



2022 Annual Report to Members

2022 ANNUAL MEETING AGENDA

1. Approve 2021 Annual Meeting Minutes
2. Bylaw Updates
3. 2022 Board Elections
4. Membership Report
5. Finances & Stock
6. Legal Obligations
7. Location
8. Capital Campaign

**Coteau Community Market
Annual Membership Meeting Draft
June 12, 2021
McKinley Park, Watertown, SD**

Meeting called to order at 1 pm at McKinley Park by Board Chair Annie Mullin. 12 members present (Mary Antrim, Brad Drake, Maria Gruener, Ron/Roberta Hagen, Carl/Joan Hohnstadt, Colleen Lindberg, Jen Moos, Annie/Jan Mullin, Bruce Staufer) constituting a quorum of the membership. A. Mullin introduced Brad Drake, board member appointed to complete Michelle Turbak's term, ending 2022. 5 board members present: Annie Mullin, Brad Drake, Bruce Staufer, Jen Moos, Jan Mullin. Absent: Mike Mullin and Stacy Roberts.

Motion to approve 2020 Annual Meeting documents (minutes, financial report): Colleen Lindberg motioned, Mary Antrim seconded. Passed unanimously.

Board elections by ballot: Annie Mullin and Maria Gruener elected unanimously for 3 yr. terms.

Membership Report: A. Mullin reported 80 individual members, 2 institutional. \$120 equity returned to co-op in 2020 (one death, two moved).

Financial Report as of December 31, 2020: \$2,200 in stock (\$1,400 in cash, \$800 in-kind from logo contest and stock in-kind for A. Mullin IT work). \$6,186.54 checking account balance. \$10 equity in Frontier Co-op Membership.

Bulk Sales for 2021: Prairie Road Organic Seed (ND) and Stengel/Rockwell (Milbank) bulk grains. Net profit \$449.89. More participants, fewer \$ spent. Breaking down bulk sales not do-able. Need dedicated space.

Legal Obligations: Federal taxes submitted on time after reviewed by Wegner CPA, state sales taxes remitted on time with \$1.44 collection allowance returned to CCM. The only license the market is required to have is state sales tax license, which is in good standing.

Location: 5 West Kemp. ~976 sq. ft. Letter of intent in the works, affordable terms. Rate will increase as sales grow, capped at \$1500 per month. Little in the way of renovation needed: painting, cleaning. Owner will remove carpet and glue from terrazzo floor, repair ceiling in back room, replace sink which the co-op will purchase. Painting and cleaning will be volunteer activity. \$120,000 need to open doors on a shoestring: 120 people, \$1,000 each stock or donation would do it. An anonymous investor is putting up \$20,000 for matching fund raising. Equipment includes 3-door cooler, chest freezer, bulk bins, POS system, grain mill, water purifier, shelving, and counter space.

Capital Campaign and Marketing: the remainder of the meeting drew suggestions for getting the word out about CCM and our capital campaign: 605 Magazine (Brad Drake), local radio (Tim Williams), article in Watertown Public Opinion (Maria Gruener), SDPB (Jen Moos will look into), Keloland (A. Mullin will find local reporter and Ron will check in SF) and post card mailings. The slogan "pay the farmer or pay the pharmacy" was mentioned.

Adjourned 2:30 pm.

Respectfully submitted,
Jan Mullin, Acting Secretary

BYLAW UPDATES

Per Coteau Community Market [Bylaw 7.1](#), any amendments to the bylaws must be approved by a majority vote of a quorum of members (present or participating by mail or electronically). As of June 4, 2022, there are 140 active members, which means the quorum is 12 members. (See [Bylaw 3.5](#) for details.)

1. Fix typo in Bylaw 4.2

Board terms need to be three years (not two), in order to stagger the terms. Only the parts highlighted below would be changed.

Current text of [Bylaw 4.2](#): "Directors shall serve a term of **two (2)** years and shall serve staggered terms so that approximately one-third (1/3) of the Board is elected each year."

Correct it to: "Directors shall serve a term of **three (3)** years and shall serve staggered terms so that approximately one-third (1/3) of the Board is elected each year."

2. Make explicit in Bylaw 4.5 that a quorum must be present for board meetings

Add the following as the second sentence in [Bylaw 4.5](#): "A quorum of directors must be present at all meetings, in person or electronically."

STATEMENTS FROM 2022 BOARD CANDIDATES

Catherine Gjerdingen

I support Coteau Community Market in its commitment to offering the community—both individuals and businesses—healthy products, particularly those produced locally and sustainably. I believe our community can benefit from the market in many vital ways: by avoiding chemical toxins, improving the health of the land, avoiding bringing products from across the globe, supporting local farmers, raising animals humanely, and supporting fair trade products.

Ron Hagen

After visiting several food co-ops while on vacation, I was able to see first hand the importance of a local food co-op. First to offer the highest quality product to the public at a fair price. Secondly to offer a direct line from the local producer of the product to the public.

Jen Moos

A local food co-op is important to support the people and the foods that are in this area. It will help our health (local grown is proven to be good for you) and keeps jobs viable for local growers.

Mike Mullin

I am interested in staying on the Board and think that my experience on boards of state wide and regional organizations as well as my experience in budgeting and operations will be helpful. I want to do it because I think we need to develop outlets for our local producers.

