

# A Yellowstone-Teton Regional Transportation System

vision

## Cooperative Business Considerations

July 9, 2009, West Yellowstone, Montana



# What is a Cooperative?

- **Member / User – Owned**
- **Member / User – Controlled**
- **Member / User - Benefitted**

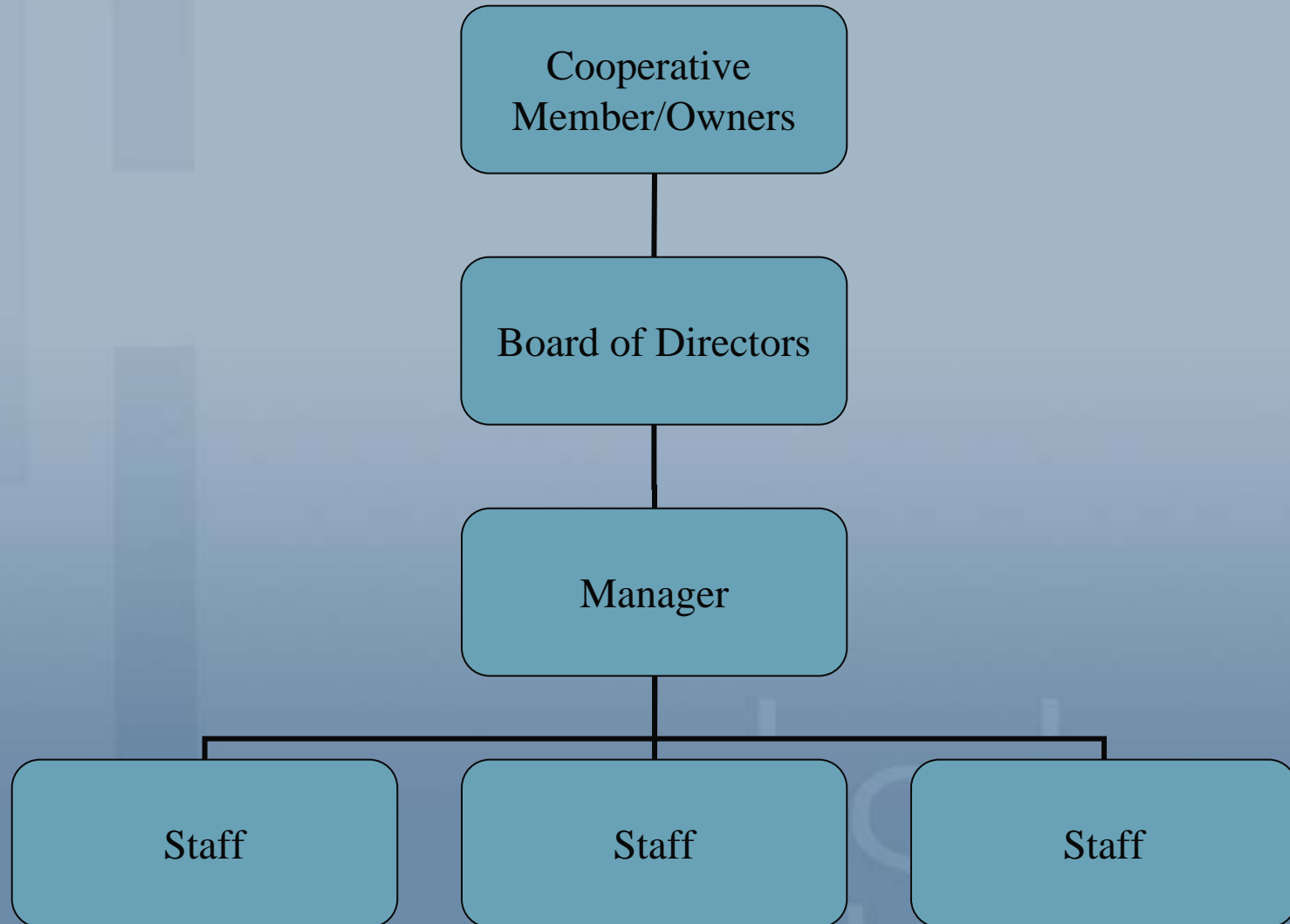


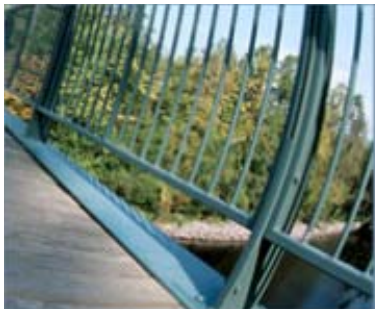
# Cooperative Principles

- Voluntary & Open Membership
- Democratic Member Control
- Member Economic Participation
- Autonomy & Independence
- Education, Training & Information
- Cooperation Among Cooperatives
- Concern for Community



# Governance





# Starting a Cooperative

## Sequence of Events Outline

1. Invite leading potential member-users to meet and discuss issues. Identify the economic need a cooperative might fill.
2. Conduct an exploratory meeting with potential member-users. If the group votes to continue, select a steering committee.

**Go / No Go**

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# Assess Interest

Sequence of Events Outline

3. Survey prospective members to determine the potential use of a cooperative.
4. Discuss survey results at a second general meeting of all potential members and vote on whether to proceed.

**Go / No Go**

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# Use Cost Analysis

Sequence of Events Outline

5. Conduct a needs or use cost analysis.
6. Discuss results of the cost analysis at a third general meeting. Vote by secret ballot on whether to proceed.

