

YELM COOPERATIVE

Meeting Minutes
August 14, 2014
Rosemont Retirement Center

Next meeting is Thursday, September 11 @ 6:00 pm at Rosemont Retirement Center

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

Excused: Terry Kaminski, 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

July meeting minutes were approved.

YFC general Manager Report – Barnaby

July YFC financials were reviewed.

- Monthly sales (total) = \$90,357 up 3.3%
- Average basket size = \$22.44; up 7.5%
- YTD total sales = \$608,979
- YTD retained earnings = \$28,659
- # of in store working members = 22; loss of 2
- # of out of store working members = 22
- Extraordinary maintenance cost = \$536 thermostat replacement in chiller & shelf clips/organizers
- Capital expense = \$2029 new 2 door freezer

July sales exceeded projections by \$357 but the store is \$7000 below the annual sales projections shown in the FY 2014 budget. Inventory will increase in August due to UNFI food show purchases but these products should be sold by late September.

The Great Game of Business continues. Staff helped prepare the August P&L forecast. The target is that by November, the FY 2015 budget will be ready. Open book management continues. The team lost the game designed to reduce product loss but a new game was implemented called "Above and Beyond". The program awards WM's who work beyond the minimum requirement of 4 hrs/week with a gift card. Two WM's were given \$100 cards and others were issued cards from \$25-75. The total expense was \$475 and will be posted on August's expenses.

A new 2 door freezer was ordered for the purpose of expanding our line of frozen meals. This will make one of the freezers devoted exclusively to meat. Another freezer will have baked goods and general frozen items. The new freezer will be filled with desserts. The current chest freezer will contain frozen meals. However, the new 2 door freezer appears to be out of stock with no ETA identified as yet.

Barnaby wants to move toward purchasing the new produce chiller, with an anticipated install date of November 4-11th. He estimates the YFC will need to secure a loan of approx. \$25,000. Barnaby will contact One Pacific Coast Bank and the chiller distributor and installers.

Tamara Ulrich-Rintz has been hired in a temporary position as a manager to fill in for Kate Morgan while she is on a 40 day leave. Barnaby consulted with Bill and staff before making the decision, due to the potential conflict of interest. The Board has no objection to this, given the process and circumstances.

Based on recommendations by Jutta, Kate and Barnaby, Debbie Burgan's wage was raised to \$14.80/hr to match Jutta and Kate's current wage.

The "Kids Corner" was opened in early July and is a hit!

Farmer's Market Report – Karen

- Total market income for July = \$1690.20.
- Total net market income from Jan-July= -\$49,21.92
- Total monthly market sales (all categories) = \$19,604
- Total YTD sales (all categories) = \$58,062.68
- Total # of weekly vendor booths ranged from 18-22.
- Total market day attendance ranged from 513-568.
- Total YTD attendance 6,437.
- Total YTD net income = -\$3483.04

YTD sales totals is substantially up from last season. However, there has been a decrease in attendance and sales over the past month. This can be attributed to intensely hot weather (no shade for customers) and personal gardens are at the height of production. In addition, across the road, the Lions Club is selling produce cheaper. Artisan sales have dropped significantly. Once an artisan item is purchased, customers will not likely purchase again. The customer base continues to change. Currently, a substantial percentage are young military families. Karen wants to build marketing efforts to this group of people.

Vendors love our market and are building great relationships – sharing knowledge and resources. The market is "building community", something the YC holds as very valuable.

Facebook "likes" are up to 1378. Karen's target is 1500 - 122 more. Karen introduced a FB challenge in which folks tag photos of themselves at the market and post to the FM page. Each week a winner is chosen and receives \$15 in market tokens. There is a continuing ad at Yelm Cinemas. Reusable bags with the market logo have arrived and sell for \$10. Thanks to Barbara for sourcing the bags – they are very attractive!

Karen approached Sunbirds re: partnering in canning demonstrations. She is also looking for Sunbirds to give discount vouchers for canning supplies for FM customers. In order to have entertainment, shelter is needed. A double canopy costs \$500, for which she is seeking sponsorship. The canopy will be purchased as soon as sponsorship money is acquired.

Karen asked permission of the Board to explore the potential of moving the market into the city – either the Yelm Middle School parking lot or the Yelm City Park. She sees the growth of the market lies in offering an experience. Trees, grass, water and a state all create a basis for an enjoyable family experience. These are not available in the current venue at the farm. The Board is fully behind this effort and will assist as needed in overcoming the obstacles the city has currently in place. The city council will adopt the Unified Development Code for cities in September. Tammy at the city is the contact person. Karen will invite the planning commission members to attend a market. Board members should be there as well. The Washington State Farmers Market Association identifies how a FM looks and acts. The Board should dedicate a separate meeting where a full strategy to get the market into the city can be developed.

Yelm Cooperative

Treasurer's Report – Tom

July profit/Loss statement was reviewed.

