

YELM COOPERATIVE
Board Meeting Minutes
 Rosemont Retirement Center
 July 11, 2013

Next meeting is Thursday, August 8 at 6:00 pm at Rosemont Retirement Center

Members present: Bill Wyman, president; Beverly Wright, vice president; Tom Dewell, treasurer; Marilyn Reardon, secretary

Staff present: Kayla Mahnke FM program manager

Excused: Terry Kaminski, director; Barnaby Rintz, YFC general manager;

Guests: none

Meeting was called to order at 6:04 pm by Bill Wyman.

Open session

No guests.

Letter (unsigned) from working member was reviewed. The letter was given to Beverly by Lisa Geier.

Meeting minutes

June 13, 2013 Board minutes were approved.

June 17, 2013 special meeting minutes were approved.

YFC general manager report – via email report from Barnaby

- Barnaby will be asked to reformat the layout of reports to improve ease of reviewing by the Board.
- Year-to-date (YTD) P&L statement was reviewed. Y-T-D net income is \$17, 929. However, a large amount of that has gone to newly purchased assets.
- Avg. June basket size - \$22.14; average daily sales -\$2808.05 which is a 1.1% growth over May on a per day basis.
- Barnaby researched and gave information to the Board in the following areas:
 - margin application
 - inventory: has grown by \$6000 over the last quarter inventory and must be contained
 - produce waste: install air conditioning; get a larger produce chiller
 - Keystroke issues: if the issues cannot be resolved, a new system should be installed
 - product loss: reduction in loss of write offs will be pursued
 - transfer store use incidents of COGS to the expense category
 - near-date price reductions
- There are four new working members; no working members have left.
- New membership revenue - \$352.50 from 18 new members; member renewals; \$387.50 from 23 renewals.
- Motion was made to pay Bill Wyman, Board president \$35/hour to help install the air conditioning units. Motion seconded. Discussion ensued. Passed.
- Future capital outlays: a 10-12 ft. produce case with R4-10A refrigerant would cost \$40,000 and would require a loan to purchase; an additional 2 door R410-A freezer display case is needed, as well.
- Training manuals for paid staff are needed.

The Board agreed to the key YFC metrics to be reported monthly to the Board:

- total merchandise sales – Buy Club
- total merchandise sales – general
- wine sales – month to month chart showing gains or losses
- total store sales
- total misc. income
- total income
- total purchases -resale items
- COGS (real)
- gross profit
- total expenses
- net ordinary income

- sales margin
- average daily sales
- debt:earnings ratio – must be researched to how this is calculated
- capital expense outlay (if applicable)
- maintenance costs (extraordinary only)

Financial report – Tom/Bill

- Tom will be added to the Twin Star CU account. Debbie has been removed.
- The title of the Twin Star YC account will be changed to “General Fund” account.
- Tom will meet with Judy next week to set up a full Chart of Accounts for the General Fund.
- A general fund P&L will be created.
- The Board reviewed three key financial charts: 1) June 2012 to present YFC P&L. There has been steady growth in sales since February, 2013; 2) wine sales and profit. Wine sales have leveled off at approx. \$2000/month from a high of \$5500 during April. In the future this report will be included in the YFC set of financial reports; 3) bank balances for all accounts.
- The P&L for the Farmers Market needs to be revised to accurately reflect deposits. Tom will work with Judy to clarify.
- At this time, as agreed to at the start of the FM, the General Fund has been subsidizing the FM expenses. This will change as supporters are gained and income increases from added vendors and higher sales volumes at the market.
- Tom has connected with Tulip Cooperative Credit Union. They support low income people with loans. Olympia Co-op has joined them. If we joined them, this could be a benefit for not only our members but also for the low income community in our area.
- The first step will be for Tom will contact T.J. Johnson on the Oly Co-op Board to see how it's working for them. Second, the credit union can visit the YFC and be invited to present to our Board. The Board can then discuss whether to join them.

Farmers Market – Kayla

- The market received a variance from the county today to allow for mobile food vendors.
- Geana Henkes has replaced Ryan Rutledge as Nisqually Springs Farm manager. However, Kayla will contact Ryan re: assistance with sponsor contacts.
- The Board reviewed the Y-T-D sales data for the market. We are pleased with the growth of the market.
- The market has extended its hours during peak season to 10 am – 3:00 pm.
- WFMA requires that 50% of market vendors are farmers. We have 61% farmers, 23% processors; 16% artisans.
- Total market sales to date to vendors is \$14,769.88.
- Total customer attendance to date is 1865. This is excellent for a newly opened market.
- Tom will work with Kayla to prepare a market P&L.
- The key metrics for the FM was agreed on. They are as follows and will be included in an Excel spreadsheet by Kayla:
 - total monthly vendor sales
 - total monthly income (all sources)
 - total monthly expenses
 - gross profit
 - net profit
 - average purchase size
 - average monthly attendance
- Kayla's 90 day performance evaluation is due. Bill will conduct the review. Bill and Marilyn will prepare the evaluation documents. It will be a 360 degree evaluation with vendors, Board and Kayla all completing evaluation documents.

