

THE STORE'S STORY

-- PART 7

After we broke ground for the new store in November, 1982, there followed a whirlwind 4 months during which the store was built; all sorts of big refrigeration units and gondola shelving were brought in; merchandise was ordered and set on the shelves; staff was hired; cash registers were installed and cashiers trained; and many more things I'm not thinking of.

One other major change took place during that time of developing the new store: we gave away the store. Really?? Yes, really!

When we first started with the Hitchin Post in 1967, the money we used to buy the store came from what little my folks had left over from Gommel's years as a highly paid executive in the pipe manufacturing business.

Thanks to Mrs. Maddox, who carried the loan for the Hitchin Post, the Gommels were able to do the deal, and they set it up as a sole proprietorship, meaning that they were the sole owners, and the rest of us were employees.

As our little group grew in numbers after 1970, the Gommels felt uneasy and wanted to express the ownership as a group thing, not as their private business from which they would benefit. So we set up a partnership among all of us committed to serve God together. The odd thing about that was that none of us "kids" put any money into the partnership. It was strictly a way for the Gommels to share the ownership among the fellow Believers in our group.

We operated as a partnership for several years, and when we acquired Lucerne Valley Market and the business grew, we began to see that a partnership had a fatal flaw: even though a partner had never invested anything to become a partner, that person could pull out and make a claim on "their share" of the assets, and substantially injure the financial stability of the business.

Around 1980-81, just as we were planning the store's new building, we consulted with LeRoy Labarre, a local attorney, and also a local CPA (I

forget his name) and asked what we could do to better protect the business from potential dissidents and from our own greed should our own spirits go sour.

Between them and us, we came up with the idea of incorporating the business as a for-profit (C) corporation. That still left the issue of ownership unresolved. In addition, we had bought 34 acres and built a house there, and that also was owned by the partnership, so what to do with that?

The answer was very simple and really exciting to us, because it seemed to come from God and perfectly expressed the relationship between Him, the store and house property, and us fallen humans. We carefully listed all of the assets of both stores, the house, the property at both places, and major items at the house. After assigning

What to name it?? Our favorite idea was to name it Cornflakes, Inc., just because that has a ring to it and because it involved us corny, flakey people. But alas, we decided we should be

more serious about the name, and in order to bring in both stores, we named it the boring vanilla name, Hitchin Lucerne, Inc., from Hitchin Post and Lucerne Valley Market. Duh. Brilliant, don't you think?

CLS kept ownership of the house and property, and those of us who live there pay rent to CLS. And again, so as not to play the tax dodge game, we committed to pay the property tax on the house and land, even though a church is exempt from paying that tax. It just didn't seem right to us to avoid paying that tax, much as we dislike taxes.

That setup between the store and the church still exists today, so when anyone asks who the owner of the store is, we hesitate to answer, because most people don't understand

what we did, and it feels like it takes an encyclopedia to explain it. "The church is the owner," we might say, but then people immediately assume that we've set it up as a non-profit business to avoid taxes. NO! But we can't say we own it, because thankfully and wonderfully, that isn't true. In reality, God actually does own this whole outfit, since it is in the name of the church whose assets must go to another non-profit if/when liquidated.

Along with giving up ownership of the store, those of us who are committed to follow God in this way receive minimum wage, both to keep from accumulating wealth for ourselves, and to make more available to pay the rest of the staffers. And as we offer 401K retirement savings to our staffers, we ourselves do not participate in the 401K, as an act of faith that God will provide when the time comes.

How do I say this without sounding like we are patting ourselves on the back? God help us, we love

that we are mere stewards of HIS property and truly hope that we are being responsible stewards of the mission He has given us with this store.

Back to our story: also at about the same time, we decided that running two stores an hour and a half apart

was no longer what we should be doing. Reche Canyon was gradually urbanizing; the smog and fast lane life of the San Bernardino Valley didn't suit us; it seemed like God was saying for us to concentrate on the one place in the desert. And to build the new store, we needed all hands on deck.

In 1981 we sold the Hitchin Post to a lady who lived in Reche Canyon and had been a customer/neighbor for many years. She and her sons ran it for a number of years. We had mixed feelings about abandoning Reche Canyon, but it was time to move on.

As indicated at the end of story #6, our first months of operation in the new store were really scary. Sales did not meet expectations. We assumed (you know, a\$\$-you-me-d) that our sales would pick up where we left off a year earlier and with a big new building and much bigger selection, would grow from that point.

Nope. We had not accounted for the fact that the old store, under the name Center Market, was still operating, and so the limited business available in our little town would be split between the two stores. Also, as I observed from my Safeway experience how people are creatures of habit and have their set routines and favorite items, people were not too quick to change their ways and find new things to replace some they had become accustomed to. Translated: we had to earn back our customers and break the habits they had formed during the past year.

