

**MACOMB FOOD CO-OP BOARD MINUTES
HARVEST PARTY & ANNUAL MEETING
September 12, 2017**

The Macomb Food Co-op's 2017 Annual Meeting was held at the First Presbyterian Church in Macomb with 86 owners in attendance. Co-op Bylaws require the annual meeting be held within 120 days of the end of its fiscal year, which runs July 1-June 30.

A potluck preceded the meeting at 6:00 pm; the meeting began at 7:00 pm. Board President Gordon Rands used a PowerPoint presentation to guide the meeting. The meeting agenda follows:

- o Review recent events and the feasibility study conducted by Dakota Consulting.
- o The Board's decision
- o Questions and answers
- o Importance of Owners
- o Task Force activity

The Co-op was approached by City of Macomb officials regarding its possible interest in being included in the Modern Home building redevelopment.

An owner's meeting was held on July 29 with about 40 in attendance, to discuss having a feasibility study done. A strong interest was conveyed that we should explore the possibility of the Modern Home location by a show of hands, even though paper ballots were available for secret ballot vote. Members were told that approximately \$7,000 was needed for the study. \$6,950 was pledged and/or paid that evening for the feasibility study. The Board later decided to have two additional locations included besides Modern Home.

Dave Retzlaff, the consultant from Dakota Worldwide Consulting, traveled to Macomb and spent time meeting with city, county, and university people. He looked at four options and three sites. Each site has pros and cons. Those sites/options and sizes are as follows:

Modern Home	5,000 sf	3 year weekly sales projections =	\$20,560-23,451
Modern Home	10,000 sf	"	= \$35,570-40,633
West side location	8,800 sf	"	= \$36,364-41,200
East side location	8,800 sf	"	= \$26,309-30,058

Concerns expressed about Macomb:

- o Natural food propensity below average for a college town
- o WIU enrollment declining for 9 years
- o Above average retail vacancies for a college town
- o Lack of trendy chains for a community our size
- o Minimal housing starts, few high schale neighborhoods

The Board's decision was based on the following key considerations: we feel we should expand; a near square location is preferable; 6-7,000 sf of sales space may be too large; other near-square locations may become available; Modern Home redevelopment does not depend on the Co-op; the Board is uneasy about proceeding without more owners and more capital.

The Board decided we should inform the Modern Home developers that we cannot commit to being a MH tenant. We need to put our energy into three things: significantly increase number of owners; raise expansion capital before relocating; increase awareness and sales. These will require greater owner involvement.

Gordon then asked for questions, some of which were:

What is our current sales space?

What are weekly sales now?

Did consultant survey detail natural food propensity?

What is the amount we want to raise?

Did consultant say what our potential is in current location?

Will the city retain ownership of space?

Have we asked owners why they don't shop?

Will we compete with other grocery stores?

Can we get a loan?

How many current owners do we have?

How many do we want?

Was the consultant optimistic?

What is owner liability?

Gordon continued by saying the owners' critical importance provides a foundation of customer base, a volunteer base, a source of contacts and ideas, a source of low interest loan capital, and a source of Board members.

The Co-op is offering a monthly drawing for one \$25 gift certificate each month in the next four months. Owners making non-online purchases of \$10 or more are entered in the drawing. Winners can apply the \$25 to in-store or online purchases. Contestants can only win once in the four months. Board and staff are not eligible.

Our ability to survive and thrive requires greater owner involvement. The board has identified a list of key task forces and hopes that everyone present will select a task force that interests them. Attendees regrouped at the table of that task force for discussion. The following task forces have been identified, with Board members/staff heading them:

Ownership/Membership - Jeanne

Capital Campaign – Crystal (to be reassigned)

Store location & design - Randy

Grants - Brian

Prepared Foods - Pam

Marketing - Sydney

Outreach - Gloria

Owner communication - Tim

Respectfully submitted,

Rose Elam, Secretary