

Chester's Community Grocery Co-op
Steering Committee Meeting Minutes
January 22, 2007

Present: Tina Johnson, LarRaine Branch, Joan Broadfield, Alton Loper, Joe Henwood, Christine Lussier, Ken Wright

Meeting called to order 6:15.

Ken – moved to accept minutes with revisions.

Tina seconded.

Christine Lussier named Secretary and new member of Steering Committee.

Membership Committee News (Ken)

At the February 3 Members' Meeting the concept of "Co-op Home Meetings" will be discussed. Members are asked to host a membership orientation meeting at their home where they will ask 7-10 friends to attend. A Steering Committee member will be there to answer questions. The host will explain the reasons why they have chosen to join the Co-op.

The membership committee plans to put together a list of current members to call to encourage the member to bring someone to the next orientation meeting.

We discussed how to track members that bring in new members so that we can keep a record of the members who have earned the 5 coupon dollars. The new member must name the member who invited them to the orientation meeting on their application. Joe will maintain an excel spreadsheet. Tina will send out the coupon.

Product Committee (Joan)

The Product Committee met last Tuesday to discuss the Product Tasting Fair. White Rose will be providing their own private label goods for the tasting. Product Committee is putting together a list of product categories that would be tasted.

Steering Committee Suggestions:

- Provide some alternative tasting choices –for example multiple brands of peanut butter
- Combining Wellness Fair and Product Tasting Fair that is open to the community – not just current members. W
- Wellness Fair should be involved in the choices to ensure that the chosen product does not contain prohibited ingredients.
- Consider including organic products in the list.

- Plan to hold the Fair in March and most likely on a Saturday.
- At the Fair, provide cards for participants to name other brands that they like and would like to see in the Co-op.

Finance and Administration Committee (Joe)

Treasurer's Report. There is currently \$7,268.57 in the Savings Account and \$580.68 in the Checking Account.

Widener SBA follow-up – Joe is filling out application.

Community Lending Corp (group of 35 plus banks that fund community business.) We do not qualify because we are a member only co-op. Consequently, Board of CLC did not vote to finance the co-op.

Steering Committee recommended a face to face meeting with CLC to show our pro forma financial projections and feasibility study.

First Keystone Bank - Continue to keep contact with John Muser and send him pro forma financial projections.

Steering Committee discussed the need to develop continuous communication program to potential investors/lenders. This will be the responsibility of Joe and the Finance Committee.

Joe distributed his latest draft of the document to be provided to potential investors for review and comments.

He also distributed sales and membership projections for year 1 for review and comments.

Marketing Committee (Ken)

Ken stressed the need to identify a person that can draft the text for press releases. The person needs to have the correct skill set – fast at getting out the correct information with contacts in the media. It was recommended that we find a professional PR person to assist with the press releases. The professional PR person will have contacts and know the correct people to whom to send the information.

Development Committee

Ralph Moses House is the first food service contract. Contract is for \$1200.

Tina met with Gwen Smith on January 17th. She is interested in working with area churches to organize meetings for the Co-op to make presentations. Gwen will work

with Church Liaison Committee to identify possible church groups. Gwen will fund the meetings/presentations and the Co-op would organize/plan the meetings.

Chester Co-op Loan Program – We need to have 20% of the costs of opening up the Co-op covered through equity. Loan Program will be presented at the February 3 Members Meeting.

The loan would be a long-term, unsecured loan, second to the vendors and bank obligations. The goal is to raise \$1,000,000 for “Other Equity Investment.” The minimum loan would be \$500.

The Matching Funds from Children’s Chorus will arrive next week.

Legal Services Committee (Tina)

The Service Contract is being reviewed by Ken and Joe

Ken has questions regarding the conflict policy. We need clarification before any decision can be made.

Tina to follow-up on the Option Agreement this week

We have a MOU (Memorandum of Understanding) with the Family and Community Services of Delaware County. This is a program in which federal dollars given to the Family and Community Services of DE County can be spent in the local community by food pantries. The Co-op’s role would be to order the food as a distributor and the food pantries would collect the food. The Co-op could charge a nominal mark-up for its services as a distributor.

Newsletter Committee (Ken)

Joan is trying to get the interviews done for next newsletter.

The Committee discussed naming and defining all the Co-op committees in next newsletter to invite members to choose a committee to join.

Wellness Committee (Gerwayne)

First meeting will be held January 24th at 5:30 at City Team.

Church Liason Committee (LarRaine)

First meeting will be held January 26th at 6:00 at City Team.

Development Committee (Tina)

NCB (formerly National Cooperative Bank). Joe met with banker. Banker would consider loans (i.e. grants or junior debt – low or no interest bearing debt) as “Member Equity.” The NCB writes loans between \$5 and \$12 million per loan. The funds come from the FSB (federal saving bank) in Hillsboro, Ohio. This financing source is considered a strong possibility. The NCB understands Co-ops and would not require much education.

The next Owner-Member Meeting is February 3rd at Zion’s Baptist Church.

The intent is to hold a business meeting. We will have each committee present current reports and then introduce/discuss business proposals (new opening date, etc.) Agenda to be developed.

Kate Smith will be moderator.

2 hour meeting (11:00-1:00).

Joan will be in charge of organizing food choices. Steering Committee members will be responsible for bringing food.

New Business

Development Committee - CSREES Grant. We are not eligible to apply as a non-profit. We can apply as a subcontractor. This is a specific grant awarded to organizations that bring access to food to low-income communities. It involves working in conjunction with local farmers/food suppliers.

It is a 3 year grant of \$125,000 per year with a maximum of \$330,000 over a 3 year period. The Letter of Intent is due February 13.

Meeting adjourned 8:00