- Total members paid = 35
- New members: = 11
- Total voting members = 754
- Total original members = 780
- Total July member dues received: \$831.50
- Member dues outstanding: \$13,223.50 (due by year end)
- Bank balances as of 05/31: \$8300.00
- Line of credit balance: \$4700.00
- Total July expenses: \$4551.73
- YTD retained earnings: \$10,471.21
- Due to YC from Farmers Market: \$4146.12 (decrease of \$32.38)

Tom prepared a graph of the YC's net worth from January, 2007 to July 2014. The graph shows assets vs liabilities and net worth. Net worth has risen steadily since August, 2012. Assets vs liabilities are in good balance, with assets far outpacing liabilities.

DUNS

Dun & Bradstreet is a well known commercial credit agency. They set, and make public, credit ratings of businesses. The YC has a DUNS # already; it costs \$1500/year for their service. Foundations, grant organizations or individual large donors could access the site and view our rating, which would be

extremely beneficial to us. The Board will table the discussion until September. Meanwhile, directors will read the links Tom sent us.

Tom will look into Equifax prices for this same service. Additionally, because the YC is now a 501c3 organization, all our tax filings will be posted on Guidestar as public information.

80/20 Rule – Tom

Tom created a customer/sales report for the store - very useful information. The product data could be the basis for weekly information/promotions. In addition the top customers could be the basis for focus groups – what would make their experience even greater; what products would you like to see in the store? Marilyn has experience designing focus group questions and running the groups, so no expense would be incurred to implement this.

- 68% of net revenue came from 20% of products
- 72% of net revenue came from 20% of products
- 73% of sales came from 20% of customers
- 35% of sales comes from 39 customers (top 20% of the 20%)

Promotion

Bragging Board

A “bragging board” should be built for the store and placed between the cash registers so people can read as they are waiting to be served. NVN articles of our programs and photos of our events should be posted on it.

Website

NVN articles should be posted on website.

Grapevine - Barnaby

There needs to be a 1 week turnaround. 9 cent color copy store will print in 1 day and deliver. More copies need to be made. The newsletter needs to have the formatting done much more quickly. We are willing to pay someone to do this. Board approved for the YC to share ½ the cost of the newsletter with the YFC. More content from other parts of the YC need to be submitted. Bill has agreed to submit a “President's report” and Karen has agreed to submit a Farmers Market article for each issue. Product ads can fill empty space, as needed. September 7 is the deadline for content to be delivered to Barnaby.

- Barnaby coordinates the publication.
- Barnaby will contact Pauline Amador re: formatting.
- Bill will submit a president's report each issue.
- Karen will submit a Farmers Market article each issue.
- Marilyn will proofread.

- Barbara will develop a list of where to distribute copies.

New Business

Events – Barbara

Gift of Gobble: Barbara asked the Board to set a target number of families to be served in 2014. 106 were served last year at \$65 per basket cost. Donation money that came in at the last minute remains in the G of G account. The Board settled on 125 for 2014. The limiting factor for increasing those served is storing and staging room. Barnaby will help Barbara find rental freezers to store turkeys. Barbara will contact Kellie re: the possibility of using the Grange as the distribution center. Barbara will use Vistaprint to get a banner that states that the Yelm Cooperative is the sponsor of this event.

Winter Working Member Appreciation Party: The Prairie Hotel doesn't require a caterer's license if it is a private affair and the names of attendees are recorded and kept. The date was set for Sunday, December 14 from 6:00 pm - 9:00 pm for the party. Setup will be from 3:00 – 6:00 pm and take down from 9:00 – 10:00 pm. We will rent the entry and first room only. The larger space will be too large for the number we expect to attend. Barbara will mention that we are now a 501c3 organization in the event the hotel would like to donate the rental cost. Marilyn will take the deposit check to the hotel.

Board Policies: A media policy will be drafted by Marilyn and sent out via email for a vote. Emails will be included in the policy.

New Article of Incorporation: Marilyn read the new article of incorporation that needed to be added as a result of the YC's new non profit status. (See attached.) Motion was made to adopt and was seconded. Passed. Marilyn will file with the Secretary of State's office tomorrow.

Change to Bylaws: A motion was made that Article 4(e) be changed to read, "The Annual Meeting of the Directors shall be held within *30 days* [previous bylaws read "two weeks"] following the Annual Meeting of the Members. At the Annual Meeting, the Directors shall elect the Officers to serve until successors are elected." Motion was seconded and passed.

September Board Meeting: We will meet the usual date of the second Thursday of the month. A vote on Board officers will be held via email motion and vote by no later than September 22. This will be after voting is closed at the store on September 20 and will allow sufficient time for filing the YC Annual Report at the Secretary of State's office by Marilyn.

Motion to adjourn was made and seconded. Passed. Adjourned at 8:35 pm.

Submitted by Marilyn Reardon, secretary

Bill Wyman, president

Barbara Morando, vice president