

YELM COOPERATIVE
 June 16, 2016
 Meeting Minutes
 Rosemont Retirement Center

Next meeting is Thursday, July 21 @ 6:00 pm at Rosemont Retirement Center

Directors present: Bill Wyman, president; Marilyn Reardon, secretary, Jeevan Anandasakaran, director; Heidi Smith, director; Terry Kaminski, director; Carl Zambuto, director; Debbie Lusk, director

Program managers present: Barnaby Rintz, YFC general manager; Suzanne Santos, YFM manager

Excused: Tom Dewell, treasurer

Meeting was called to order at 6:01 pm. by Bill Wyman.

Open Session

No guests present

Meeting Minutes

May meeting minutes were approved.

May 23 special meeting minutes were approved.

YFC General Manager Report – Barnaby

April YFC financials were reviewed.

- Total monthly sales = \$105,690
- Average basket size = \$24.58 up 4.6%
- YTD total sales = \$492,163
- # of in store working members = 12
- # of out of store working members = 20
- Capital expense = \$490 – wine cellar air conditioner
- Extraordinary maintenance cost = none
- Other extraordinary costs = none
- Retained earnings/(loss) = (\$6388) - after patronage refund
- YTD retained earnings/(loss) = (\$1026)
- Net margin = .42%

Financials

Reporting seems to be okay overall; however, the interest payments on our loan have not been displayed on the last two reports that I received from Quickbooks.

We reported a loss for May 2016, but please remember that this is likely not correct, due to the lack of a corresponding inventory for May. Moreover, we had five pay periods in May, which only happens in four months out of the year.

Wine sales growth is leading the overall store growth still. The increase from last May was just over 20%. Overall, sales for May were 8.3% over last May, and it was the highest month in total sales since Barn has been the general manager.

With the approval of the treasurer, Barnaby has changed the terms for the financial line items on the summary report that is attached to this email. The key reason has to do with matching the terms that come from Quickbooks. The one exception is that total income is sales based. It does not include what the store is calling 'pre-sales income and expenses' which include revenue sources like patronage refunds donated back to the store.

Finally, store staff plan to conduct the next inventory on Sunday, July 31st because they can count without needing to extrapolate purchases and sales data in order to get our financial figures to correspond with the end of the month. Moreover, the ensuing inventory is scheduled for Sunday, October 30th since that would just leave one day for data

extrapolation. The end of the year inventory is on January 1st and we are closed that day, hence no need to extrapolate data for that inventory.

Barnaby will work with the Finance committee re: a solution for COGS and inaccurate revenue numbers. This is a high priority.

Working Members

We still have 12 in store working members and 20 out of store working members, but we officially added Debbie Lusk in April, and we gained Tara Buell in May to the out of store working member rolls. Barn removed Valerie Rogers, since she does not currently consider herself a working member. In the store, a dormant working member became active again, and we added another working member as well while losing two others in May.

Operations

With the weekly manager meetings, staff are still striving to improve store operations in terms of marketing, merchandising, training and financial analysis. Unfortunately, equipment outages have kept them in emergency reactive mode.

Patronage refunds

So far, the store has received \$1767 from members donating their patronage refund back to the store and \$1309 disbursed to members for a total of \$3076 distributed through the program. We are reaching the end of the disbursements.

Projects

The air conditioner manufacturer that owes the store a new compressor has been dragging their heels and using excuses for why there has been an unjustified delay in shipping the part that they owe us. On Monday, Barn will be back at their heels to get the part shipped. The last he heard, the shipping of the part was 'in process'.

The older Master-Bilt freezer stopped working due to a leak in the sealed (compressor) system. It is probably a leak in the coil, and Capitol Controls, our main refrigeration company, does not want to repair it. Barn may have a retired HVAC specialist come out to look at it. A replacement of the same model will likely cost about \$3600, but it could take months to ship. We could possibly get a smaller model similar to our newest freezer for about \$2000, but Barn is not happy with the performance of that unit. So, the store needs to weigh options. Note that \$2000 is about the same as our net profit for one month's of sales, so the cost/benefit analysis is high, particularly since I want to shift away from these stand-alone units and transition to larger cases that have external compressors when we change the store layout. In the meantime, we can make adjustments to our merchandising that will provide freezer space for products that require it.

The finance committee has drafted an initial idea for a new location, but I have yet to talk with employees of Willy Street Grocery Cooperative about using a bond initiative to fund a remodel/relocation project.

