

YELM COOPERATIVE

Meeting Minutes
July 10, 2014
Rosemont Retirement Center

Next meeting is Thursday, August 14 @ 6:00 pm at Rosemont Retirement Center

Directors present: Bill Wyman, president; Barbara Morando, vice president; Tom Dewell, treasurer; Marilyn Reardon, secretary; Terry Kaminski, director; Jeevan Anandasakaran, director

Program managers present: Barnaby Rintz, YFC general manager; Karen Rae, FM manager

Meeting was called to order at 6:02 pm by Bill Wyman.

Meeting Minutes

June meeting minutes were approved.

YFC general Manager Report – Barnaby

YFC financials were reviewed.

- Monthly sales (total) = \$83,121
- Average basket size = \$20.87
- YTD total sales = \$518,621
- Net income = \$10,111.70
- # of in store working members = 24; loss of 2
- # of out of store working members = 22; loss of 1
- Extraordinary maintenance cost = none
- Capital expense = none

There was a decrease of 2.6% in sales for June over June 2013. However, net revenue beyond expenses has been outstanding overall. The store is on pace to reach over \$1 million for the year. Barnaby has made adjustments to the spreadsheet to account for patronage refund as part of net revenue because the patronage refund originates from the net revenue generated from last year but it is deducted from this year's money. He added a line item labeled "retained earnings" since the patronage refund should reside between net income and retained earnings in financial reports.

Inventory was up from March by \$3145 to \$67,073. Inventory control will be important to improve cash flow over the next 6 months.

Barnaby is implementing new business procedures based on the book *The Great Game of Business*. Staff and working members will focus on financial reports to develop the store. Goals have been implemented for the month of July, including mini-programs, forecasting and identifying the most critical financial numbers. WM's and paid staff will have input. Managers will be integrated right away; WM's and paid staff

will be integrated more gradually. It is a consensus-based process. By September, Barnaby intends to have a full financial forecast of the month prepared by employees. The ultimate goal is to have a staff full of business leaders who act as if they are fully invested in the success of the business. Currently they have identified a goal of reducing product loss by 10% per quarter, starting in July. The next "game" will be to make the standard for WM's 1 shift per week. Those who go above and beyond will get store gift cards, if staff agree.

The store will have a 2"x2" color weekly newspaper ad in the NVN for at least the next 14 weeks that will highlight different aspects of the store each week.

Three paid staff members – Kate, Jutta and Debbie – have received raises equivalent to \$0.80 per hour to compensate for mandatory health insurance costs.

Logo – All

The Board and Barnaby will meet at Marilyn's on Tuesday, 7/15 from 2:30 – 5:00 pm to focus solely on this important project. The Board has invited Tina to assist with concept drawings.

Farmer's Market Report – Karen

- Total market income for June = \$2,378. Total net market income from Jan-June = -\$1677.77.
- Total weekly vendor booths ranged from 20-23.
- Total market day attendance ranged from 501 to 761 on Grand Opening weekend.
- Yelm Family Medicine became a sponsor with \$500 in sponsorship monies. Total sponsorship monies = \$1900. Bill and Karen will prepare the financial information for the sponsorship packets. Fall is the best time to solicit sponsorships when most companies set their next FY budgets. The Board needs to be active in gaining sponsors.
- \$208 of food stamps have been received and \$1030 of debit card transactions. Karen is investigating the viability of accepting credit cards. Karen has created gift cards that can be redeemed for market tokens.
- Barnaby has authorized that YFC WM's can receive WM hours if they work at the market. Consequently, there is now a set up team, a take down team and one person in addition to William to man the information booth and sell Schorno beef.
- Facebook likes are up by 5% over last month. 76% are women and the biggest audience is between 25-37 years of age.
- The market has an ongoing ad running at Yelm Cinemas; Karen did a radio interview with KGY and their advertising manager has introduced the first performing musician to the market; Karen is doing a 3 minute promo speech at the Chamber next Tuesday; the market's free ads from the NVN run this week in *The Shopper* and the NVN.
- The market newsletter will soon be launched; the website needs updated; full color flyers to be posted around town will be designed; weekly submissions to local newsletters will be made.
- The next growth strategy is to have activities/entertainment to encourage visitors to stay longer.

Yelm Cooperative

Treasurer's Report – Tom

Profit/Loss statement was reviewed.

- 99 Designs refund of \$500 has been deposited, as we withdrew our bounty within the allotted time frame.
- Total members paid = 41
- New members: = 17
- Total voting members = 743
- Total original members = 780
- Total June member dues received: \$997.50
- Member dues outstanding: \$13902.44 (due by year end)
- Bank balances as of 05/31: \$7889.70
- Line of credit balance: \$4800.00
- YC seed money to FM \$4178.50 (2014 only)
- YTD net income: \$9824.94

Tom has reworked the membership report for greater clarity and will rework the membership numbers for this month. He will meet with Dwight Littlefield on Monday, 7/14 to discuss tax reporting changes required for the YC's new status.

Beer & Brat Fest – Marilyn

- The rainy weather lowered the number of parade visitors substantially. Consequently, many brats, hot dogs and beer were leftover. We will find a way to use/distribute the leftovers. One use will be for the celebration party for the 31 Fest volunteers, which will be held at Kellie Peterson's house.
- Not all expenses are in, but currently net revenue beyond expenses for the fest is \$970. Although it is not a lot of revenue for the effort involved, the Board agrees that it is well worth doing because it keeps the name of the Co-op in front of the community and contributes to community fun during Prairie Days.
- Feedback includes: Buns from Cash and Carry were not good – need to find better ones next year; the Stewart's brat skins were tough; Stewart's Meats has not been good to work with; as a 501c3 we may be able to get brats donated next year; planning needs to begin 6 months ahead.

501c3

The process for handling donations needs to move forward. Under IRS rules, membership fees can be considered as a tax deduction for members because they are under the \$75 threshold. Omev Nandyal has created a donor database system (Compass). Motion was made and seconded to approve \$1500/year for this database. Passed.

Jeevan, Barnaby and Tom will constitute the subcommittee to identify what features are needed and will meet with Omev to discuss specific applications to the YC. This information will be brought to the August Board meeting. A WM needs to be identified to enter the data into the system.

A policy and procedure needs to be crafted for donations.

New Business

Strategic Planning

We need to assess where are we now and what we need to do next in preparation for a new 5 year plan. Bill, Tom and Jeevan will be the subcommittee to organize how the session will be organized.

Greatest Need

A donors has asked what is the YC's greatest need to which they could donate. Motion was made and seconded that the \$500 donation be designated toward purchasing a display freezer. Passed. The total cost will be approximately \$2000.

AGM

- The annual member meeting will be held at the on Saturday, September 6, from 2-4 pm at the Yelm Adult Community Center. We have the 2 rooms from 1-5 pm.
- Marilyn and Barbara will organize the food.
- Marillyn will organize the ballots.
- Voting for Board members will be held open until Sept. 16, 10 days after the AGM. This date is past our regularly scheduled Board meeting date of Sept. 11. Marilyn will reserve the Rosemont meeting room for a Sept. 18 Board meeting and will cancel the regularly scheduled meeting date.
- Jeevan will make a flyer to be handed out at the store. There will also be the usual announcements made via emailers and Grapevine.

Motion to adjourn was made and seconded. Passed. Adjourned at 8:10 pm.

Submitted by Marilyn Reardon, secretary

Bill Wyman, president

Barbara Morando, vice president