

YELM COOPERATIVE

Meeting Minutes
November 12, 2015
Rosemont Retirement Center

Next meeting is Thursday, December 10 @ 6:00 pm at Rosemont Retirement Center

Change of dates for Board meetings

Starting in January, Board meetings will be held at Rosemont on the THIRD THURSDAYS of every month until the difficulty with the timing of getting data for the financial reports can be resolved.

Directors present: Bill Wyman, president, Barbara Morando, vice president; Tom Dewell, treasurer; Marilyn Reardon, secretary, Jeevan Anandasakaran, director; Terry Kaminski, director; Diane D'Acuti, director; Carl Zambuto, director

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

Guests present: Heidi Smith

Meeting was called to order at 6:00 p.m. by Bill Wyman.

Open Session

No guests besides Heidi were present.

Meeting Minutes

October, 2015 minutes were approved.

At this point Heidi, Barnaby and Karen were asked to leave the room until after the vote.

Vote on Heidi Smith for appointed director position

All Board members had reviewed Heidi's application documents and had interviewed Heidi before the meeting. Each Board member gave a very favorable response to Heidi joining the Board. Motion was made to appoint Heidi to the Board. Seconded and passed.

Heidi, Barnaby and Karen were invited back into the room and Heidi was congratulated. She will stand for election by members at the Annual General Meeting in September 2016.

YFC General Manager Report – Barnaby

October YFC financials were reviewed.

- Monthly sales (total) = \$95,550 up 6.86% over September
- Average basket size = \$24.85 down 0.72%
- YTD total sales = \$940,831
- # of in store working members = 17
- # of out of store working members = 16
- Capital expense = \$1923 – signs; not including installation
- Extraordinary maintenance cost = None
- Retained earnings = \$216

- YTD retained earnings = \$5032

Financials

The store is above its projected total sales vs budget, but \$17,000 below projections when wine sales are removed. Cash flow is an issue and for now there is a freeze on purchasing new equipment. Reducing inventory still needs to happen but the holiday season requires the shelves be well stocked.

Shortfalls in revenue need to be addressed in Barnaby's 2016 store goals. Barnaby thinks that reworking the current marketing plan in regard to emails and FB would help. Additionally, the goals need to address how high inventories will be lowered. There is also an issue with clarity of financial reports.

Jeevan will assist Barnaby in designing reports that will be more effective management tools for Barnaby.

Projects

The sign over the door is installed; the sign for the eastern wall is getting a background of distressed wood. David at Dreamtime Signs is donating extra time to complete the project.

The store still needs extra shelving for refrigeration units, new bulk bins and 2 touchscreen monitors re: new setup for Keystroke. The store will purchase the monitors early in 2016 if it can discontinue its remote access software renewal by using Windows 7 version of remote access. This change will result in the monitors being paid for in approx. 12 months. This is an excellent ROI.

Operations

Produce maintenance has improved greatly. The misting system has been optimized to keep leafy greens hydrated and closing produce has helped, as well. An instructional meeting about produce was held 2 weeks ago. The notes were distributed via email to all staff. Reinforcing training is critical to sustaining improvements.

Training and Development

Debbie took an advanced Excel workshop in early November and will be of great benefit to the store. The cost was \$149. The YC paid for this training. Debbie paid for the supplementary tutorials (\$199). Discussion was held whether the YC should reimburse Debbie. The decision was not to reimburse. There is a procedure to be followed for reimbursement and because this extra cost was not initially requested, the Board declined to have the YC pay for it.

Farmer's Market Manager Report – Karen

October Monthly Totals: Sales and Visitors

Farmer Gross Sales = \$9591.22

Resellers = \$38.32

Processors = \$6551.25

Artisan = \$2532.70

Prepared food = \$965

Increase over 2014 = 25%

Visitors = 1624

Increase/(decrease) over 2014 = 5.4%

Average sale = \$12.52

Increase over 2014 = 28%

FM end of season totals

Gross sales = \$131,757.38 up 25.3% from 2014

Gross market income = \$18,468.63 - up \$2058.63 over projected

Attendance = 11,783 - up 5.4% from 2014

Sales per visitor = \$11.18 - up 19% from 2014

External funding = \$15,608.32 - up \$8672 over projected

- Sponsorships = \$8500
- Donors = \$6955

Total Market Income = \$30,954.45 – up \$8957 over projected

Expenses = \$32,662.82

Net revenue/(loss) = (\$1,708.37)

Expected revenue loss = (\$6,281.50)

Sales

Sales were projected at \$140,000 for the season and that ambitious target was not met. Next season the target will be more conservative but Karen feels it will be exceeded. Sales were down due to no beef sales, little pork for sale, the flower farmer only coming sporadically and the corn harvest failure.

Fardell Farms has run a big fruit farm stand for 20 years and are excited to become a reseller for next season. This will be terrific, in that our Market will have a greater representation of crops that our local farmers don't grow, especially at the beginning of the season.

Prepared food sales growth is not accurate, as last season Susie's sales were recorded as Processor sales. Therefore, Processor sales have had fantastic growth this year.

Budget

The 2016 budget Karen submitted is a "dream" budget, but achievable. However, there are many things that can be cut, if necessary. Karen will create contingency budgets by next week.

The Board reviewed the 2015 and 2016 budgets. With increased sales in October the market came out \$1039 under budget for the month. However, Karen has made adjustments to the November/December budget: She added an additional \$400 management cost for the extra week in November and she will also be working the first week in December, so an additional \$400 was added for that. Additionally, Karen cut the travel budget of \$50, leaving a \$700 increase to the final 2015 budget figures.

