

**Minutes of the Grain Train
Board of Directors Meeting**

Tuesday, December 15, 2009
Brother Dan's Food Pantry 6:06 PM

Present: John Paul Westbrook - President, Allie Greenleaf Maldonado - Treasurer, Trisha Shattuck - Secretary, Gary Hammons, Amy Maus, Jaime Jankowski, Maggie Daniels, Carrie Livingston - Grain Train General Manager

Guest: Member / Owner: Marnie Duse & new staff employee Carrie Harris:

Absent:

Time Keeper: Trisha

Secretary: Trisha

Our Mission: The Grain Train is committed to empowered individuals, vital communities and a healthy Planet. As a Natural Foods Cooperative, we are the trusted source in northern Michigan for high quality, local, organic and natural products at a fair value to our membership and community.

Call Meeting to Order 6:06, Quorum

Open Member Forum - The BOD welcomes two guests;
Marnie Duse and Carrie Harris.

Approval of November BOD Minutes - J.P. corrects the November, 2009 preliminary minutes to include Michael Cromley as being present. J.P. motions to accept the November BOD Minutes. Amy seconds the motion. Vote: Unanimous Approval

Next Meeting: Tuesday, January 19, 2009 at Brother Dan's Food Pantry - 6:00 PM

General Manager's Report - Manager's Report to Board for September 2009-FY end
Manager's Report to Board for November 2009

FINANCIAL

Sales for the month of November were 215,715.00 compared to 195,472.00 last year reflecting a 10.5% increase year to year. Year to date we are currently showing a 5.9% increase in sales with a ytd net loss of 5105.00 compared to a net loss last year of 43,154.00. November reflected a net gain of 12,577.00 compared to a net loss of 18,475.00 last year. YTD the Grain Train is recognizing a 9,500.00 gain in revenue compared to budgeted amount and over a 30,000.00 increase in revenue compared to 2008 YTD.

OPERATIONAL- Meghan hired Michael Paine in the bakery/deli in November to replace Joe Jablinski. Michael is proving to be a valuable asset to the organization and has demonstrated being a team player on many different levels.

Maria completed her reset of produce and her efforts have been reflected in the growth of her sales. In a comparison of October and November 2008 to 2009 the produce department has over 20% growth. This number should be recognized as outstanding when compared to the overall growth of store sales at 5.9% ytd.

We had 11 new owners join the Grain Train last month compared to 3 last November. Owner revenue for November 2009 was \$1250.00 compared to \$720.00 last year. Thanks, Carrie

OPERATIONAL- (Note: There are four additional Excel spreadsheets that are not included here, that were provided by the General Manager in her November `09 report. This sheet is `09 compared to `08.)

	Nov 09	Nov 08	% Change	% of Income
Ordinary Income/Expense				
Income				
41000 - SALES	218,396.42	197,538.15	10.56%	101.22%
42900 - SALES DISCOUNTS	-2,633.32	-2,065.91	27.47%	-1.22%
Total Income	<u>215,763.10</u>	<u>195,472.24</u>	<u>10.38%</u>	<u>100.0%</u>
Cost of Goods Sold				
51000 - COST OF GOODS SOLD	130,016.05	129,646.77	0.29%	60.26%
Total COGS	<u>130,016.05</u>	<u>129,646.77</u>	<u>0.29%</u>	<u>60.26%</u>
Gross Profit	<u>85,747.05</u>	<u>65,825.47</u>	<u>30.26%</u>	<u>39.74%</u>
Expense				
52100 - SALARIES & WAGES	40,430.18	38,374.74	5.36%	18.74%
52200 - OTHER EMPLOYEE EXPENSES	6,550.62	5,452.69	20.14%	3.04%
53000 - STORE & OFFICE SUPPLIES	4,173.69	4,156.96	0.4%	1.93%
54000 - OCCUPANCY EXPENSES	6,309.70	13,944.97	-54.75%	2.92%
55000 - ADVERTISING/PROMOTION/MEMBERSHP	2,496.10	2,111.22	18.23%	1.16%
56000 - SELLING EXPENSES	3,281.00	3,951.75	-16.97%	1.52%
57000 - ADMINISTRATIVE EXPENSES	2,066.68	6,340.02	-67.4%	0.96%
58000 - INTEREST EXPENSE	3,148.62	3,668.71	-14.18%	1.46%
59000 - DEPRECIATION EXPENSE	3,333.00	5,500.00	-39.4%	1.55%
Total Expense	<u>71,789.59</u>	<u>83,501.06</u>	<u>-14.03%</u>	<u>33.27%</u>
Net Ordinary Income	<u>13,957.46</u>	<u>-17,675.59</u>	<u>-178.97%</u>	<u>6.47%</u>
Other Income/Expense				
Other Income				
64500 - MISC INCOME	190.00	0.00	100.0%	0.09%
Total Other Income	<u>190.00</u>	<u>0.00</u>	<u>100.0%</u>	<u>0.09%</u>
Other Expense				
75970 - DONATIONS	236.85	100.00	136.85%	0.11%
79500 - FEDERAL INCOME TAX	1,333.00	700.00	90.43%	0.62%
Total Other Expense	<u>1,569.85</u>	<u>800.00</u>	<u>96.23%</u>	<u>0.73%</u>
Net Other Income	<u>-1,379.85</u>	<u>-800.00</u>	<u>72.48%</u>	<u>-0.64%</u>
Net Income	<u>12,577.61</u>	<u>-18,475.59</u>	<u>-168.08%</u>	<u>5.83%</u>

