

**Natural Harvest Food Co-op**  
**January 21, 2016— 5:30 PM**  
**Virginia High School — Conference Room Room T102**  
**Enter Door #6**

**Board Members Present: Debbie Pettinelli, Troy Caddy, Britta Bloomquist, and Chris Ismil, Zach Yurczyk, Jacob Rosandich, Sarah Packa, and Samantha Krage**

**Board Members Absent: Leah Briski**

**Staff Present: GM Anja Parenteau**

**1. Call the meeting**

Troy Caddy called the meeting to order at 5:50 PM.

**2. Agenda**

Troy moved the Treasure Report to end of meeting.

**3. Minutes**

Britta will need to clean up Treasurer's Report to how much money we have from December 2015 minutes.

Debbie Pettinelli makes a motion to approve November meeting minutes. Sam Krage seconds. Passed unanimously.

Debbie makes a motion to approve December meeting minutes. Sarah Packa seconds. Passed unanimously.

**4. Committee Updates**

**Education**

Troy Caddy reports that the Elks kitchen lady would be willing or interested to helping with the annual meeting. The Education Committee will reach out the MN Right to Know. Social hour 5:30-6:00, meeting at 6:00, food at 6:30. Chris Ismil recommends we don't go with the Elks. Sam suggests changing the date so Alex Haugen can cook.

Troy suggests that we have a table out for the board at the store on certain days so members can come ask us questions.

The Education Committee will get back to Board about changing the date. We need to decide by Feb 5 the annual meeting date for newsletter. We decided to make the meeting on Saturday, April 30, but we still need a new location. Chris will check with the Elks again. The Education Committee will also look at other locations.

Anja will email out budget for annual meeting.

Troy suggests meeting February 15 for member loan campaign updates and for board to be at store to answer questions.

Board to be at store 4:30 to 6:00 on Wednesday, January 27, to let members ask questions about expansion.

## **5. Expansion**

Troy, Anja, and Chris will sit down with Miskovich to work out an agreement over lots 8-10.

Both Mountain Iron and Hibbing have expressed interest if getting a Natural Harvest Food Co-op.

### **IRRRB & City of Virginia Update**

Chris Ismil stepped out for this conversation.

IRRRB and the City of Virginia met with Benchmark Engineering. A list needs to be created to what qualifies and what would not qualify for the grant.

The spot under where the building would go needs to be pulled out and replaced, IRRRB would pay for something like that.

IRRRB will not put their name behind our store, because they don't want other grocery stores asking for money. The IRRRB may give the grant money to the City of Virginia, and the City of Virginia will get that lot ready for a business to be built there.

The next IRRRB meeting will be at the end of February. Troy will reach out to Jason Metsa for more information.

### **USDA Loan**

Anja reports that we are working with Lake Country Power. We need to figure out what bank to work with and then let them know. We need to have some meetings with banks to decide which bank to go with. We are hoping for a \$1 million loan at zero percent interest. If we don't get the USDA loan, it doesn't kill the project it may just delay the project.

Troy wants to bring in Rick Cannata to the next board meeting to talk about the labor agreement. A labor agreement means that companies helping on the expansion would have to hire 50% labor workers.

### **Finance Committee**

What are we going to do with the log building? Many people are inquiring about buying the building. Jacob states that someone from the Quad Cities Food Shelf expressed interest about the log building.

### **Member Loan Campaign**

It is our goal to the the member loan campaign information by February 11. The Board will be at the store on February 15. The member loan investment date will start February 15. Chris wants Anja to have emails, Facebook, some PR about the member loan campaign to help explain it and get people excited.

It is VERY important that all this information is shared on the website and through social media. The Board wants the website kept up-to-date along with the in-store board.

## **Member**

We talked at the Finance Meeting about the cost of ownership going up to \$100 starting June 1. This would have to be voted at the Annual Meeting and all memberships bought by June 1, would be grandfathered in.

### **6. Monitor Reports**

**C3** Troy reports we are in compliance.

Chris makes a motion to change to consent agendas which includes meeting minutes, new members, and monitoring reports for both the general manager and the policy reports. Zach second. Passed unanimously.

**B3** Anja reports we are in compliance.

**Ends A 1-4** Chris wonders how we can encourage more people to become apart of the co-op not just because of trends.

### **7. Store Reports**

Sales in December: \$225,570 (10.19% increase over last year) New Members: 22  
Active members for the past 12 months: 1818

No equipment break-downs. No new hires.  
No classes.

December was our busiest month for the year. In-store promotions, like the 12 days of staff-picks went well. Our Deli showed 40% growth for the 2<sup>nd</sup> month in a row!

Sampling was doubled for December.

A new produce vendor showcased and sampled their Micro Greens (Cook, MN) in the store. We will sell their greens on a regular basis.

### **8. New Members**

Britta makes a motion to approve the new members. Sarah seconded. Passed unanimously.

### **9. Shirts/Holiday Party**

Shirts are designed and will be made soon. Holiday party will be February 28 at Boomtown. Troy states that if the shirts aren't at the holiday party that the board will go get shirts made for employees.

### **10. Articles of Incorporation**

Anja will send the Articles of Incorporation to the co-op lawyer. In addition, we want to change the member/owner stock to \$100, along with no yearly renewal. Anja will ask the lawyer about how this will work to grandfather past member/owners in and get a document to show this. Chris recommends we have a scholarship program or a way to help out less fortunate people out who want to be member/owners.

### **11. Treasurer's Report**

FY 2016 Proposed Budget: \$19,250.00.

Board Discounts (10%):	\$6,000.00
Insurance:	\$2,000.00
Meeting Meals:	\$750.00
Meeting Stipends:	\$3,000.00
Board Retreat:	\$5,000.00
Miscellaneous	\$2,500.00
FY 2015 Budget:	\$25,536.73
Spent:	\$16,591.28
Balance:	\$8,945.45

Chris states that if Board members are taking days off work that money from the expansion fund from the co-op should reimburse board members. Chris will make a motion that the board has a reimbursement policy that board members take on to help make this expansion move forward and that those expenses are brought to the board from the board members and the GM so the board can be approved. Britta seconded.

Troy had \$176 for taking a day off for an IRRRB meeting. Chris makes a motion to approve Troy's \$176. Sarah seconded. Passed unanimously. Chris and Anja have mileage from going to and from LHB in Duluth. Sam makes a motion to approve Chris and Anja's mileage. Debbie seconded. Passed unanimously.

Chris makes a motion that the board approve this proposed budget and take remaining balance of FY 15 and allocating to our FY 16 budget. Sarah seconded. Passed unanimously.

The t-shirts will become a 2016 budget item.

**12. New Business**

Next board meeting scheduled for Thursday, February 11, at 5:30 PM.

**13. Closing/Topics for Next Meeting**

A. Chris reports that Anja's contract is being finalized.

Sarah makes a motion to adjourn meeting at 8:34 PM. Zach seconded. Passed unanimously.