

**YELM COOPERATIVE**  
 July 21, 2016  
 Meeting Minutes  
 Rosemont Retirement Center

Next meeting is Thursday, August 18 @ 6:00 pm at Rosemont Retirement Center

**Directors present:** Bill Wyman, president; Diane D'Acuti, vice president; Tom Dewell, treasurer; Marilyn Reardon, secretary; Jeevan Anandasakaran, director; Heidi Smith, director; Terry Kaminski, director; Debbie Lusk, director

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

**Excused:** Carl Zambuto, director

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

**Open Session**

No guests present

**Meeting Minutes**

June meeting minutes were approved.

July 7 special meeting minutes were approved.

**YFC General Manager Report** – Barnaby

June YFC financials were reviewed.

- Total monthly sales = \$ 93,828.00
- Average basket size = \$23.87 down 2.89%
- YTD total sales = \$ 585,992.00
- # of in store working members = 12
- # of out of store working members = 19
- Capital expense = \$3850 – replacement two door merchandizer freezer
- Extraordinary maintenance cost = none
- Other extraordinary costs = none
- Retained earnings/(loss) = (\$-2,570.00) after patronage refund
- YTD retained earnings/(loss) = (\$-5219)
- Net margin = .34 %

**Financials**

Although our numbers are what the store has hoped, we have delayed the inventory count until July in order to generate more accurate figures. As a result, the Cost of Goods is still unknown, and this means that the net income figure is likely to be inaccurate. We only projected a net of about 1% for this year, and we are below that right now. But it is not unreasonable to assume that we have as much as an additional \$6,000 in inventory since our last count. Another impact on sales was the breakdown of the freezer last month.

Barnaby changed the term 'purchases' in place of 'cost of goods' on the financial spreadsheet due to the inaccuracy of the latter term. In the report next month, there will be an inventory figure, and then the 'COGS' wording will be valid. Cash flow is fine, but it will get pinched due to the \$8,000 in freezer purchases made over the last two months. So it will become important to attain better net income figures. The best way for this to happen would likely be to have higher sales. The wine department still grows by 25-40 percent per month, but remaining store sales have been stagnant. We do have plans for new product lines for the store that are mentioned below in the 'projects' section of this report.

**Working Members**

The out-of-store working members now total 19 with Barbara Morando now being officially removed from the active list. In-store working members are currently staying at 12 with the loss of one working member and the return of another. We have had a lot of turnover with working members lately, but some of that may be the result of having a lot of younger WMs who are satisfying their high school community service requirements.

### Operations

There remains a lot that needs done in order to improve sales, and the completion of some of this work, like merchandising and marketing, has been sidetracked due to equipment failure and other emergency fixes. Nonetheless, staff hope that the issues that have arrived recently are on the decline, thereby giving them the ability to focus on better store presentation. Adding labor to solve the problem is viable at this time. Instead, staff are looking forward to that the "fires" stop long enough for staff to catch up on their workload.

### Patronage refunds

Tomorrow is the end of patronage refunds. The store will have disbursed about \$3400, with approximately \$1900 of that having been given back to the store for improvements. With that in mind, the replacement freezers are not something that Barn considers qualifying for this money. Instead, Barn plans to have the money go to things that expand store services. Another refrigerator merchandiser for the purpose of selling more beverages would be an example of expanding services, although this is just an example. Barn is thinking of reserving the money until there is a particular need. Heidi will send out an email thanking the members for the patronage refund donations to the store. There is an article in the *Grapevine* thanking them.

There needs to be a new "Wish List". Heidi and Barnaby will discuss an article for this.

The kegerator was given to us for free by Brew Dr., new bulk bins can be received through Hummingbird for free, so we have less need for capital to go toward improvements right now. If the Board thinks the store can use the money for such an improvement, staff are considering putting in aisle signs. It is one of the only remaining items from the 'wish list' that staff drafted over a year ago.

### Projects

The replacement freezer is now in place, and staff are resetting product with an emphasis of stocking like items together. This means that all frozen, raw meats should soon be in the same part of the store.

