts			-\$1,500								-\$1,500		
Member Drive: Events	Street Banners and Hanging				-\$1,000							-\$1,000		
Member Drive: Events	Tablecloth			-\$300								-\$300		
Member Drive:Annual Meeting	Annual Meeting							-\$1,500				-\$1,500		
Member Drive:Member Packets	Member Packets	-\$1,000										-\$1,000		
Project Management:Canva	Canva Annual Subscription				-\$119							-\$119		
Project Management:Office	Innovation Center	-\$350	-\$350	-\$350	-\$350	-\$350	-\$350	-\$350	-\$350	-\$350	-\$350	-\$3,500		
Project Management:Postage & Supplies	Postage & Office Supplies - Quarterly	-\$50			-\$50			-\$50			-\$50	-\$200		
Project Management:Postage & Supplies	Web Domain		-\$52									-\$52		
Project Management:QuickBooks	QuickBooks	-\$40	-\$40	-\$40	-\$40	-\$40	-\$40	-\$40	-\$40	-\$40	-\$40	-\$400		
Project Management:SmartSheets	SmartSheets Annual Subscription	-\$900										-\$900		
	Grand Total											-\$16,331		

Jen reviewed this table and asked the Board to make decisions about which of these expenses we need to consider mission critical.

- Katy asked that the Canva Pro subscription be renewed, but we can remove or greatly reduce the additional costs associated with Canva.
- The general consensus is that we will not be renewing the Whitewater Banner ad. Lacey will review the Google Analytics to see how effective the Whitewater Banner ad is -- does it convert to new owners?
- We removed the cost of the lawn signs for 2020 as we have more than enough for this year. .
- If we are going to order t-shirts, we should consider to pre-order or a print-on-demand fulfillment. On-Time Tees is moving out of town, so we may need to identify a new source.



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- Outreach & Ownership are no longer boosting posts. O&O is considering purchasing Facebook ads running concurrently with owner incentive drives or to lead people to something educational. Jen will update the budget for FB ads to \$50/quarter.
- If we need to reprint our brochure, we will look for a printing sponsor. Katy will ask Ron if he'd be willing to sponsor the brochure.
- The Board suggested removing the cost of producing a tablecloth and street banner.
- Keep \$1,500 for the Annual Meeting.
- Removing the line item for Ownership Packets.
- Keep \$200 as postage.
- Keep the cost for the Web Domain.
- Jen will research what we would be giving up if we switch to a lower subscription level for QuickBooks. In the meantime, we will keep \$400 for QuickBooks.
- We will not be renewing SmartSheets. Greg will contact SmartSheets to make sure we are not charged a renewal fee .
- Lacey does not have an update from Mark on his proposal to lower the rent. The Coburn Company said they do not think it will work for their business to donate space. Brienne has talked with Kristine Z. about possibly using an area of The Community Space for the co-op. While Kristine is not opposed to it, there may be some barriers to access. Brienne will continue to explore the possibility with Kristine. Lacey will work on compiling a list of landlords within Whitewater that we could approach. Lacey will share Mark Johnson's response regarding the Innovation Center when she receives one back from him. We don't have enough information about our lease at the Innovation Center to make a decision for the entire year, so we will continue with a month to month arrangement at this time.
- Brienne said that we already committed to planting a tree for every new owner from January through April in partnership with SAGE. She thought that the trees may be as little as \$5 each, and our obligation would be around \$20. Jen said that it would be okay for us to commit to it.
- Cameron said that when we present to the CDA and the Common Council, it would be good for us to have a financial ask. Perhaps there is something in the budget that would be a good fit for the CDA to cover.
- For the March meeting, Jen will prepare a budget based on what we talked about today for our final approval.
- Brienne will follow-up with Kristine Z.
- Anne will approach Ron to see if he has any ideas about office space.

The Board talked about the need for someone to manage our donation/sponsorship asks. Elvia volunteered to be our first Donation Czar who can help keep track of what we need, who we have asked, what we asked for, and when we asked for it.

The Board took a break at 7:45 p.m. We reconvened at 7:52 p.m.

Board Development: Meeting Frequency & CCMA Conference

The Board discussed our meeting frequency and structure, deciding that for the next two months, we'd add a



monthly meeting of just the Executive Team focused on developing the Strategic Plan. Jo is going to do some research on the frequency and content of other start-up food co-ops' Board meetings. We will reassess our meeting content and frequency in May.

The Board discussed the importance of sending someone to CCMA 2020. The grant application is due on March 6. Brienne volunteered to submit the application on our behalf.

Board Business: Lease & Strategic Action Plan

The Board tabled the lease discussion with the Innovation Center until our next meeting as we are awaiting information from the Director Mark Johnson.

The Board decided that the Action Plan developed during our Board Retreat/Strategic Planning Session on Feb. 2 was not in a state where we could review and comment on it. We tabled the discussion until the Executive Team can meet with Beth to review and revise. Lacey will reach out to Beth to see if she can attend our April 14 Executive Team meeting.

Executive Session: Market Study

The Board entered into Executive Closed Session to discuss the updated Market Study at 8:11 p.m. The Board reconvened into open session at 8:23 p.m.

Praveen left the meeting at 8:23 p.m.

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

The Board reviewed next month's calendar. Anne will reach out to Columinate to see if the Strategic Process for Top Leadership Teams course scheduled for March 16 would be good for our co-op, now in Stage 2b.

The Board also reviewed our attendee list for the Up & Coming Conference, March 5-7. We noticed that our spreadsheet agenda differed from the one listed on their website. Anne will ask Tricia to update at her earliest possible convenience. It is within this spreadsheet where we will track who attended which session and record our takeaways from the sessions.

The Board reviewed the draft agenda for March and did not have any comment.

Closing. President Reichwald officially adjourned the meeting at 8:37 p.m. The minutes were respectfully submitted to the Board on March 9, 2020 by the Board Secretary, Anne Hartwick.