COTEAU COMMUNITY MARKET 2022 ANNUAL MEMBERSHIP MEETING OFFICIAL BALLOT

BOARD OF DIRECTORS

To vote for a candidate: check the box to the left of the candidate's name. Candidates are listed in order alphabetically by last name.

FOR TERMS ENDING JUNE 2025: PLEASE VOTE FOR THREE BOARD MEMBERS

Catherine Gjerdingen Jen Moos Mike Mullin

CONFIRM APPOINTMENT TO FILL TERM ENDING 2024: PLEASE VOTE FOR ONE BOARD MEMBER

Ron Hagen

APPROVE 2021 ANNUAL MEETING MINUTES

Yes No

BYLAWS UPDATES

A yes vote is a vote to make the change(s) indicated, a no vote is a vote to leave the text of the indicated bylaw as-is.

1. Fix typo in Bylaw 4.2

Change text in Bylaw 4.2 to read: "Directors shall serve a term of **three (3)** years and shall serve staggered terms so that approximately one-third (1/3) of the Board is elected each year."

Yes No

2. Make explicit in Bylaw 4.5 that a quorum must be present for board meetings

Add the following as the second sentence in Bylaw 4.5: "A quorum of directors must be present at all meetings, in person or electronically."

Yes No

	<u>Dec 31, 2021</u>
ASSETS	
Current Assets	
Checking/Savings	
Reliabank	27,561.29
Total Checking/Savings	27,561.29
Total Current Assets	27,561.29
Fixed Assets	
Furniture and Equipment	3,754.75
Total Fixed Assets	3,754.75
Other Assets	
Equity in Other Co-ops	10.00
Total Other Assets	10.00
TOTAL ASSETS	<u>31,326.04</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Credit Card Fees Due	-0.05
Donations Restricted	500.00
Sales Tax Payable	29.24
Total Other Current Liabilities	529.19
Total Current Liabilities	529.19
Total Liabilities	529.19
Equity	
Class B Stock	15,200.00
Member Equity	15,100.00
Retained Earnings	-5,003.46
Net Income	5,500.31
Total Equity	30,796.85
TOTAL LIABILITIES & EQUITY	<u>31,326.04</u>

Coteau Community Market
Statement of Cash Flows
January through December 2021

	<u>Jan - Dec 2021</u>
OPERATING ACTIVITIES	
Net Income	5,500.31
Adjustments to reconcile Net Income to net cash provided by operations:	
Credit Card Fees Due	-0.05
Donations Restricted	500.00
Sales Tax Payable	29.24
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Net cash provided by Operating Activities	6,029.50
INVESTING ACTIVITIES	
Furniture and Equipment	-3,754.75
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Net cash provided by Investing Activities	-3,754.75
FINANCING ACTIVITIES	
Class B Stock	13,000.00
Member Equity	6,100.00
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Net cash provided by Financing Activities	19,100.00
Net cash increase for period	21,374.75
Cash at beginning of period	6,186.54
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Cash at end of period	<u><u>27,561.29</u></u>

	<u>Jan - Dec 2021</u>
Ordinary Income/Expense	
Income	
Sales	
Member Sales	
Bulk	826.01
Meat	773.10
Merchandise	84.52
Seeds	326.06
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Total Member Sales	2,009.69
Non-Member Sales	
Grocery	0.94
Meat	126.05
Merchandise	42.25
Non-Member Sales - Other	18.78
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Total Non-Member Sales	188.02
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Total Sales	2,197.71
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Total Income	2,197.71
Cost of Goods Sold	
COGS	
Bulk	612.32
Meat	714.84
Seeds	269.29
COGS - Other	0.00
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Total COGS	1,596.45
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Total COGS	1,596.45
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Gross Profit	601.26

	<u>Jan - Dec 2021</u>
Expense	
Administration	
Accounting	202.60
Legal	50.00
Postage	189.95
Supplies	68.06
Administration - Other	8.50
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Total Administration	519.11
Governance	
Board Meetings	5.85
Membership Meetings	47.25
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Total Governance	53.10
Marketing	
Advertising	83.02
Literature	336.16
Member Services	50.00
Promotions	39.41
Website	489.39
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Total Marketing	997.98
Operating	
Credit Card Fees	13.23
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Total Operating	13.23
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Total Expense	1,583.42
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Net Ordinary Income	-982.16

	<u>Jan - Dec 2021</u>
Other Income/Expense	
Other Income	
Donations	991.49
Grants	5,389.26
Reverted Equity	100.00
Sales Tax Collection Allowance	1.72
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Total Other Income	6,482.47
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Net Other Income	6,482.47
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Net Income	<u>5,500.31</u>

Capital Campaign Summary				
May 13, 2021 through May 31, 2022				
What	Pledged	Received	Outstanding	Count
Stock	\$44,400.00	\$13,400.00	\$31,000.00	19
Direct donations	\$1,560.00	\$1,560.00	\$0.00	8
Tax-deductible donations	\$7,650.00	\$7,650.00	\$0.00	7
Memberships	\$7,500.00	\$7,500.00	\$0.00	60
Totals	\$61,110.00	\$30,110.00	\$31,000.00	
campaign goal	\$120,000.00			
% of goal	50.93%			