MEMBERSHIP/MARKETING-

J.P. suggests a 5.8% growth shift, but Carrie urges caution. Meijers is set to open soon.

Define the system for signing up new members.

The Grain Train has loyal members and quality Staff appear to be part of that loyalty.

Labor to sales is efficient resulting in less waste. Department heads carefully ordering.

11 new Member / Owners during the month.

A possible awards system was discussed for signing up new members.

Carrie describes group goals within the Staff having to do with increasing the membership.

Hal encourages a promotion to attract new members through increased visibility in the community at events, and through advertising.

At the registers, Staff should ask patrons if they are Member / Owners, and if so, remind them to use their Point Of Purchase I.D. cards. Possible small reminder sign at check out registers.

Old Business

GMM Review - The General Membership Meeting of Dec. 12, 2009 was well advertised. An effort was made to provide members with the opportunity to review proposed documents. A FAQ sheet was available well in advance to aid Staff with member questions.

There was a failure to anticipate the need for an effective Ballot, prepared in advance.

More tables and chairs should have been provided.

Trisha prepared a document to help with future GMM.

GT GMM Reflections / Improvements `09 - document was sent to the BOD.

Amy asks if in the future, the GT store closed early, it would increase the presence of members.

Carrie responded with there are non-member employees who would prefer to work the store.

New Business - Maggie suggests Nutrition Classes be taught at some forum. She urges there be a GT presence as a sponsor at North Central Michigan College, Family Day (Feb. 20, `10) where activities would be educational. Possible instruction in Reading Nutrition Labels.

Taste the Local Difference: Friday, February 26 at the Carnegie Building. This is not a BOD function, but a store function. Farming For Our Future will be present as well.

Welcome New Directors - Due to the short notice of this BOD meeting, coming soon after the elections at the GMM, not all new board members were present. The Board welcomes Renee Allen as she begins her three year term. Also: Jaime Jankowski returns to the board bringing her valuable experience.

Election of Officers -

Secretary: Trisha elected secretary.

Treasurer: Allie nominates Maggie, J.P. nominates Hal.

Hal carries the majority and is elected treasurer.

Vice President: Amy elected vice president.

President: J.P. Westbrook elected board president.

Committee Updates -

Strategic Plan Updated to include:

Future purchase of the lot adjacent to the Grain Train to insure parking for patrons.

Store sign Illumination to increase visibility.

Detail Policy & Procedures - For the Board. (See GrainTrainPolicyProcedures4-Oct09.pdf)

Create an Alcohol Policy

Update the Board Handbook

Ethics Policy has been done.

Create a Rainy Day Fund for unforeseen expenses.

Establish an Internet Website

Include a board-related section with links to BOD minutes & posted financials.

Finance Committee:

Hal states the budget should be thought of as a simple dashboard for comparisons to the actual financial information.

Next Finance Committee meets: February 2, 5:30 PM at the Library

GM Review Committee:

The Board must complete a review of the General Manager's performance.

Previous documents have been recently forwarded to Board members.

Adjournment - 7:38 PM