

Coteau Community Market
Board of Directors
Regular Meeting (virtual)
November 1, 2021

1. Motion to remove Brad Drake from the Board of Directors
2. Motion to appoint a new Treasurer
3. Motion to approve the minutes from the October 9, 2021 meeting.
4. Financial report
5. Motion to reimburse Jan Mullin \$290.00 for payment to steak burger producer
6. Location update
7. Motion to authorize payment of deposit on location
8. Motion to approve \$250 for the co-op to join the Northern Plains Sustainable Ag Society
9. Presentation by Board Chair
10. Motion to affirm existing policies and mission
11. Discussion of budget needed to open a store front
12. Stacy's email from 10/28/2021 at 9:48am
13. Open
14. Adjourn

Coteau Community Market
Board Meeting, October 9, 2021
Watertown Regional Library patio

Meeting called to order by Secretary Mike Mullin at 1 pm. Members present, Mike Mullin, Brad Drake, Bruce Staufer, Stacy Roberts. Annie Mullin and Jen Moos present virtually. Also present: Ron Hagen

1. Motion to approve minutes: 5/17/2021, 6/29/2021, and 7/3/2021. Motion by Jen M, second by Brad D. Unanimous approval.
2. Motion to affirm email action: vote to appoint Ron Hagen to fill Maria's term until June 2022; interim term approved. Unanimous approval.
3. Set date and time for monthly meetings: consensus was for the first Monday of each month, at 6:30 pm virtually.
4. Motion to appoint third signatory on checking account; Bruce and Ron both volunteered. Brad nominated Bruce, Stacy second. Passed.
5. Jen made the motion to approve reimbursements for Annie in the amounts of: \$300 in kind stock for hosting website August 2020 through July 2021, and \$152 for printing, mileage, and presentation expenses, second by Ron. Motion passed unanimously.
6. Mike called for a motion to approve Bruce \$100 in-kind stock for meat bundle prize for memberships. (Julie Gonsor won.) Bruce said he is not in favor of it. No motion was made.
7. Motion by Stacy, second by Bruce, to donate the \$50 raised, from donated food, at the Summer Fiesta to Glacial Lakes Multicultural Center for translation of membership form and small flyer. Motion passed unanimously.
8. Financial update (attached) Brad asked about \$13,000 stock received. \$21,000 pledged. Has threshold been reached for match? The answer is yes, it has been. Brad said that Annie had put the bank statements online for him and that he had accessed them, but now he does not have access to them online anymore. Annie will put them up for him again.
9. Sharing of efforts to gain memberships (marketing)

Stacy talked to some people and had flyers on her table at Pride in the Park. Annie walked around and talked to people and handed out flyers.

Brad put posters in area gyms and was talking to people he knows, but has taken a step back until he's got more information and knows when we are opening.

Stacy brought up the budget and was told that we would get to that later in the agenda.

Mike shared the following list of membership/marketing efforts and who did them that he knew of:

KXLG interview – 20 minutes – (July 21, 2021) Jan and Mike
Watertown Public Opinion interview (September 25, 2021) – Annie
July 4 parade – Maria. Brad said that he also handed out flyers.
National Night Out – Annie, Colleen Lindberg, Joan Hohnstadt

Lake Area Tech new student welcome – Annie
Pop-up at Gather
Fall Fiesta – Annie and Jan
Vintiques – Annie and Jan
Flyers to downtown businesses (except the gym) – Annie, Jan, Mike, Colleen and George Lindberg
Tuesday band concerts – Colleen & George Lindberg
SDPB contacted – Jen
Webster farmers market vendors contacted – Jen
Press release/blurbs sent to Sioux Valley Coop, CCREC, and DRA – Annie.

Stacy asked why she was not sent the press release sent to Dakota Rural Action so she could bring up the topic of the co-op at their board, which she is on. Bruce said that he thinks regular meetings will improve that type of communication. Bruce said that he felt that CCREC needed to have an article sent to them by the co-op. Mike told him to write the article and share it with the rest of the board so everyone can check it before sending it to CCREC. Bruce indicated that he would do that.

KWAT contacted, no reply – Mike

The proposed cooking demonstrations at Maxwells have been canceled due to pandemic. Stacy asked why the board was not notified. Mike told her that it happened yesterday.

Since July meeting 85 members, to 123 members. Of the 38 new, Joan Hohnstadt got 5, Mike got 2 banks, Brad got 1, three other members got 1 each, and Annie got 27.

