

**MCFARM Fall Operating Committee Meeting  
Minutes For 12/5/10  
Little Lake Grange, Willits**

**Attendees:** Marbry Sipila, Pres; Alison Pernel, Genl. Mgr; Jen Lyon, Redwood Valley Mkt Mgr; Diane Paget, Boonville Mkt Mgr; Michael Foley, Willits Mkt Mgr; Tom Gervase, Member Rep; Scott Cratty, Ukiah- Sat Mkt Mgr; Andy Mackey & Winnie Pitrone, Mendocino Mkt Mgrs; John Johns, Ukiah-Tues Mkt Mgr; Angela Harney, Office Mgr

**Time keeper:** Tom Gervase offered to do it.

**Welcome and Introductions.**

**Reminder of Roberta's Rules of Order:** Roberta's Rules were read by Marbry

**Changes to and Approval of the Agenda:** No changes were suggested. Agenda approved by **consensus** of those present.

**Approval of the Spring Operating Committee minutes:**

- Scott asked that the Ukiah Saturday market report be changed to read that regular season sales were down and winter market sales were up.
- Angela asked "Vendor Application" section be changed to "Non profits that are not selling anything in the market do not necessarily need to be members".
- The minutes were approved by consensus.

**General Manager's Report – Alison - A copy of the written report is attached to the original of these minutes).**

- Alison said that it has been really fun to get to know each of the markets and managers; and in visiting all the markets she came to appreciate the differences between them. She has been struck with depth of MCFARM's history. The good news is there has been less conflict resolution, so she only had to use a fraction of the 90 hours set aside for it. She provided an overview of what she had worked on this year (see report for more details).
- Some individual market venue fees are increasing. She has applied for a reduction in the 600% increase in fees for the Ft Bragg market.
- Beginning 2011, all MCFARM members will get a Friedman's Brothers 20% off coupon for items needed to vend at a market that will be good for three months, This is a concrete membership benefit since spending \$150 will repay the \$30 membership fee.
- The NCO/MCFARM Mc Grow grant was the largest \$ amount of any of the 150 grants funded by the USDA in this funding round.
- She is developing a quarterly electronic newsletter, linked to web site and to

- the Markets' Face Book pages.
- There were only six events that needed conflict resolution and some were really small. The biggest one was with Neufeld in Mendocino where we asked for agency help and didn't really get any. Would like to use the Mc Grow grant to provide conflict resolution training for market managers.
- Her report concluded with things she had learned from operating committee members and further guidance she wanted from the operating committee. Could we move toward a system where the managers process the vendor paperwork in order to reduce redundancy and communication problems? Can the Yahoo group be better utilized for communication and decision making between meetings? What types of marketing and promotion would we like her to focus on in the coming year?

### **Office Manager's Report - Angela**

- This year has been the smoothest of 10 yrs I've been doing this.
- The MCFARM profit and loss statement for 2010, and charts of gross sales, stall fees, and operating fees for 2011 are attached to these minutes. The traditional and additional stall fees approved last year to finance the General Manager's position are tracked separately in the profit and loss statement. We did an excellent job of staying within budget this year. Licenses and permits were over budget, probably due to new fees in Fort Bragg. The office copy machine is saving money. Rent is a wild card and we have spent the \$1200 allocated for it. We need to spend down the \$14,000 in "profit" before the end of the year. Stall fees are slightly down from 2009. Twenty-five percent of a market's 2010 stall fees make up that market's operating funds for 2011.
- Also attached to the minutes are several **new proposals** for MCFARM's fiscal system. **The first** would change the Fiscal Year (FY) to May - April to reflect market season. This would provide more spend-down time after market season ends. This year we would have to file two tax returns one in December and another in April. The challenge it presents is that we would have to approve the budget in March, and annual meeting is in February. **Discussion and Questions:** How would it impact the Office Manager's work load? It would spread it out better. Would we only have to file out taxes twice one time? Yes. Could we start the FY in June? Not as good as most markets start in May.
- **The second** addresses the problem of the time it takes to get checks signed and to the managers. Our accountant has suggested each market opening its own bank account with a \$500 advance of its 2011 operating funds. The markets could use MCFARM's EIN (Employee Identification Number). Each market would keep its own operating funds and pay its own bills. But would have to submit an account of how the money was spent to Angela for tax purposes. **Discussion and Questions:** But isn't the 25% of stall fees next year's money? Marbry: it would make it immediate – this year's money would be this yr's operating funds. It would still have to be spent down yearly, but the market could carry over other funds in its bank account. Doing the

