

**YELM COOPERATIVE
Board Meeting Minutes**

Phoenix Rising School
May 10, 2012

Next meeting is Thursday, June 14 at 6:00 pm at Phoenix Rising School.

Members present: Bill Wyman, president; Aaron Rodriguez, vice pres. and treasurer; Marilyn Reardon, secretary; Tom Dewell, member

Guests: Gary DiDonato, store manager

Meeting was called to order at 6:12 pm by Bill Wyman.

Meeting minutes

April minutes were approved.

April special meeting minutes were approved.

Financial report – Bill and Tom

- ▲ The store re-opened April 27th at Gordon's Garden Center. There was a 5 ½ day closure for the relocation.
- ▲ Bill and Tom showed the Board the April P&L. As expected due to the relocation, net income was -\$3,032.
- ▲ Tom presented a 12 month running total of budgeted vs actual sales. Due to the closure, April store sales came in at \$43,988.
- ▲ Chart shows that Buy Club revenue figures run on a 6 month cycle of high and low. We are currently at a low point, so the closure may not have had significant effect on Buy Club sales.
- ▲ We cannot sell wine until the new liquor license is received. The 14 day waiting period for public comment will end on May 17. If all documents are approved, we can begin to sell wine on May 18.
- ▲ We cannot receive food stamps until the new license is approved. This will take approx. 45 days after the application is received. Marilyn will submit as soon as Bill and Aaron forward me their required information.
- ▲ Sales for the first full week of May were \$16,409 which was surprisingly good.
- ▲ April's rent to Kellie Peterson was paid on May 2. The rent is due on the first of the month; Tom will instruct the bookkeeper to immediately pay May's rent and advise her how the utilities should be handled based on the lease agreement.
- ▲ Kellie has been excellent to work with during this transition period.

Strategic Planning Committee Report - Tom

Farmers Market – Tom

- ▲ City council approved the Farmers Market on May 8th. They were very complimentary of Geana and the co-op for professionalism, cooperativeness and completeness.
- ▲ Market will open on Sunday May 27th and continue on Sundays into October.
- ▲ Tom presented Geana's list of equipment needs and costs for the opening. The total budget for opening is between \$2557 and \$2943. Tom will get a list of sponsors from Geana this week.
- ▲ The city must be indemnified. The FM joined the WA State Farmers Market Assn and purchased insurance from them. Tom will check the policy to see if the city is listed.

Educational Garden - Tom

1. We do not have a Program Manager at this time. Tom will set up a meeting with Pastor Braun at the Our Redeemer Lutheran church. One of the things to be discussed is that there may be an interested person from the congregation to take on this role.
2. The project is on hold until the church submits the special use application to the city.

IRS 1023 Application - Tom

1. Tom has to include the Y-T-D financials before submitting.
2. The application was reviewed by Breckan Scott, our pro bono lawyer. There needs to be a legal decision about the specific class of charity the Yelm Cooperative will be.