10. Sharing of fundraising efforts:

Bruce talked to Kari O'Neill, SDSU Extension. She volunteered to come to co-op meeting. Consensus was for Bruce to reach out to her for a future meeting.

Brad questioned the petitions Annie had with her at Vintiques. Might be seen as co-op supporting political agenda. Everyone agreed.

Stacy solicited someone for stock.

Brad and Bruce said they had done none.

Mike said he talked to all the banks in town except Reliabank, which was already a member, thanks to Annie and Jan. These joined or donated:

First National joined and there is a grant pending

Plains Commerce joined and bought stock

Dakota Bank made a donation

Wells Fargo: Annie talked with after Mike contacted them. There is now a grant pending.

Campaign flyers distributed (500), of those (60) were mailed by Annie and Jan. Planning to print another (300) to be sent to the medical community, Prairie Lakes foundation board, Goss donors, the people board members have suggested, and any others they can come up with.

11. Budget to open (attached) – updated version of one given to board on May 1, 2021. Dated Sept. 7, 2021. Stacy questioned items that she feels are too large a percentage of the budget. Mike asked for specifics. Stacy said portion control bins too high at 10% of budget instead of used scoop bins for

\$125 a piece and that she could get shopping carts for free from stores that have closed. Mike said that he would attempt to respond. As he was speaking, Stacy interrupted and began yelling for three minutes. She feels her questions are never answered. Brad concerned about inability to reach the goal. Store opening most crucial. Mike proposed instead of contacting SDSU Extension, using the next meeting for what it will take for budget to open the store.

12. Presentation of draft Board Orientation Packet. Stacy has questions. Time and discussion needed. Bruce agreed. Mike said not asking for approval now. Mike said he thought the packet would answer some of board's questions. Some items from bylaws, some from 30 years of history on boards. Bruce has no history because he did not have an orientation. Mike pointed out reading the co-op documents.

Mike pointed out that the time that Google Meets allows for the free meeting was about up and asked if there was anything in their lists of topics that could not wait until another meeting.

Stacy said her topics could wait for next meeting.

Bruce said another member asked about what being a member producer buys in terms of marketing power from the co-op today without the store open. Will the co-op advertise products? Discussion of that topic followed. Mike said bulk member sales ahead of opening were to gain new members. Very few came out of that. Time intensive. Brad said that the pop-up markets were a way we helped producers. Brad asking about getting word out about producers. Wants to know what vendors will be in the store. Suggest list of member producers on website. All products must be evaluated. Application does not mean approval. Bruce asked how producers are approved. Someone has to go out and evaluate. Brad thinks any local producer should be promoted. Jen pointed out that membership is separate from producer application. Mike asked for decision to indicate on the website which members have applied to be producers while indicating that they have not been approved yet. Brad motion, Stacy second. 5 yes, 2 no. Motion passed.

Google meet ended. Meeting adjourned at 2:00pm.

Mike Mullin, Secretary

Annie Mullin, Chair

Approved Date

Financial Report

October 4, 2021

	Details	Total
Balance May 17, 2021		\$6,225.55

Income

Membership equity	\$5,000.00
Individual	\$3,500.00
Institutional	\$1,500.00
Student	\$0.00
Stock	\$13,000.00
Donations	\$1,468.35
Member sales	\$408.62
Non-member sales	\$188.02
Sales tax collected	\$38.82
Sales tax collection allowance	\$0.58
Melio	\$3.14
Total income	\$20,107.53

35 new members

3 new members

2021 Q2 & Q3

Expenses

Administration	-\$434.55
COGS	-\$375.00
Fixtures	-\$1,055.75
Governance	-\$28.10
Marketing	-\$506.49
Operating	-\$7.88
Sales tax remitted	-\$38.78
Total expenses	-\$2,446.55

CPA, postage, card stock, envelopes

meat (doesn't include mileage)

water purifier

paperwork for board and member meetings

FB/IG ads, flyers, forms, letters, handouts, bags, domain renewal, plugins

credit card fees

2021 Q2 & Q3

Balance October 4, 2021	\$23,886.53
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2021 South Dakota State Sales Tax Remitted by Coteau Community Market

