

Minutes from Co-op Meeting March 30, 2006

Meeting started at 6:10 pm and was ended at 7:20 pm by Tina Johnson

The meeting was facilitated by Tina Johnson

Introductions were given.

Attended by: Rick Goldstein, Gerwayne McElaney, Joe Henwood, Timothy Sams, Mike Froehlich, Nessie Johnson, Richard Carter, Peggy Fogarty-Harnish of Scarecrow Hill Organic Farm, and Kate Smith Executive Director of the Keystone Development Center, and Tina Johnson were all in attendance.

Discussed the formation and incorporation of the supermarket co-op, creation of bylaws, choosing a name for the co-op, market and feasibility study format and time frame, and how Keystone Development Center could assist in the development of the feasibility and market study.

Kate Smith talked about Keystone Development Center and what it does for rural co-ops. She introduced Peggy Fogarty-Harnish as being a potential vendor (farmer co-op) to the grocery store, keeping with the idea of supporting local economies. Kate explained that her group does not work with urban groups but there is latitude to provide support with a connection to agriculture. She outlined what the steering committee should be doing such to guide the development process; keeping minutes of meetings, conducting the initial feasibility analysis and due diligence process, overseeing the incorporation process and serving as the incorporators, developing by-laws for the organization, she explained that the many or all of the members of the steering committee may serve on the Board of Directors and that it will conduct its business according to the by-laws (which will change as the co-op evolves).

She explained what the due diligence process was, and gave examples of due diligence questions that we needed to answer. She ended by outlining how her group helps the co-ops. They help with organization start-up, feasibility analyses, business plans, strategic planning, meeting facilitation and conflict resolution, training and education, and book keeping.

Mike Froehlich asked what comes first, the feasibility or the incorporation. Kate Smith stated that it does not matter, we as a group would decide

that. She also stated that everything goes on at the same time, and that there is no one way to go about doing it.

Tina mentioned CDS may be willing to do the feasibility study at a cost, and Kate agreed that they would be the best ones to do it or that they could direct the feasibility study and she would do it. Tina said that she would contact them to see what they thought.

We discussed that the initial investments into the co-op would be gifts or contributions so that they will not be tax deductible. Mike stated that we should have some place to put the funds. It was suggested by Joe Henwood and Mike that we use a fiscal agent to direct the funds into and who would administer them for us. Joe also suggested that the co-op would be able to gain greater support from churches which would be willing "to pass the plate" if we were a non-profit entity. Tina discussed the purpose of a co-op is to be self-sustaining and that our purpose is to meet an unmet need in the community by providing a service it needs, and as a non-profit we would be unable to have member-owners because they would not get a return on their investment. Joe said that the co-op is like a corporation and a non-profit. Tina also said that she did not think that it was a good idea to have the funds of the co-op be put into a foundations coffers on behalf of the co-op but rather that the co-op handle its own funds in order to maintain autonomy.

Kate suggested that the co-op set up a fictitious name and open a bank account where the money will put into. After some discussion on the matter by the members, it was unanimously decided to set up a fictitious name and that Tina would register the name. Mike asked that it be reflected in the minutes that any interest incurred on the account will be paid from the account and not the person whose name is on the account, which will be Ernestine Johnson (Tina). The group agreed on this too.

Tim Sams Volunteered to make copies of the hand out Kate gave to the group, and to check up on an item concerning the group he works with from CCPI, Widener, Swarthmore and others regarding plans for development in and around the are downtown Chester.

We discussed the name of the co-op. Kate said that she knew that the word co-op must be a part of the name, Gerwayne McElaney said that she thinks Chester needs to be a part of the name so that the community has something to be proud of, Peggy suggest that the name could be

Super Chester Market Co-op, needless to say after some creative suggestions we have not come up with a name to date.

Tina asked the group to contribute to the filing cost of the fictitious name. There list of contributors is on record. The amount contributed was \$80; \$70 will be spent for the filing with \$10 remaining.

The members agreed to meet again on Monday April 10th to move forward with the next stages of the co-op development.