

Grange Grains Plan

The overall management of the Grange Grains project will be the Little Lake Grange #670, as a program of Little Lake Grange. Final management decisions will rest with the board and officers of Little Lake Grange, in accordance with the MOU between Little Lake Grange and North Coast Opportunities. This project first and foremost is a local food security project, and any profits made above and beyond expenses of maintaining the operation should first be considered as a means of enhancing local food security.

Grange Grain Committee has responsibility of:

1. Oversight of project accounting.
2. Oversight of purchases related to the project.
3. Work on pricing structure of grains
4. Recommend for appointment a Grange member to Sign checks for over \$100.00 from the Grange Grains account.
5. Make recommendations for employees/workers
6. Hold grain project meetings with committee and project workers as needed.

Project workers have responsibility of:

1. Keep weekly accounting of sales and expenses.
2. Learn to use the auger (yet to be purchased) to load grains into silos.
3. Order Grains and other supplies necessary for the project.
4. Give copies of all receipts for purchases, accounting records and checkbook reconciliations to the Grange secretary on a monthly basis.
5. Keep accurate accounting of mileage, hours, sales and expenses related to the project, with invoices as backup.
6. Sell and deliver grains to business customers.
7. Market the project to both public and commercial customers.
8. Keep track of inventory of grains, bins and bags.
9. Hold regular sales days for general public to purchase grains.
10. Have a valid driver's license, all necessary insurance and licenses to perform project duties.
11. Arrange a vehicle to use for transportation of grain.
12. Workers will provide regular retail hours to sell grains to the community at winter farmers market 3.5 hours per week.

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13. A worker will complete bookkeeping and advertizing 4 hours per week paid at \$15.00 per hour, approximately \$240.00 per month (\$1560.00 during the 6 month trial run).
14. A worker will also work on a commission of \$0.25 per lb for sales over 191 lbs per week. (Based on sales of 10,000 lbs last year, commission will be paid on sales over the 10000 per year/191 lbs per week).Mileage will be reimbursed to the grain worker at the federal reimbursement rate of \$0.50 per mile upon submittal of valid mileage reimbursement form.
15. Sales at pancake breakfast will be by volunteers from the Grange.

Professional and Advisory Support

- Standing committee: Grange Grains committee as designated by Little Lake Grange #670.
- Grains Bookkeeper: Reports to committee who then reports to the Grange at large.
- Grange Insurance Policy: Add silos to liability insurance and up the amount of product sales insurance.
 - o Grange Grains will get a separate insurance policy to cover contractors. \$500 is budgeted in for insurance.
- All funds to be deposited in a separate Grange account. Dual signatures will be necessary on checks, one grain worker and one designated grange grain committee member.
- Mentors and key advisors are Patty Bruder and Cyndee Logan.

Location

The primary location of the grains is in the 5 grain silos located at 291 School Street, Willits CA 95490. Additional storage space for buckets and bags is located in the North stage cellar.

Little Lake Grange owns the property where the silos and storage space are located. Access to the grain silos is through the back driveway to the second set of parking stalls.

Weekly deliveries will be made to local businesses. Grains will be sold at the monthly pancake breakfast by Grange volunteers and during the winter farmers market for three and one half hours per day each Thursday by Grain workers.

Legal Environment

Describe the following:

- Licensing and bonding requirements:
 - o The grain project is a program of Little Lake Grange #670. The Grange is a 501-C8.
 - o Grange Grains will secure it's own re-sale license.
- Permits:
 - o The grain worker will secure a food handlers certificate.

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- o Zoning or building code requirements
- o The Grange will secure a permit for the awning over the silos through the City of Willits.
- Insurance:
 - o Grange Grains has \$700 budgeted in to pay for business liability insurance.
- Trademarks, copyrights, or patents (pending, existing, or purchased)
 - o Grange Grains has permission to use the Grange Logo.

Financial Considerations

In 2009 Grange Grains lost \$2,813 due to startup costs.

2011 projected grain retail sales: If 10,000 pounds of grain are sold at retail price of \$1.75/pound Grange Grains will profit \$8,450 after expenses are paid.

2011 projected grain business sales: If 26,000 pounds of grain are sold at \$1.50/pound Grange Grains will profit \$6,726 after expenses are paid.

Complete financial records and projections can be found on-line in Appendix A.