Quarter	Sales tax state	Sales tax Wtn	Sales tax total	Taxable total	Tax collection allowance earned (1.5% of taxes collected)	Amount remitted	Date remitted	Confirmation number
Q1	\$52.802	\$23.463	\$76.269	\$1,173.37	\$1.14	\$75.13	04/01/2021	1144328822462815737
Q2	\$1.268	\$0.563	\$1.831	\$28.17	\$0.03	\$1.80	07/13/2021	1190158822462950308
Q3	\$25.581	\$11.369	\$36.950	\$568.46	\$0.55	\$36.40	10/04/2021	1133104822463065937
Q4	\$0.000	\$0.000	\$0.000	\$0.00	\$0.00			
Total	\$79.650	\$35.395	\$115.050	\$1,770.00	\$1.73	\$113.33		

Capital Campaign Summary					
May 13 through October 4, 2021					
What	Pledged	Received	Outstanding	Count	
Stock	\$34,000.00	\$13,000.00	\$21,000.00	17	
Direct donations	\$1,440.00	\$1,440.00	\$0.00	6	
Tax-deductible donations	\$2,250.00	\$1,800.00	\$450.00	5	
Memberships	\$5,000.00	\$5,000.00	\$0.00	38	
Totals	\$42,690.00	\$21,240.00	\$21,450.00		
campaign goal	\$120,000.00				
% of goal	35.58%				

Financial Report

October 28, 2021

	Details	Total
Balance October 4, 2021		\$23,886.53

Income

Membership equity	\$100.00
Individual	\$100.00
Institutional	\$0.00
Student	\$0.00
Stock	\$0.00
Donations	\$1,055.75
Member sales	\$0.00
Non-member sales	\$0.00
Sales tax collected	\$0.00
Sales tax collection allowance	\$0.00
Total income	\$1,155.75

1 new member

CDF (water purifier)

2021 Q4

Expenses

Administration	-\$8.51
COGS	-\$49.84
Fixtures	\$0.00
Governance	\$0.00
Legal	-\$50.00
Marketing	-\$200.09
Operating	\$0.00
Sales tax remitted	\$0.00
Total expenses	-\$308.44

printer paper

mileage reimbursement (steak burger)

annual report to SD SOS filed

printing, GLMC donation, reimbursements

Balance October 28, 2021

\$24,733.84

Capital Campaign Summary					
May 13 through October 28, 2021					
What	Pledged	Received	Outstanding	Count	
Stock	\$34,000.00	\$13,000.00	\$21,000.00	17	
Direct donations	\$1,440.00	\$1,440.00	\$0.00	6	
Tax-deductible donations	\$6,750.00	\$1,800.00	\$4,950.00	6	
Memberships	\$5,100.00	\$5,100.00	\$0.00	39	
Totals	\$47,290.00	\$21,340.00	\$25,950.00		
campaign goal	\$120,000.00				
% of goal	39.41%				

Coteau Community Market Startup Budget

Covers three months to get the store open

What	
Location	
rent (base + 3% of sales, estimate)	\$1,500.00
renovate (estimate)	\$10,000.00
rent deposit	\$410.00
phone & internet	\$150.00
equipment & fixtures (listed below, rounded)	\$37,000.00
start up inventory (\$45 per retail sq. ft., rounded)	\$31,000.00
start up marketing	\$1,500.00
Payroll (GM for 4 months, rounded)	\$13,200.00
POS monthly fee (software)	\$267.00
working capital (6% of projected sales, rounded)	\$12,300.00
subtotal	\$107,327.00
overrun allowance (15% of subtotal, rounded)	\$15,800.00
Total	\$123,127.00

NEEDED TO OPEN

portion-control bulk bins – \$11,100

point of sale (POS) system – between \$2,200 and \$6,000 (depends on system chosen)

computer, monitor & mount, cash drawer, receipt printer, scanner, scale, cables, credit card
machine & mount, customer monitor & mount, UPS backup

upright three-door cooler – \$5,900

commercial grain mill – \$2,700

shelving – \$2,000

stainless steel work table – \$1,840

water purifier – \$1,060

chest freezer – \$1,000

stainless steel sink & faucet – \$900

two-tier shopping carts – \$640

printer – \$500

phone, modem, router, adapter – \$450

hand baskets – \$272

everything else – \$2,638

including but not limited to: hand cart, food safe buckets, gamma seal lids, scoops, tongs, food prep
gloves, aprons, fire extinguishers, fire extinguisher mounting brackets, signs, first aid kit, CCM sign,
weight & measures certification of POS scale, parking signs, file cabinet, office chair, various
cleaning supplies, various office supplies