Sponsorships/Donations/Grants

Sponsors can make payments vs one-time payment.

Today's Dental has signed up again to be the music sponsor and has begun payments. Having long term, committed sponsors in advance of the season is a great thing and Karen will be building current sponsor relationships and finding new ones who might do this.

From a seminar Karen attended, she learned asking for donations in December is the best approach. She has an expected \$500 donation coming in in December, although it may come in later. She is still learning about this approach.

Vacation

Karen will be out of town visiting her parents from December 10 – February 1.

Yelm CooperativeTreasurer's Report – Tom

The YC budget was reviewed.

October SOFA

- Month net revenue: \$1538.23
- YTD net revenue: \$7877.69
- General fund bank balance as of 11/06: \$7941.46
- Line of credit authorized total: \$50,000
- Line of credit owed: \$16,724.78
- Line of credit available: \$33,257.22
- FM support to date: \$4518.88 (unchanged over last month)
- YTD donation revenue: \$4192.91 (with carryover from 2014)
- October expenses: \$874.92
- Total YTD expenses: \$8882.99

Membership

- Total members paid: 54
- New members: 14
- YC members renewed: 30
- Original members renewed: 10
- Fully paid: 18
- Total YC members: 426
- Total YFC members: not reported – being revised
- Member payments received in the month: \$1,030
- YTD member payments received: \$13,095.31
- Total estimated annualized member payments: \$15,695 (excluding new members)

The estimated annualized payments are based on the average monthly member payments-to-date x the remaining months in 2015.

There is a goal to have more accurate total member numbers. Tom and Debbie are working on this.

Carl's committee should have a goal of having 100% members pay in full.

Tom will build into the Treasurer report what percentage of expiring renewals is actually renewed. Stella Wasylyk is continuing to call members whose membership is expiring and follow-up emails are being sent. The Board wants to assess the impact this effort is having.

Tom is preparing the financial reports' training. The Board's key responsibility is fiduciary, so all new Board members need to understand the reports. Tom asked us to tell him what we want to know/what is important to us as Board members in regard to financial reports.

Old Business

Membership/Marketing Committee – Carl

The committee met on October 20. On Wednesday, Jutta and Carl will together draft a letter to members in which Carl will introduce himself. The committee is focused on how the value of membership can be built at the checkout station, where cashiers talk about membership with customers. Barnaby will send the Board the staff training manual he uses with cashiers re: how to present membership. The Board also should be well prepared with a consistent message when talking about YC membership.

Compass 360 – Jeevan

Nothing to report.

Appreciation Party – Marilyn

The menu has been finalized with Dawn. Anne is working on the wines. Jutta and Marilyn are compiling a final list. The invitation will be emailed tomorrow by Jutta and will be emailed 3 more times before the party. Gifts have been decided. Marilyn has met with the Prairie Hotel re: venue requirements. Deb Johnson will be setting up the music. Barbara is heading up decorating. Marilyn will prepare the certificates of thanks. Marilyn reminded the Board that we are inviting everyone who has done any volunteering during this past year.

Gift of Gobble – Barbara

The fundraising team has so far raised \$3790 – a great team accomplishment. The total amount raised to date (in store contributions plus team calls on businesses) is \$5,075. There is \$2,925 to go with 11 days until Gobble distribution day.

There are 90 families nominated, including 25 military and 3 to each of a number of local churches. 35 more families are needed to be nominated to reach our goal of feeding 125 families.

Food has been ordered and some has arrived and is being stored in the store. Two 150 qt. coolers have been purchased to help store food on distribution day. They need to be permanently stored at the storage room.

Gobble has been advertised in the NVN (they are approaching us now), Masters Connection, Steve Klein's blog and via personal posts on Facebook. Heidi and Barbara will talk about how to get a FB boost.

All major donors will receive a thank you letter and receipt of charitable donation. It is important that these go out quickly and some donors have already received them.

The scheduling for packing and distribution has gone out with resounding "yeses" from all volunteers. There is even a waiting list of people who want to volunteer this year!

Marilyn will bring hot spiced cider in a crockpot, cups and a ladle for volunteers on distribution day, as it is a cold venue.

Excess Gobble funds will continue to be restricted to Gobble. However, excess funds can appropriately be used toward a larger storage unit to allow Gobble items to be kept year to year. Funds could also be used to pay for the Gobble volunteer portion of the Volunteer Appreciation Party.

New Business

Bylaw revision

Motion was made and seconded to pass the revision to bylaw 4(a) to allow up to 12 Board members. Discussion ensued. Passed. Marilyn will distribute the change to Board members. Tom will update the website.

New Board member orientation

Heidi and Marilyn will expand the current new Director manual. They will also design a new Board member orientation session.

Funding possibility - Terry

Terry has been in contact with Oly Fed Bank regarding their funding of non profits in the communities their bank serves.

Terry, Bill and Tom will meet with Jane Walker of Oly Fed on November 24 at 11:00 am at the bank. Oly Fed only gives one funding per year.

On a broader scale, a comprehensive plan needs to be created to move forward on how funding will be done by the YC/FM/YFC on an ongoing basis.

Auditing

Karen has found that some funding institutions require a full financial audit as part of the application process. The costs are prohibitive, however, for a small non profit like the YC. The audits often cost \$20,000 or more.

Tom noted that not all funding organizations require formal audits. Alternatively, we can provide the funding institution with any financial information they require.

Barnaby and Karen were excused from the meeting.

Closed session

Motion to adjourn was made and seconded. Passed. Adjourned at 9:30 pm.

Submitted by Marilyn Reardon, secretary

Bill Wyman, president

Barbara Morando, vice president