Farmers Market Manager Report - Suzanne

Financials

The Finance committee needs to meet with Suzanne to explore projections and get a final budget adopted. Suzanne noted that we will need to keep at sponsorships, including outreach to Wilcox, Steibers, and some in-kind donations from Sunbirds and Mountain Lumber. It may be necessary to make up losses here with grants.

The budget was reviewed.

- YTD total market earned income: \$3361.40
- YC loan outstanding: \$1,000
- YTD donations: \$2,500
- YTD sponsorships: \$5,000
- YTD total income: \$11,627.52
- YTD total expense: \$14,231.65
- YTD net revenue: \$(2604.11)

Market

June 19 will be the Season Kick Off, the Fruit and Veggie Fest. Suzanne has by this time instituted the strategy that Karen Rae used to promote the Harvest Fest last year – Facebook paid boost for \$1 a day Mon-Thurs., gradually leading up to \$5 per day in the Friday and Saturday leading up to the event. This allows the community to help by their own conversation, sharing, etc.

June is Fruit and Veggie Month; July is Fun and Family Month; August is Farmers Market Month; September is Heritage Month; October is Harvest Month – keep these in mind.

Community building/funding

Community Foundation of South Puget Sound deadline is August 26. Suzanne will need a full organization budget of the Yelm Cooperative as part of the proposal, plus a budget of the proposed program. This will require something similar to the FMPP, but with more emphasis on staff for market operations, presentation of educational activities at market, and volunteer coordination. Similar things will be required for the Nisqually Tribe Charitable Funds application, which was due last year by September 30 (no date as of yet for 2016).

There has been no time for Suzanne to receive Compass 360 training over this past month. This will be put off until there is a slowdown in the season.

There needs to be a fundraising committee of the board that will set up strategies for the Board to approach specific sources. Suzanne will approach others, with Board members in tow.

Volunteers

Suzanne is slowly gaining some traction on getting volunteers, via Facebook postings, signage at the Co-op and the market, and plugs in the e-newsletter. Thank you to the Board members who have pitched in during this re-start of the market season!

Operations

The POS machine that malfunctioned the second week has been replaced and is working. Everything is in place for the Taste the Place tent and program implementation (including paying for an aforementioned “free” permit with \$185) except for volunteers.

Insurance, the contract with Nisqually Springs Farm, liquor license and FMNP contract are all up to date. The nursery license will be renewed in September.

Recruitment - vendors and business/ nonprofit booths

Suzanne sent recruitment emails to previous business booths-no answers.

33 vendors are signed up to date, including 15 farmers. Suzann will start taking on 1-2 more artisans on the waiting list, because others are not consistent, so the market is not fulfilling previous attendance predictions. She continues to approach nearby small vegetable farms, herb growers. There will be flowers in August from Flowerplay, which is in Olympia area. She inspected Cazares Farm in Yakima and Mosee. She is not allowing any more selling until inspection, and documentation is completed on the orchard in Prosser on June 20th. Suzanne is planning a trip to Entiat for Fardell Farm in July.

The taco truck was inspected by Thurston Co. Health officer and made to leave the market. They are required to have hot water on their truck and they did not. The market has hot water by the porta potty but that is not sufficient. They have had a second, same, violation so Suzanne will not allow them at the market. It has been very difficult to get a food truck, as they are all committed at other venues with larger crowds.

Outreach/Communications

Heidi wrote a nice story 6/9/16 in the Thurston Talk online news. Thanks, Heidi!

Suzanne attended the Bountiful Byway Partners training June 8. She visited the opening day of Chehalis Farmers Market. This is the 3rd week of the Tumwater Market. She spoke with AG teachers across the state in for training at YHS June 13th.

Yelm Farmers Market individualized brochures are now out at the counter in the store, at Forrey’s Forza counter in Lacey and at the Prairie Hotel, Chamber of Commerce and Olympia visitor’s center. Please take a look!

The Market has now reached over 550 subscribers to the e-newsletter, up from 360 in April. Likes are up from 2,300 to more than 2,700 on Facebook. It moved from 2 followers and following 3 in Twitter and Instagram to 22 followers on Twitter (following 151) and 82 followers on Instagram (following 108).

Suzanne is signing up for the August Health Fair by an Ankle and Foot Specialist.