Manager's report - Gary Di Donato

1. The store needs some “character”. Tom made a proposal to hire Florence on a 3 month contract to work with display and coordinate, with Terri Church, the grand opening and Prairie Days parade. The Board agreed and Tom will explore with Florence next week.
2. Gary recommends hiring 2 cashiers – one for an 8:00 am -2:30 pm shift and one for a 2:00 pm – 8:00 pm shift Monday – Saturday. Tom did research and found that \$10/hour is typical pay in our area. Tom said this would add approx. \$3000/month in payroll cost. Discussion ensued. It was recommended by the Board that 1 cashier be hired if we can afford it. This paid cashier position would be required to train volunteer cashiers, freeing up Jutta for managerial tasks. Gary will send the Board the number of hours per week need covered. Gary will connect with Jutta and Kate and find out if a cashier job description has already been developed.
3. Aaron moved, Bill seconded that Sarah Morgan's floor manager position pay be raised to \$12/hour. Discussion ensued. Passed unanimously.
4. The sliding doors need flashing for blocking mice. Bill will look into it.
5. The main door being left open lets flies in. An above-the-door fan needs purchased. Bill will research.
6. Windows on the west side need sun/heat blocking. Gary will research window coverings.
7. The produce area needs reworked to be more functional and more interesting.
8. Bill stated there are no funds available for the wine cave build-out. Aaron noted the best time to ask for donations is now. A few ideas were discussed for blocking off the area temporarily to reduce the cluttered look.
9. Gary wants lighting for some dark areas of the store to increase interest in products on the shelves. He knows what kind to buy. Bill asked that none be purchased until the health department gives approval for our current lighting.
10. Bill expressed concern about the emptiness of shelves and how many products have been sold out. The Board agreed this is a major issue and wants a strategy from Gary to solve the problem asap.
11. New working members are still much needed. Marilyn will create a large poster to be posted at checkout. Aaron will design a presentation and coordinate a member meeting at Gordon's Grange to ask for current members to talk to friends and neighbors about volunteering. It was suggested that perhaps the title “working member” is deterrent and perhaps we should go back to the term “volunteer”. No decision was made.
12. Marilyn expressed the need for Bev Mitchell to get a working key to be able to clean the store. Marilyn will contact Clint's Locksmith and solve the problem with non-working keys.
13. Bill noted that Gordon's will have the largest sales of the year this upcoming weekend and the store should do something special to draw new people into the store.

Relocation – Bill/ Marilyn/Tom

1. Tom will complete the liquor license application and deliver to the the LCB no later than May 16. That is the deadline for receiving our application. A signed lease is required to be submitted and is the last piece of the application that is outstanding. This will be signed tomorrow.
2. Marilyn is completing the USDA food stamp application. It is complete except for Bill and Aaron's ID information. They need to send it to her immediately. The USDA allows 45 days from the date the application is received to approve a license.
3. Relocation budget was for \$17,200. Due to the requirements of the health department, the estimated actual will be approximately \$20,500. There are still invoices coming in.
4. The store is operating on a temporary occupancy permit. Monday 5/14 is the ending date of the permit. Bill will ask for an extension so that the last few requirements from the city and the health department can be completed.
5. Outstanding items on the list are: mats for the front of the bulk area. Marilyn will research mats that fulfill the health dept. requirements; backflow device under the mop sink - Bill will install next week; a 6 ft. fence around the trash area. The store does not have sufficient funds to complete it at this time. Bill feels that the city will allow more time because the trash area has had all the other requirements completed.

Executive session

1. Bill noted that the issue with the city is that they don't put things in writing and don't cite specific codes or zoning laws. The store wants Gordon's to be responsible for window decorating as part of the lease agreement. So far the city has denied this. Once both the store and Gordon's get their permanent occupancy permits, then this matter can be taken up again with the city.
2. Aaron moved and Bill seconded that the Board receive an across the board 20% discount until December 1, 2012. After that, the Board will receive a standard 2 cards per month – the equivalent of 12 hours of Board work. If the Board member works a shift in the store or does other work outside of basic Board work, they will report their hours to the store manager and be issued a 20% \$100 discount card, as any other working member would receive. Discussion ensued. Passed unanimously. Marilyn will notify store staff via email. The Board secretary will be responsible for bringing the cards to the monthly meetings.
3. Aaron will organize a celebration dinner for the staff for the relocation being completed. This will be an opportunity to mend relations with them and listen to their point of view.
4. There are many issues surrounding Gary's management of the store. These were discussed. He is still in his 90 day probationary period. If he is released from the position, ads should be placed in the Olympian and Nisqually Valley News to bring as many qualified candidates as possible into the candidate pool. Marilyn will resend the store manager job description to Board members. Tom and Marilyn will meet to develop a strategy to address the issues with Gary re: what functions he is performing well and which he is not.

Adjourned: 10:08 pm.

Submitted by Marilyn Reardon, Secretary

Bill Wyman, president

Aaron Rodriguez, vice president