



When: February 22, 2021 5:30PM - 7:30PM

Where: Zoom Meeting

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, and sustainable practices: people, planet, profit.

Meeting Intention: Check-ins, USDA Guaranteed Loan, in-depth discussion about Capital Campaign, update on Pro Forma

Agenda 1 (mid-month meeting) is policy, governance, and board development/education.

Agenda 2 (late-month meeting) is for BIG topics for in-depth discussion and accountability.

Preliminaries: The meeting was called to order by President Katy Wimer at 5:31 p.m.

Board Members Present: Katy Wimer, Greg Majkrzak, Jennifer Crone, Anne Hartwick, Lacey Reichwald, Brienne Diebolt-Brown, Elvia Meza-Klosinski, CJ Wagner, and Sarah Hoots. Board Members Absent: None.

The mission and values for the Whitewater Grocery Co. was read by Brienne. The intention for this meeting is check-ins, USDA Guaranteed Loan, in-depth discussion about Capital Campaign, update on Pro Forma.

Member-Owners Natalie Biancalana, Maggie Rice and Ron Binning joined the meeting and were welcomed by Katy.

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

Consent Agenda: Brienne moved to approve the minutes from our February 9th meeting. Second by Greg. Motion passed without dissent.

Accountability/Check-Ins

Katy will be doing monthly milestone updates, although she does not have one this time. katywwgroco@gmail.com will give monthly milestone updates at late month meetings going forward. When asked for check-ins, Lacey updated the Board on site selection/pro-forma. She has been meeting with Jen and Anne, and tomorrow will be meeting with John from MSI for answers to some projections for build-out since they came in higher than what was originally used. Lacey will also be meeting with UNFI distributor to see what set-up services they provide. On Thursday Lacey is meeting with 7 Roots, a consulting service that builds grocery stores websites, strategies, kitchens and menus, brands, and operational processes. Brienne and Greg expressed interest in joining Lacey at the MSI meeting. Anne asked if Lacey could ask 7 roots about the cost of their consulting services.

Feasibility Dashboard & Assessment

Lacey explained that this is an overview that shows where we are in the feasibility of the project. There are four quadrants for feasibility: market, organizational, financial, and site. The last time it was updated was a year ago. The different quadrants are color coded, green is good, yellow is caution, and red is bad (not feasible yet). Lacey thinks there is a benefit to reviewing this tool regularly (maybe quarterly) since things change, but she is not sure who should be responsible for it. Anne



believes Jo Baker met with people to update the different sections. katywwgroco@gmail.com volunteered to take this on.

2021 Calendar

An entry into the Chamber of Commerce promotional booklet was added to the month of February. Katy also shared that Natalie will be trying to move the newsletter from a monthly to a weekly edition. When asked about when the “swag sale” ends Sarah said that she’s almost broken-even on the tote bags and everything else is at it’s break-even stage. Whitewater Wrap & Ship has been added as a supplier along with Aropa. The swag sale ends 02/28.

Anne has asked Jacqueline to attend our March 9th or March 22nd meeting to help go over our proforma and site selection.

O&O will be reviewing the Board calendar at their next meeting and adding some future events.

USDA Guaranteed Loan

Brienne met with Michelle Wallace who is currently serving as the Acting State Director for USDA in Wisconsin. Michelle who suggested she talk to the Viroqua GM Jan Rasikas, General Manager about the USDA loan guarantee. USDA Guaranteed Loans are designed for poor rural areas like ours. Viroqua is the only co-op in Wisconsin that has participated in the USDA Loan guarantee. Jan at Viroqua said that they used local banks for the loans and the USDA guaranteed a portion of that loan to Viroqua. Jan did say it is more work for the banks to participate in a USDA loan, but she thought it was worth it. Jan shared the business plan that Viroqua used with Brienne and said the USDA wants to make it work so that local, rural businesses win. Brienne explained that it’s not just a loan but a loan with a lot of benefits and help. She also brought up that we need to apply to be a member of the NCG (National Cooperative of Grocers). They recently modified their application requirements. They are no longer requiring applicants to meet a \$2 million in sales threshold. They are looking for small businesses and coops to apply to increase their buying power. Lacey added that Oshkosh is the first co-op that they let join that hadn’t opened yet. NCG would help us increase our sales and make food more affordable. Jan encouraged us to offer class c or preferred shares in our capital campaign. Jan also suggested we start our GM search soon. Critical decisions regarding store design and hiring should be made by a GM vs a committee. Early investors know that the first couple of years of fundraising will help pay for the GM. Before we apply for a USDA loan, we need to have a balanced pro forma. Jen asked if the USDA is looking to fund a certain amount of the project or for owners to fund a certain amount. Brienne said that they can guarantee a loan of up to \$10 million, with an average of around \$2 million. Brienne added that they will help with planning and equipment as well. Brienne said they will want to know that we have owners, can pay a GM, and that our class c shares are being offered and sold. Brienne would like us to talk to Michelle Wallace to discuss terms of loans. Michelle is expecting someone to call her. Lacey added that the USDA Loan Program is similar to an SBA loan where the bank determines the rates and terms and the USDA would guarantee the loan for up to 40 years. Jen added that the terms are going to be critical. Brienne said that the USDA are there to advise and to help structure the loan and funding sources. Brienne also added that she is also researching the availability of certain grants. The grants do require the submission of a business plan. The USDA has to “give” their money by September 30th. Lacey requested that maggiewwgroco@gmail.com check to see if we have volunteers with a business background that could help us modify and refresh our business plan.



Discuss Capital Campaign Progress & Timeline

Anne shared the Capital Campaign **Timeline** which is sorted by ideal due dates. All dates are dependent on the launch date which is currently set for May 19, 2021. Anne added that the next thing to-do is to hire a coordinator. Sarah added that the timeline is still do-able even though some of the dates are in the past and agreed that the next step is hiring a coordinator. Anne clarified that the board hires the coordinator and that Patrick Taylor is reaching out to Oshkosh about how they hired their first employee and whether they were an independent contractor or not. There was discussion about hiring local for a consultant and for a coordinator.

Job Descriptions - Callers, Communicators, Collectors, Connectors

Anne shared the job description which she said were pulled from the workbook and were modified slightly to include the GroCo logo and match our capital campaign charter. . Jen asked for clarification as to whether the job descriptions are for the leader positions, Anne clarified that these are the “do-ers,” one of which can be identified as a lead. Lacey asked if there was a hierarchy or who these roles report to. Sarah said that all positions check back in with the coordinator who then brings it back to the board. Lacey suggested having an org chart in the future. Brienne moved to approve the descriptions, second by Lacey, passed without dissent.

Katie Novak Campaign Proposal

Katie gave Anne an a la carte service proposal based on Anne’s request for an estimate on what it would cost to contract with her for the development of a timeline and budget. She provided a quote of 15 hrs at \$100 an hour. Greg asked if we should consider approving more \$\$ for Katie now, rather than just \$1500 for timeline and budget development. After some discussion, the Board decided to approve the 15 hours and based on Katie Novak’s recommendation and our capacity, we would consider extending our financial commitment to her services at a later date. The plan is to get going with Katie immediately and then decide if we want more hours. Lacey moved to approve, second by Katy, passed without dissent.

CLOSED SESSION - Pro Forma Update: Jen & Lacey

Natalie, Maggie and Ron left the meeting and the board entered into closed session at 7:00pm.

Closing: President Wimer officially adjourned the meeting at 7:41 p.m. The minutes were respectfully submitted to the Board on March 3, 2020 by the Board Secretary, CJ Wagner.