Beer & Brat Fest – Marilyn/Bill

- The event was a tremendous success. The event increased name familiarity with portions of the community who were not aware of our presence and brought additional energy and excitement to Prairie Days.
- Total net profit was \$1594.
- Thirty people volunteered to assist the day of the event.
- Marilyn will organize a party for those who volunteered, using the leftover brats, hotdogs and beer.
- A debrief session was held to gather information on how to fine tune the event for next year.

- Next year the YFC should plan on doing promotions and excitement for inside the store. This was missing this year.

Strategic Planning Committee – Tom

- **CFEP**
 - A garden manager job description is complete.
 - Tom will place ads at The Evergreen State College campus (Kayla will assist); on Facebook pages; Bettye's newsletter; Masters Connection. He will also research Americorps volunteers. Marilyn will contact Lois Willman about posting among Master Gardeners.
 - Tom has contacted Lisa Smith, the executive director of Enterprise for Equity in Olympia (www.enterpriseforequity.org). What they do supports the YC's long range vision for the CFEP. Tom and Bill will meet with Lisa the week of July 22nd.
- **Yelm Downtown Business Association**
 - There have been 4 meetings; 10 businesses are represented.
 - The group is currently preparing a mission statement modeled on Olympia's association so that other businesses can be approached to join.
- **501c3 application**
 - As of July 10, 2013, the IRS website shows they are assigning applications received in April, 2012.
 - It was raised again to prepare a letter that could be taken to 2 potential donors to be used for an expedited application process. Bill will draft the letter and the Board will review it.

Policies – Beverly

- Motion was made to accept the policy on the Yelm Cooperative General Fund. Motion seconded. Passed.

New director recruitment

- Barbara Morando and Brad Brim will be meeting with Bill in the upcoming weeks to discuss the function of the Board and the time commitments. If they are interested, they will be asked to complete the Board application and meet with Bill, Tom and Marilyn. After that, if all is agreeable they can be appointed to a temporary position on the Board. Members will then vote in September at the Annual General Meeting on these candidates, in addition to the 2 directors currently on the Board who are up for re-election.

Annual general meeting

- Saturday, September 14th from 1:00 pm – 3:00 pm will be the date.
- Marilyn will contact the Yelm Senior Center.
- Marilyn will organize the balloting, as this is a key function of the Board secretary.
- Tom will post a “save the date” notifications on the website and via Mailchimp, starting next week. It needs to be clear that voting members are those that have paid an annual fee. All members are very welcome, as is the public.
- Tom will contact Debbie Burgan re: which members do not have email and must be sent an invitation via regular mail.
- Marilyn will get a poster and flyers made for the store.
- Board members will send their ideas for the presentation to Bill. Bill will be creating the final presentation and will send a draft to Board members for review in advance of the AGM.
- Bill will do the presentation.
- Based on the Directors' term matrix Bill and Terry are up for re-election.
- Bill handed out an updated term matrix.

Annual Directors' meeting

- The meeting to elect Board officers will be held on Thursday, September 26 at 6:00 pm, as required by the bylaws. This will be combined with a regular Board meeting.
- Marilyn will contact Rosemont to reserve the room.

General administrative matters

- **The Board agenda** topics will be changed to better reflect the new organizational structure as noted:
 - YFC report (formerly store operations report)
 - Farmers Market report

- Yelm Cooperative report – will include YC finance reports; SPC report and 1023 update report; other administrative matters.
- **Corporate record keeping:**
 - Tom will contact Dwight Littelfield to find out how many years corporate tax records must be kept on file.
 - Bill will continue research on fireproof file cabinets on Craigslist.
 - Records will be kept in hardcopy and electronically, such as: personnel records; bylaws, articles of incorporation; 501c3 application; RCW 3406; annual Board minutes; tax return documents for the YC.

The meeting was adjourned at 9:18 pm.

Submitted by Marilyn Reardon, secretary

Bill Wyman, president

Beverly Wright, vice president