Policy/moving back to Yelm City

Suzanne met May 24 with planning staff Tami and Grant, Terry, Victoria and Anne Warner (formerly on council, now with parks board?). There is a door opening for the YFM to be in the City, as early as next year. Four sites were proposed and Suzanne and Terry (others are welcome, too!) will need to find out how receptive the owners might be to hosting the Market, what the costs are, etc. Beside the site feasibility work that needs to go on this next month, I will be working on the points of code and city involvement that can be presented to the City Council in Aug/Sept. Code changes: There are no restrictions on signs if we are co-sponsored by the City (with maybe a little help from the Chamber). There is a need to be creative about what the city has in the codes on Farmers' Markets and suggest in-line changes that still gets the Market to the same thing – high farmer sales, and room for processed, value-added foods and about a quarter of artisans' sales.

The timeline is as follows:

Late June - Suzanne and Bill, others, meet to talk with Glenn about the move, strategies.

June-mid July - Site task force group of the Board meets to discuss site alternatives, go out to talk to the owners and build a file on each one. 1) Old Fairpoint lot and buildings; 2) street closure by public works/public safety building; 3) trail head of Tenino/Yelm bike trail, using city hall parking, other area parking; 4) parking lot of Olympia Federal Savings.

Mid July – early August - Suzanne works on the revisions to the code and all the proposed language that the planners asked for in the May 24 meeting. With Board members' help Suzanne approaches new Chamber ED Line, city council members, for building relationship for co-sponsorship.

August - Meet again with planning staff for designing next steps to present to City Council. Suzanne may need Council approval before going to Thurston County if the trail is the final spot best for the market.

Yelm Cooperative**Treasurer Reports – Tom**Reports

Tom has produced a number of additional reports for the Board so there is a fuller perspective on the financial health of the organization. These are sent and reviewed before each meeting:

- YC General Fund P&L month by month
- Full organization YTD P&L month by month comparison
- Statement of Functional Expenses
- YC 2016 SOA
- YC Membership report
- YC Budget YTD
- Committed vs. Planned expenses YTD

May SOA (Summary of Activities)

- Month net revenue: \$700.18
- YTD net revenue: \$6220.90
- General fund bank balance as of 05/31: \$11,053.89
- Line of credit authorized total: \$50,000
- Line of credit owed: \$15,118.27
- Line of credit available: \$34,881.71
- YTD donation revenue: \$500
- May expenses: \$109.31
- Total YTD expenses: \$591.46
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Membership

- Total members paid: 44
- Total # of memberships due this month: 81
- New members: 15
- Original members renewed: 4
- YC members renewed: 25
- Refunded: 0

- Fully paid: 26
- Total YC voting members: 468
- Total YFC members: 808
- Total inactive/late: 492
- Member payments received in the month: \$1727.50
- Potential due this month if paid in full: \$3060
- YTD total collected: \$ 8,007.50

Budget

On the budget sheet, Tom will change the AGM line to "Membership" to allow for membership drive expenses to be budgeted and tracked in the future, in addition to the AGM.

The fundraising line will remain for specific fundraising activities.

Finance committee

No report

Old Business

Compass – Jeevan

The web based member portal has been fixed.

Jeevan wants to create a way for members to renew online. The Board thinks that's a great idea.

100 new members have been added to the Compass 360 mailing list that have been outstanding since last August.

Beer & Brat Fest - Heidi

All licenses are secured and crews are in place. The member table will be manned by Suzanne, 1st shift and Aaron Rodriguez, 2nd shift. Rain is predicted. Blu Nynja Dogs has been given the lower number of brats to order, based on the past rain event.

Committee Reports

Membership committee - Marilyn

The new member welcome bags are ordered and will arrive 6/21. Barnaby will order the bag contents. The bags were ordered through Discount Mugs website and cost \$.75/bag. The contents will cost no more than \$9. They will be ready for the Brat Fest member table. Beginning now, only new members who pay in full will receive filled welcome bags. Starting in January 2017, in addition to new members, all members who renew and pay in full will receive a filled bag. A Farmers Market brochure will be included in every bag.

The committee will meet after the Brat Fest and keep moving forward with a member drive.

Terry spoke to the theater. Ads cost \$150/mon. with the 10% discount they offer non profits. Terry will ask for a one month donation. Jeevan will design the ads.

Marilyn's AGM duties will be covered by Diane. Barnaby will talk with Florence about food for the after meeting gathering. Active members without an email address will be contacted by a postcard or letter. This should not be more than 50 people. Diane will donate the postage and do the addressing. Marilyn will change the member voting procedure to reflect the actual changes that have been made.

Mission committee

Nothing to report.

New Business

Terry has been voted on to the Board of the Chamber of Commerce. Congratulations, Terry!

Closed Session

Motion to adjourn was made and passed. Adjourned at 7:38 pm.

Submitted by Marilyn Reardon, secretary

Bill Wyman, president

Diane D'Acuti, vice president