bookkeeping asks a lot more of market managers. This would not be implemented in 2011 and the Mc Grow grant could provide training in the bookkeeping. Michael: It would force us to keep better track of our money. Winnie: How many accounts would I have to track? Marbry: we will have to track EBT anyway. Diane: Maybe some of the McGrow grant could be used to set up and train us on a system that we could all use. Could some markets use the current system and other the new one? Willits, Ukiah Saturday and Boonville would like to use the new one. How would we know if we could trust a new market manager? it is safer to send the money to Angela. General consensus at this time was that bank accounts were a good idea, but each market manager should be able to decide whether they wanted to keep the 25% for their own operating funds and do the accounting or send it to Angela.

- Angela would like to distribute a **\$500 advance of operating funds** (out of this year's profit) as a petty cash fund to each market to spend before the end of the year. **Discussion and Questions:** Some managers do not want to put \$500 into their personal or business bank accounts. Marbry offered to hold the money in the Laytonville Market account until a market had a bank acct or could spend the money. Should the markets get their own EIN to clarify MCFARM's tax filing? Angela, it is OK to use the MCFARM EIN, but everyone needs to get it directly from me and not share it. Ask for a free checking account. Alison will talk to the Savings Bank about providing free checking accounts to all of the market that want them. **Motion:** Approve changing the MCFARM Fiscal Year from Jan – Dec to May – Apr. M/S/A: Michael/John/7-0
- **EBT (Food Stamp) Machines:** A copy of the hand out is attached to the original of these minutes. It is going to be mandate. Currently there is a \$100 incentive from public health for market managers to complete the paperwork. Marbry will put contact info for Katherine Fengler (Public Health) on on the list serve. Public Health also will supply us with script. Discussion of security with script. Ukiah Sat had \$2100 in EBT sales last year
- **Vendor Application Process** – Angela now accepting them for 2011. They will be good thru April 2012. Managers will need to make sure ag certs don't expire during that period. Alison: the Ag Dept is counting on you to keep track of this, locally they have not issued violations, but state does issue violations. Angela will email re-application packets to vendor list in Feb. this year. Friedman's coupons will be good from April 1<sup>st</sup> – June 30<sup>th</sup>. The coupon will go out with the membership card. Let members know that they should get it in sooner in order to have the coupon for longer. It can take a week or two to process an application. If there is a problem it is on the vendor to promptly submit the missing materials.
- **Craft vendors** – when there are questions about whether they make their own crafts, how can Angela know? Scott: craft vendors need pre-approval by the market manager. **Discussion:** looking at samples is a good quality check. Ask if you have any question about whether they make them or not. Markets

- exist to support farmers, but in smaller markets, crafts sometimes support the market. Strive for only 25% crafts, not set in stone. 25% is the number of vendors, not sales. Alison: there are a lot of values wrapped up in this discussion: integrity, meeting local needs, keeping markets robust – each manager needs to balance those values
- **Plastic bags:** John: we should not promote plastic bags at the market. Michael: could make bio-bags available – are more expensive – we might find a sponsor. Important that vendors pay for their bags – less go out. Bio-bags are corn starch plastic. Supplying them doesn't change consumer behavior. Only have bags for purchase. Vendors can use recycled bags. Promote use of cloth bags in marketing. **Consensus:** the vendor should provide whatever bag system they want, but MCFARM should not provide or sell plastic bags.
  - Angela would like to have an **Audit of MCFARM Accounts. Consensus:** Have it done.
  - If we have money left over do we want to put into the **contingency fund?** We will have to pay 25% tax on it one time. \$1000? more? **Consensus:** Put up to \$2500 into the contingency fund.
  - **Spending down the rest of the profit?** Angela's suggestions (see handwritten "left to spend" budget \$ on the second side of the profit and loss statement): Prepay Alison 3 months (through March) and give her the final \$500 at the end of the contract. Left to spend: insurance and rent, Angela's last two pay checks, remainder of market operating funds. **Motion:** Approve Angela's budget for spending down the profit from this year. M/S/A : John/Michael/7-0
  - Addition to Vendor Application – Scott – In order to make it clear to vendors that they are the ones responsible for ag certs and posting requirements have them initial the following statement as part of the application process: "I accept that I will be responsible for any fine or duty assigned to MCFARM as a result of my violation of any relevant laws, codes, or regulations and that I may also have my MCFARM membership terminated as a result of any such violation." **Agreed by consensus.**
  - **Salary Raise for Office and General Managers** – where would the money come from? Raise ceiling on stall fees? We are already generating enough for an additional \$1500/yr to increase Alison from \$20 to \$25/hr. from the \$3 in stall fees. Would need to be approved as part of the budget at the annual meeting. Angela now gets \$19/hr would like \$20 (\$420 / yr). There is a list in the packet (attached to the original of these minutes) of what she does. Andy: supports, but we do not have to raise stall fees, we can do this out of our annual excess. Angela is way under paid, if we are raising Alison \$5, why only \$1 for Angela? It would take \$2000 to raise Angela to \$25/hr. Raise both to \$24? The \$3 increase could cover both raises. Angela and Alison will prepare a presentation to the membership. **Consensus:** the OC will recommend \$24 for both Alison and Angela with a \$1/hour retroactive bonus

if we have the money. And a bonus for market managers if we have excess at the end of the year?

### **Brainstorm To Identify, Expand And Promote Membership Benefits – Alison**

- Benefit from promotion by being identified as a MCFARM member.
- Can vend at markets
- Have a market for products (Why is this better than other markets?), especially beneficial if own location is remote
- Bumper sticker
- Advertising
- Friedman's discount
- Insurance for markets
- Product diversity
- Social benefit – peer exchange, networking
- Listing on website
- Make more \$ with direct marketing
- Lower Ag Cert fee
- Liaison, conflict resolution
- Promotion of products & services at market
- Accept complaints
- Occasional workshops and events
- Lobbying
- Additional sales from EBT and WIC
- Consolidation of Marketing
- Newsletter
- Future benefits: small business workshops, free lunch and guest speaker at Annual Meeting, product advertisement in newsletter, t-shirt and hats

### **LUNCH**

**SWOT** (Strengths, Weaknesses, Opportunities and Threats) Exercise – Alison (See chart at the end of these minutes.)

### **Market reports**

- **Redwood Valley** – we had a great season despite our largest vendor having numerous major setbacks, which affected the market's bottom line. We had more vendors and a greater variety of products than ever before, many new vendors trying out our market for the first time, plus a record breaking gross sale day, three chef demos and a tomato tasting. We were joined this year by a new small family farm, bringing our local Redwood Valley growers to five. Through our fundraising efforts we were again able to supply the community with fantastic live music every week.
- **Mendocino** – Sales down, but it was still our best year – smooth with good energy. We have lost some big vendors.
- **Ft Bragg** – There were challenges this year. The move to Franklin Street

brought unique attributes (paved streets and rest rooms) and difficulties (narrower streets and needing to use an adjacent parking lot). Controlling smoking and dogs was a bigger problem. There were more rainy and gray days. May - Sept sales were down. We had successful new vendors. Donated advertising really helped. City Hall is donating space to store market stuff. There was less WIC and senior WIC. Gypsy can't afford to volunteer so much time and is retiring. Please welcome Julie as her replacement.

- **Gualala** - Down 46% in sales and in stall fees without Kermit and the salt vendor. We brought in new people, which helped.
- **Ukiah Sat** – More vendors, less \$ per vendor this year. We need more customers. For the first time we had space issues. The new chief of police is advocating for farmers markets, so I am going to see if he will give me more space next year. Had to freeze the craft section because there is not enough room (under cover) for it in the winter. We had two major sponsorships – Mendocino Greenhouse and Parducci. The sponsors get a banner at market, presence at market if they want, and co-branded ads. Nice, new bumper stickers. Vendors who said they would never vend in winter are now.
- **Ukiah Tues** – Got help with the bookkeeping and am sharing the market manager salary with the bookkeeper. Slower sales but people say it was a more vibrant market. Am focusing on being kid friendly; there is a children's play group in park at the same time as market, have kettle corn and snow cones. May and June were very slow. After we changed market hours to a later time, more people started coming to the market. Joined the Main Street program and Chamber.
- **Boonville** – Sales were down (Neufeld brought us a lot of different customers and sales last year) and the market seemed to draw fewer community members. Not clear why. On Saturday morning we have to compete with Ukiah for vendors, but are not sure that we would have as many customers on a weekday afternoon, and vendors are reluctant to move to the hot summer afternoons. Managing as a team didn't really work. Our best special event was the Blackberry Pie Bakeoff. Having our apple press at the market in the fall is also appreciated and encourages use of local food. This year we also had a seed, grain and bean cleaner at the market one week.
- **Willits** – Inherited a market with tremendous momentum with 35 vendors the first day and 35-40 for the whole summer. There were two miserable days due to cold and rain. Weekly averages, without those days, show that sales are up 8%. Winter market: sales dropped 2/3rd almost from one week to the next. We have 25 vendors (compared to 12-15 last year) – we are inside in a heated locale in the winter. The large proportion of the non ag sales are prepared food sales.
- **Laytonville** – Best season yet, great local music, increased number of vendors. We started later so stall fees down. Newspaper articles are our major advertising. Still need a volunteer to do a Face Book page. We are going to need a bigger venue soon.

**Discussion of Stall Fees:** Raise the ceiling for the purpose of decreasing the disparity between vendors who make more vs vendors who make less. Make it an even 10% up to whatever ceiling we agreed on. 10% is scary to vendors – 9.5% is better. Don't drop the % down now that the increase has been approved. Not fair to smaller vendors to give big vendors a break. A time when we have an excess is probably not a good time to change the stall fees – talk about it again when we need more money. Why does a vendor pay the same amount for a larger stall space? It is up to the manager to deal with how to use space best.

**Mc Grow Grant** – Michael and Alison -- The first meeting was last week. NCO is in the process of hiring a coordinator. A large part of the grant is for workshops about lengthening the season, value added products, business plans, food handlers certificate, home canning classes for consumers, EBT training, and a series of trainings for market managers. NCO was hoping that MCFARM could do the coordinating, but we said that we can promote it, but not coordinate it. Miles Gordon from the Garden Project did the DC training for the grant. Will be implemented through links with the Garden Project, Brookside Farm and Noyo Food Forest. What kinds of trainings would the OC be interested in? Conflict resolution, capacity building for market managers? This free training would be offered as 6 two hours workshops; and managers would be encouraged, not mandated to attend. Have fewer, longer workshops – less driving. Marketing and promotion, outreach to new demographic groups, more efficient meetings, marketing at FMs for farmers; marketing the market for vendors. Use to someone who already does business plans for farms rather than West Co – maybe ALBA or Intervale. Networking among farmers, young farmers, interns – identify farmers who might have good farms to visit. Models for new kinds of access to farm land – Greenhorn Network, Live Power. Contact Michael with ideas for training topics.

**Marketing and Promotion Brainstorm** – Alison

- Web Site: vendor profiles, list vendors by category, more flexible, accessible by Market Managers.
- E-newsletter: Vendor profiles, market/product availability. Customer e-list, recipes as a sales tool, cross-pollinate with NFF, e-Dirt news, marketing tips, don't make the file size too big
- Publications: telephone directories
- Other: SEED (Sticky Economic Evaluation Device), Greenbags, MCFARM decals, MCFARM member signs to post at farm driveway.

**Poster** – Updated last year, should we use the same one this year? Text too small. Text big enough. Totally new art work. A new poster every year but in the same style -- it becomes a collectors' item. Likes keeping recognizable format. Likes current poster– just make the changes in market times and location.

Straw poll results:

Update last years poster 0

New art work 6 maybe with larger text  
Totally new design 1

- How is the Rack Card used? Bed and breakfasts – mostly a coast thing? Maybe order fewer better looking ones. John offered to design a new one. He will send a draft to Marbry. Managers told Angela how many they would need.

**Fundraising Opportunities for MCFARM** -- How important is it? Decide how we want to use the funds first. Doesn't have a lot of priority. Fundraisers are great outreach, community building. Other organizations need the funds more. If we had a compelling need. Do community outreach in other ways. Individual markets may need to meet their needs. Fund raise to help support smaller markets.

**Michael Ableman** might be willing to doing something here, we would need to provide an honorarium (\$1000?). Re-inspiration for farmers? A local food dinner with him for people on the land? Would need to build more name recognition. Fun but not at the top of the to do list. Use Mc Grow money? Partner with Gardens Project and Noyo Food Forest?

**Discussion of 2<sup>nd</sup> CERTs:** MCFARM allows one as long as primary vendor has more goods than it does. State rules allow two 2<sup>nd</sup> Certs. Marbry supports because it supports small farmers. Rounds out what is offered and gets smaller farmers products out there. More variety brings in more customers. **General agreement** with allowing two 2<sup>nd</sup> Certs. Do we need to keep 2<sup>nd</sup> cert products from competing with someone who is coming to the market? The 2<sup>nd</sup> cert is on CPC; each entity has to be a MCFARM member and pay a separate stall fee. Marbry will propose the change at the Annual Meeting.

**Election Of Officers Reminder:** We need to elect another Vendor Rep, a Secretary, and Vice President. Marbry is willing to be President for another year, but not two. Will put into newsletter with job description and estimate of time commitment

**General Meeting Date:** Feb 13<sup>th</sup> ? Jan 30<sup>th</sup>? Check which is Super Bowl Sunday. There are generally 50-80 people and a budget of \$1200 for rent, lunch and meeting. Diane will look into hosting it in Anderson Valley and will put a response on the Yahoo list within two wks. Maybe do something fun afterwards for people who want to stay. OC agreed to Marbry's request for Alison to help facilitate the meeting.

### **Old Business:**

- Who votes when voting for an out of area vendor. Intention: regular vendors, whether at the market that day or not. Poll the vendors? Not really well defined. Rules say participating vendors. Up to the manager to decide what that means.
- Managers have been missing getting a member list – could it be sent out again.

### **New Business:**

- **Environmental Health issue** – potential vendors wanting to obtain permits are getting contradictory messages from E H. This is a problem for new business development. A MCFARM delegation will go to E H to talk about the problems in the context of economic development. Alison and Marbry volunteered to be part of delegation. Please collect stories/incidents and send to Michael.
- **Small Animal Meat sales** – Chuck says that there is no change.
- **Chocolate Bar:** a local person developed recipe and gets them produced out of state, can she sell them in our markets. **Consensus:** no
- What should the Market Manager do if someone is **mislabeled** their product and it was an honest mistake? She was registered, but not certified – her label said certified. Does consumer care? Some do, many don't. Fairness issue. Is this something that we should deal with? **Consensus:** Let Ag Dept deal with it.
- Promote the market by find a sponsor to purchase green bucks and getting local organizations to **reward their volunteers with green bucks.**

Submitted by Diane Paget  
12/10/10

## SWOT Exercise Fall Operating Committee Meeting 2010 Facilitated by Alison

Purpose: Provide insight to the General Manager and Operating Committee to help determine priorities, programs and new directions

<b>STRENGTHS (Internal)</b>	<b>WEAKNESS (Internal)</b>
Face Book Consistent rules in the marketplace Nice venues Community socialization Established Growing Winter Markets Good rapport with agencies Good foundation of rules, regs and by-laws Yahoo group for internal communication Support network of market managers	Sales are down Operating Committee communication Lack of member involvement Not enough time Lack of sufficient compensation(\$) for market managers Encouraging new farmer-vendors Drawing in new consumers Better website Need more training: marketing, communication Unclear membership benefits Lack of consistent membership outreach Market manager/Operating Committee mentoring/communication Enforcement can be unpopular Member Rep under-used
<b>OPPORTUNITIES (External)</b>	<b>THREATS (External)</b>
Winter markets Cooperation with other organizations NCO & McGrow grant Member Rep and GM to help with conflict resolution Local food movement Support of local media Food recalls are good for Farmers Markets Expanding PR and promotion Offering community education EBT/WIC Encouraging new vendors Youth Farmers College internships/workstudy Encouraging new farmer-vendors Enforcement can be unpopular Economic Meltdown	Neufeld type vendors SB510 Sales down Constricted by laws for certified vendors Access to land for food production Fake Farmer's Markets E.H. and food safety laws. Arbitrary rules Economic Meltdown Perceived CPC paperwork Farmers Market "nay-sayers," negative attitudes, "hippie venue"

### Gross Sales 2009/ 2010 Comparisons

	2009 Total		2010 AG	2010 Non AG	2010 Total	Difference	
Boonville	52,180		27,696 75%	9115 25%	36,811	-15,369	-29%
Fort Bragg	202,083		139,374 77%	40,925 23%	180,300	-21,783	-11%
Gualala	113,430		46,981 72%	18,618 28%	65,597	-47,833	-42%
Laytonville	31,429		26,510 85%	4563 15%	31,073	-356	-1%
Mendocino	182,890		111,681 75%	37226 25%	148,907	-33,983	-19%
Redwood Valley	21,046		15,300 76%	4870 24%	20,170	+24	same
Ukiah Sat May-Oct	226,484		188,717 76%	59,595 24%	248,312	+21,828	up 9%
Ukiah Sat Winter Nov 09- Apr 10			66,046 77%	19,332 23%	85,378		
Ukiah Tues	17,659		12,119 87%	1860 13%	13,978	-3681	-21%
Willits May-Oct	166,720		113,433 65%	60,450 35%	173,883	+7163	up 4%
Willits Winter Nov 09-Apr 10			23,697 75%	8045 25%	31,742		
<b>Total</b>	<b>1,013,921</b>		<b>771,554</b>	<b>264,600</b>	<b>1,036,154</b>	<b>+22,233</b>	<b>up 2%</b>

**STALL FEES 2009/2010**

	<b>2009</b>	<b>2010</b>	<b>Difference</b>	
Boonville	3797	2530	-1267	-33%
Fort Bragg	9945	10,500	+555	up 5%
Gualala	5487	4151	-1336	-24%
Laytonville	2133	3506	+1373	up 15%
Mendocino	9414	7405	-2009	-21%
Redwood Valley	1509	1356	-153	-10%
Ukiah Sat	13488	14714	+1288	up 8%
Ukiah Sat Winter (Nov 09-Apr 10)		5782		
Ukiah Tues	1309	948	-361	-28%
Willits	10611	11,493	+882	up 8%
Willits Winter (Nov 09-Apr 10)		2351		
Total	(2009 only) 61,390	(2010 only) 61,049	-341	same
General Mgr \$3/ vendor day		10,038		
Total		71,087		

**2011 Operating Funds (OF)**

	<u>2010 Budget</u>	<u>Spent</u>	<u>Differen ce</u>	<u>25% of stall fees</u>	<u>2011 Funds</u>	<u>Advanc e for Bank Account</u>	<u>Amount Paid 12/5/201 0</u>
Boonvill e	1049	409	under 640	633	1273	500	1140
Fort Bragg	2299	2242	under 57	2625	2682	500	557
Gualala	1392	1085	under 307	1038	1345	500	807
Laytonvi lle	633	543	under 90	877	967	500	590
Mendoci no	2427	2271	under 156	1851	2007	500	656
Redwoo d Valley	673	680	over 7	339	332	all OF \$	332
Ukiah Sat	3428	2477	under 951	3679	4630	500	1451

Winter	189	0	under 189	1446	1635	500	689
Ukiah Tues	960	945	under 15	237	252	all OF \$	252
Willits	2552	2630	over 78	2873	2795	500	500
Winter	181	80	under 101	588	689	all OF \$	689
				16,186			7663

EXPLANATION

Advance is taken out of 2011 Operating funds as your new “petty cash” fund, necessary for implementing the “food stamp”/ EBT/ Calfresh program, if so desired for your market.