

Natural Harvest Food Co-op Board of Directors Meeting
May 19, 2016
5:30 PM
Virginia High School Conference Room—Door 6

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

1. Call the Meeting to Order

Troy Caddy called the meeting to order at 5:40 PM.

2. Agenda Review - Add/Delete

Moving Development to top agenda. Alan Johnson from Benchmark Engineering explained that bids were put out on May 10 to bring the lot leveled with gravel and to route in utilities.

Utilities Systems of America with lowest bid of \$140,600.50

City of Virginia accepted the bid.

Britta Bloomquist made a motion to accept and enter into a contract with Utility Systems of America. Debbie Pettinelli seconded. Passed unanimously. Chris Ismil abstained from vote. Site development does not include the parking lot.

Building portion was bid out on Monday, May 16, 2016, to be read on June 2, 2016.

A pre-construction meeting will be set up once the contracts are in place.

3. Consent Agenda

Leah Calgaro made a motion to accept the consent agenda. Jacob Rosandich seconded. Passed unanimously.

4. Planning for new board leadership

June

Chair-Jake

Treasurer-Leah

Secretary-Debbie

5. Committee Reports

Education

Positives: venue, kitchen, music, great food

Negatives: low attendance, not all the board members called top members, people signed up but didn't show up

6. Financial Report

Debits(8) -\$275.74 (meeting stipends, board meeting meal reimbursement)

Balance \$15,322.92

Reimbursement for \$6 to Britta Bloomquist and \$44 to Chris Ismil. They paid Casey Aro for his music at the 2016 annual meeting.

Sam Krage makes a motion to reimburse, Debbie seconded. Passed unanimously.

7. **Expansion Update**

GAP Loan, Northland Foundation, Entrepreneur Fund, and Shared Capital, all three would lend us a shared amount of \$1 million.

Ads in Timberjay, article in Hometown Focus

Completion date to be moved to June of new store.

Facebook ideas:

- Call a board member and set up an appointment today
- Continue to contact people we know about loan

8. **Store Reports**

-April 2016:

-Sales: \$228,399 (13.39% sales growth)

-New owners: 40

-Sales and new owner sign-up continue to rock! So far this year, new owner have added \$7,250 to owner equity.

-The NCG spring meeting was held in April. The overarching theme was the intense competition that almost every Co-op is facing. Sales growth has become negative for 1/3 of the Co-ops that are in NCG. Strategies are being developed on how to get our market share back. Competitor study groups were finalized.

-We finished our first quarter inventory count on 4/3. Next inventory will be on June 30.

-Met with American Bank, Northland Foundation, USDA and Northspan. The overall consensus was, that we need to try and get more member loans to show support for this project.

-Lake Country Power is not willing to loan \$500,000 through the RDLG program at this point.

-Participated in Earthfest. Catered lunch. (Served 260 lunches, cookies and coffee) We talked to many people at our booth about our new store and expansion plans and the member loan campaign. Overwhelming positive responses.

-Annual Meeting. Catered our dinner. Wild Rice Burgers and Dessert. New Bylaws and -Articles were approved.

-Started a cross promotion with Lake Country Power. Their Co-op members will get \$.50 off a specialty coffee if they show us their member-connect card.

-Patty went to Ely for a Marketing Class. Small Business owners could learn about social media and other forms of small town marketing.

9. **New Members**

Sam Krage makes a motion to accept new members. Sarah Packa seconded. Passed unanimously.

10. **Old Business**

-Ideas for board retreat right now: Member Loan Campaign expert

-Anja to contact someone that may be able to present on this topic.

- Possibly move annual board retreat to August or September when Co-op Cafe in Twin Cities happens.
- What do we want to know this coming year as a board?
- Successful soft and grand opening?
- Have GM submit plan for opening?
- Board members helping bag?

11. New Business

Virginia Public Schools ISD #706 Nurse Misty Elliot gave information about the Blue & White 5k date which is set for Saturday, October 8. Anja to let us know if NHFC will be apart of it.

Anja would like to move some money from the credit union to American Bank.

Chris Ismil makes a motion that we move \$200,000 from the Virginia Co-op Credit Union to the American Bank savings account. Britta Bloomquist seconded. Passed unanimously.

Leah Calgaro, Zach Yurczyk, and Jacob Rosandich absent for vote.

12. Next Meeting

Tuesday, June 14, 5:30 PM

13. Adjourn

Sarah Packa makes a motion to adjourn at 7:36 PM. Chris seconded. Passed unanimously.