The air conditioner is in the shop, and our tech told me that there is a delay, because the wrong capacitor was installed when the external fan was replaced last year. The undersized capacitor may be the reason why the compressor failed. On the plus side, Friedrich sent us two compressors by accident. This means that if we have a fail in the future, we will not have to wait for the part. It also means that at any point in the future, if one of the compressors fail, at least the part would not cost us extra to repair the unit.

With our indefinite hold on upgrading our store, staff have devised alternatives for adding interesting new items to our product line. We still have the locking glass shelf display in the break room, and it should work perfectly with our plan to add cosmetics to our beauty care line. We can also secure some of the items that we have theft issues with, such as expensive, small items like Liberty Lotion.

The other addition is a kegerator for kombucha. It will be extra work cleaning lines every month and dealing with corny kegs. On the other hand, it is something that is gaining in popularity and we can serve both half gallon growlers and 12oz cups. There can be more varieties of to-go sizes, but it needs to be it easier in the beginning. Both additions should be ready before Barn leaves for vacation at the end of the month.

## **Farmers Market Manager Report** - Suzanne

### Financials

- YTD total market earned income: \$
- YC loan outstanding: \$1,000
- Current month sponsorships: \$775.00
- Current month donations/grants: \$197.00
- YTD sponsorships/donations/grants: \$9238.12
- Current month income: \$2899.51
- Current month expense: \$5131.74
- YTD total income: \$11,699.52
- YTD total expense: \$14,256.63
- YTD net revenue: (\$2557.11)

Market

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.

Community building/funding

Some kind of appeal, or donor visits are needed to continue PoP past the 3rd or 4th week in August. Marilyn has approached Alin of La Gitana. When he receives the sponsor packet, he will review with his partner. Ice Grannies said no a second time to Debbie (thanks for asking!). The Community Foundation of South Puget Sound deadline is August 26. Suzanne will need the full organizational budget of Yelm Cooperative as part of proposal, plus a budget of the proposed program. Suzanne will do something similar to the FMPP, but with more emphasis on staff for market operations, presentation of educational activities at market, and volunteer coordination. The same thing will be done with the Nisqually Tribe Charitable Funds application, which was due last year by September 30 (no date as of yet for 2016).

A fundraising/development committee of Board members or other members was discussed. At this point in time there is not enough people power to take this very important task on but will be revisited in October. Meanwhile, the Board and others need to be thinking of who would be good Board candidates. Board members agreed to send an email to Tom and Bill offering potential candidates.

Volunteers

The Market has lost key volunteers for set up, break down and for the Information Booth. Thank you to the Board members who have pitched in during the interim. At the same time, Suzanne has gained new enthusiastic PoP volunteers and Taste the Place volunteers. She will keep seeking volunteers at market and at the Co-op.

Operations

Suzanne has hired two very hard-working Market Coordinators that serve as help on set up and break down. Please introduce yourselves and welcome Connor Spencer (Bethel H.S. Senior '18, Roy) and Todd Lopata (Army recruiter-staff, former operations cook in Middle East ops, Yelm). Connor is staying at the market between his shifts as a volunteer, so he helps out tremendously with the Information Booth loss of volunteers. Suzanne is changing some of the layout to see if more vendors in the middle row might create more movement and stopping to buy.

FMNP WIC and Senior checks are starting to appear at the market. There are still some farmers not participating because they don't like the paperwork – Paradise and Shawn Stimpson.

Recruitment - vendors and business/ nonprofit booths

Suzanne is still adding more vendors – Blu Nynja returns, Late in Life Leather, Hope Chest Heirlooms – to counter the less than expected appearance of other artisans who predicted they would be more consistent. The Market has added Happy Nest Farm with their unusual native permaculture fruit. Suzanne is trying out new farmer and vendor placements to try to gain more sales. Hot Babe starts July 24, Butt Naked Organics food truck starts in August (with new team). 37 vendors are signed up to date, including 14 farmers. She continues to approach nearby small vegetable farms and herb growers. There will be flowers in August from Flowerplay, which is in Olympia area. Suzanne visited Fardell Farms on July 12th. They have a wonderful orchard, loaded with fruit.

Outreach/Communications

Suzanne has a space to write an op ed /guest column about the PoP program and ask for donations to help it continue. She attended Bountiful Byway Partners VIP reception in Olympia for travel writers, outdoors writers that were on a media tour with visitor's bureau. A couple of the writers were to have come to the Yelm Farmers Market on their way back to their towns – maybe something will come of their stops and chats with her.