**Go / No Go**



# Feasibility

## Sequence of Events Outline

7. Conduct a feasibility analysis and develop a business plan.
8. Present results of the feasibility analysis at the fourth general meeting. If participants agree to proceed, decide whether to keep or change the steering committee members.

**Go / No Go**

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# Secure Member Commitment

## Sequence of Events Outline

9. Prepare legal papers and incorporate.
10. Call a meeting of charter members and all potential members to review and adopt the proposed bylaws. Elect a board of directors.
11. Convene the first meeting of the board and elect officers. Assign responsibilities to implement the business plan.
12. Conduct a membership drive.



# Start up the Cooperative

## Sequence of Events Outline

13. Acquire capital and develop a loan application package.
14. Hire the manager.
15. Acquire facilities.
16. Begin operations.

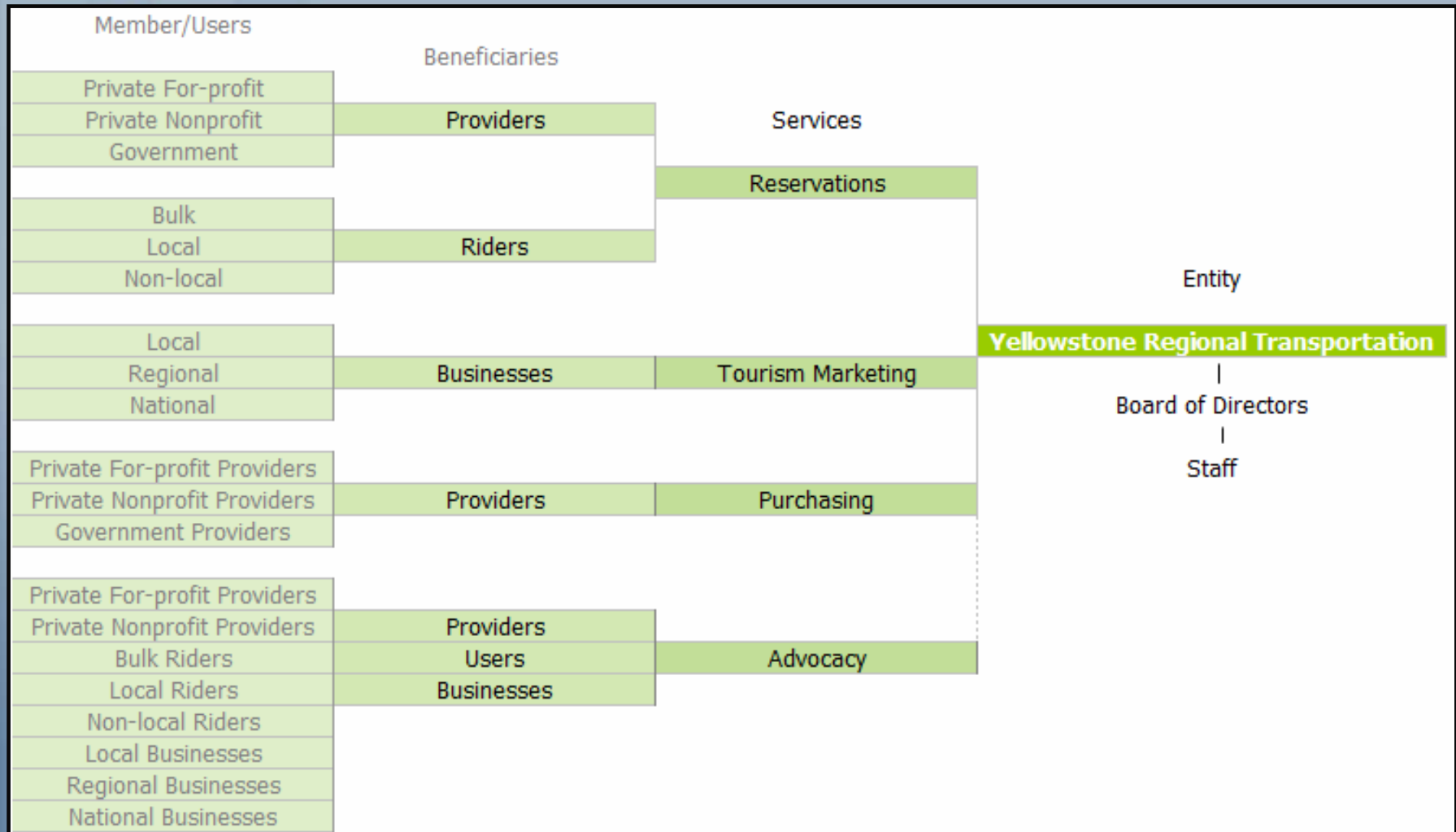


# Feasibility Study

- Setting, Purpose & Description of Project
- Market Potential & Source of Supplies
- Technical Features
- Schedules of Net Benefits & Capital Requirements
- Benefit-Cost Ratios & Internal Rate of Return
- Project Benefits & Costs
- Proposed Financial Plan & Projected Cash Flows
- Recommendations for Implementation



# Services & Beneficiaries





# Feasibility Resources

- Legal
- Insurance
- Accounting
- Information Technology
- Departments of Transportation
- Advocacy
- Project Management
- System Users (i.e. potential members)
- What Else?



# Steering Committee

## Skill Assessment

- Legal
- Business
- Financial
- Marketing
- Fund-Raising
- Human Resources



# Thanks!

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