Sales were so bad that we were sure we wouldn't make it past one year. Our tongues were dragging on the ground. We were totally stressed and depressed. Could we pay the bills? The bank note at 20% interest? The person who was our strongest cheerleader, who wouldn't let us cry in our beer or even quit, was J.B. Schmolle, the contractor who actually built the store. He lived in the Cove and pushed us to do the new store for years before we actually did it.

He believed in us and in the store more than we trusted God about it, to our shame.

So how did things get turned around? Stay tuned for The

Store's Story #8, to be released at some secret future date!

Linda Gommel

ON THE LIGHTER SIDE

Contributed.

WHY I LIKE RETIREMENT!

Question: How many days in a week?

Answer: 6 Saturdays, 1 Sunday

Question: When is a retiree's bedtime?

Answer: Two hours after falling asleep on the couch.

Question: How many retirees does it take to change a light bulb?

Answer: Only one, but it might take all day.

Question: What's the biggest gripe of retirees?

Answer: There is not enough time to get everything done.

Question: Why don't retirees mind being called Seniors?

Answer: The term comes with a 10% discount.

Question: Among retirees, what is considered formal attire?

Answer: Tied shoes.

Question: Why do retirees count pennies?

Answer: They are the only ones who have the time.

Question: What is the common term for someone who enjoys work and refuses to retire?

Answer: NUTS!

Question: Why are retirees so slow to clean out the basement, attic or garage?

Answer: They know that as soon as they do, one of their adult kids will want to store stuff there.



Question: What do retirees call a long lunch?

Answer: Normal.

Question: What is the best way to describe retirement?

Answer: The never-ending Coffee Break.

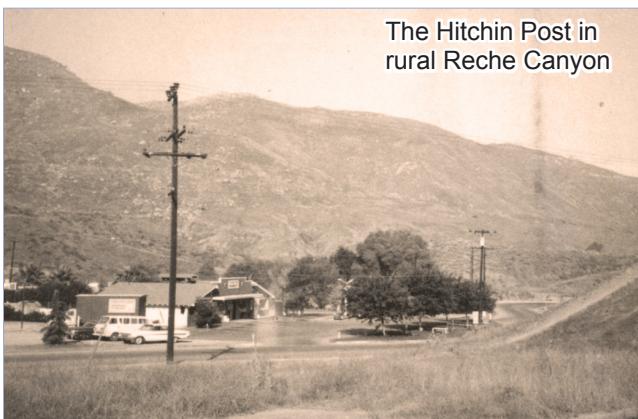
Question: What's the biggest advantage of going back to school as a retiree?

Answer: If you cut classes, no one calls your parents.

Question: What do you do all week?

Answer: Monday through Friday, NOTHING. Saturday & Sunday, I rest.

The Hitchin Post in rural Reche Canyon



monetary value to it all, we donated all of it to the little church "corporation" that we had formed back in 1966. Now the church owned all of the assets of both the stores, the house, and both properties.

But in order NOT to play the tax exemption game that some religious organizations play, Church of Our Lord and Savior (CLS) identified all of the assets of the business – the property, the building, equipment, inventory – and set up a for-profit tax-paying corporation (whenever there might be enough profit for there to be any tax at all!).

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Hitchin Lucerne, Inc.
dba:
Crossroads Center
Lucerne Valley Market
and Hardware
Wash n Shop
Coin Laundry
Crossroads Center

Crossroads Center
(760) 248-7311 Fax 6324
32946 State Highway 18 (P.O. Box 749)
Lucerne Valley, CA 92356

January 1, 2019

FOR PROFIT (theoretically) CORPORATION

Hitchin Lucerne, Inc.
doing business as:
Lucerne Valley Market
Do It Best Hardware
Wash n Shop
Coin Laundry
Crossroads Center

– Pays all kinds of taxes, including property taxes and income taxes.
– If dissolved, all proceeds belong to Church of Our Lord and Savior and must go to another nonprofit.
– Officers: Bill Lembright, Mary Thomas. Directors: Linda Gommel, Cliff Earp, Bill Lembright, Chuck Bell, Mary Thomas.

NONPROFIT CHURCH CORPORATION

Church of Our Lord & Savior
owns all shares in
Hitchin Lucerne, Inc.

– Voluntarily pays property taxes even though exempt.
– If dissolved, all proceeds must go to another nonprofit.
– Officers: Bill Lembright, Jan Lembright, Linda Gommel.
– Located at 10110 Highland Road in Lucerne Valley.