

Consumers' Cooperative Association of Swarthmore, Inc.
Minutes of the Annual Meeting
April 24, 2014

The meeting was opened at 7:00 p.m. by Bob Scott, President of the Board of Directors. He welcomed the 44 members in attendance (according to the sign-in sheet) who formed a quorum required by the by-laws. Bob suggested that the Board review the requirement of a 25 member quorum in 2014 so that a new meeting would not have to be held if fewer than 25 members attended.

Formal Business of the Meeting

Bob began by introducing the members of the Board.

Bob introduced the four candidates for nomination to the board: Andy Rosen, Don Delson, Karen Shore (who could not attend) all running for a second term and himself, who was running to fill the unexpired term of Ron DiSantis. He explained that the Board had moved from 12 directors to 9 in the last two years. The Board has now determined that 10 would be a better number and is planning to add another director in September. Bob asked that anyone interested in serving please get in touch with a current Board member.

At the conclusion of the meeting, Secretary, Pam Bartholomew announced that 104 ballots had been cast. The nominees were all elected.

Financial Review

Michael Markowicz, