

Rainbow Board of Directors Meeting Minutes
February, 2009
2-17-09
6:10pm

Members Present: daniel Johnson, Gen Barbour, Ann Herlihy, Irene Jones
Also: Luke Lundemo, Steve Whitlow, Bruce Frazier, Tom Lowe, Charlotte Lundemo

There were no minutes to approve.

Steve gave his managers report. Steve had talked with Eileen Schaefer concerning a debt someone claimed was owed to them by Rainbow Grocery. Eileen said any such claim would have had to go through the bankruptcy court. Eileen recommended that if anyone wants to pursue such a claim they should have their attorney talk to her.

In January we had our best sales month since last August. Sales increased by 6% while payroll dropped 4%. A year ago we had our all-time record month. We had 1,300 fewer shoppers than January, 2008.

The new computer system lets us track how much each type of shopper is spending. Since October, each month the percentage of member-shoppers has been increasing. We are also seeing an increase in sales in the grocery department.

From each department head we are gathering any issues they still have with the new POS system and will have a meeting to document these issues with the POS system vendor.

Tom Lowe was asked to review the liability insurance that is carried on board members. Bruce will provide a copy for him to review.

Luke gave is report. The floodgate has arrived and will be installed in the next week or two.

The front retail space is getting closer to opening. The business license is just waiting on an inspection from the fire marshal. State sales tax id, federal employer id, and bank account are all set up. Signage license still is needed. Bruce will provide a chart of accounts to make the bookkeeping more consistent with Rainbow's.

The new POS system is providing good information on expired members. A mailing of 150 postcards to recently expired members is set to go out. An email to 177 recently expired members is also going out.

Developments in outreach include the construction of a greenhouse at the community garden and planting of broccoli and lettuces. A huge meeting with organic growers in the area was held last week and Rainbow is organizing an egroup for them as well as putting introductions to each farm on Youtube. \$1,500 worth of worm castings were donated to the garden.

High Noon has a new chef, Derrick Tillman. He has a goal of doubling High Noon sales by the end of the year.

The annual meeting will be held at The Cedars on Sunday, April 26. daniel Johnson and Luke will meet to get the agenda worked out.

We have been renting space in the plaza to various vendors for \$20 a day. Non-profits can put a booth up for free.

The Fondren Merchants are organizing a 'Find-It-In-Fondren' activity to go with the Fondren After 5 monthly event. I expressed to the organizers that these events actually cause a drop in Rainbow sales as the parking lot fills up with people walking away. Steve

and others noted that nobody goes to a grocery store to party. One idea was to create a mobile cart with appropriate Rainbow goods to sell during these events.

Bruce gave the financial report and passed out a profit and loss statement and a balance sheet. Although we are far behind sales and profit from a year ago, we are actually ahead of sales from two years ago. Cash flow, although still very tight, has improved since December. Our accounts payable has increased somewhat largely because we now have 15 day or 30 day terms with most of our vendors.

After discussion, the board agreed to meet again on Sunday, March first at Noon in High Noon specifically to work out the remaining issues with creating bylaws that will work with a consumer cooperative structure.

The meeting was adjourned at 7:37pm

Minutes submitted by Charlotte Lundemo