Suzanne attended the STEDI monthly morning meeting on July 15 in Rainer with the main topic about how get operationalize a *Buy Local* effort.

The Market now has reached over 660 subscribers to the e-newsletter, up from 360 in April. There are more than 2800 likes on FB, up from 2,300. There are 3 Twitter followers and 27 Instagram to 22 (up to) followers on Twitter (following 153) and 82-( now, 127) followers on Instagram (following 122).

She is signing up the Ankle and Foot Specialists for August Health Fair.

Policy/moving back to city of Yelm

See the schedule below. Due to Suzanne's full schedule, this feasibility study is behind schedule. There is no intention at this time to move the Market from the farm. This task force would be exploring the feasibility of a future market in the city. The task force team is Carl, Terry, Suzanne and Tom. Suzanne is working in the background on the policy changes needed on a number of fronts, as requested by Tami and Grant of the city.

Besides the site feasibility work that needs to go on this next month, Suzanne will be working on the points of code and city involvement that can be presented to the council in Aug/Sept. Code changes will relate to: 1) no restrictions on signs if we are co-sponsored by the City. Need to be creative about what Suzanne will be suggesting in-line changes that will get to the same thing – high farmers' sales, with room for processed, value-added foods and about a quarter of artisans' sales.

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 meet to discuss feasibility study re: site alternatives: 1) old Fairpoint lot and buildings; 2) street closure by public works/police; 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 will work 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 will approach the new Chamber ED Line and the city council members for building a co-sponsorship relationship.

August:

Suzanne will meet again with planning staff for designing next steps to present to council.

#### Budget

The Finance committee met with Suzanne to discuss the addition of paid crew members. It was approved.

The Board reviewed the budget with the income/expense for Jan-June attached. There was an additional overall report, with added projections for costs and revenues, as requested by the Finance committee.

#### 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

#### Current month SOA (Summary of Activities)

- Month net revenue: \$750.75
- YTD net revenue: \$6980.65
- General fund bank balance as of 06/30: \$12,199.36
- Line of credit authorized total: \$50,000
- Line of credit owed: \$14,833.12
- Line of credit available: \$34,166.88
- YTD donation revenue: \$500
- Current month expenses: \$1306.13
- Total YTD expenses: \$2991.75

Membership

- Total members paid: 57
- Total # of memberships due this month: 88
- New members: 12
- Original members renewed: 8
- YC members renewed: 25
- Refunded: 0
- Fully paid: 19
- Total YC voting members: new numbers not available
- Total YFC members: new numbers not available
- Total inactive/late: new numbers not available
- Member payments received in the month: \$1168.50
- Potential due this month if paid in full: \$3,260.00
- YTD total collected: \$9,176.00

Budget

The YC budget was reviewed.

Finance committee

The committee discussed the possibility of using Altruist Partners to do the big chunks of the work to take the organization to the future.

**Old Business**Compass – Jeevan

No updates.

Open House

The August open house has been cancelled. It can be revisited at a later date.

Mural

Trish Becerra has moved forward with bringing the mural project into fruition. The YC will have no tasks to perform, except that a Board member will need to be on the mural committee. The YC won't need to contribute any funds to the project. Trish has been organizing the funding via a grant and has organized the artists to work on the project. Trish's goal is to contribute beauty to the city of Yelm via the work of artists. The mural will be owned by the YC and painted on 16'x32' metal aluminum panels, which can be removed and moved, if desired. It will be mounted on the parking lot side of the building. Morgan Bricca, a San Francisco renowned mural artist will be directing the work. A team of local artists, painters and high school students will work with Morgan. There are no city permits required because it is not an advertisement. The theme will be "Sustainable Future". Kellie Peterson is on board with the project. It will begin in the spring of 2017.

**New Business**

The IRS has requested that the YFC get a new EIN number by the beginning of December. Tom will take care of this.

**Closed Session**

Motion to adjourn was made and passed. Adjourned at 8:09 pm.

Submitted by Marilyn Reardon, secretary

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Bill Wyman, president

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Diane D'Acuti, vice president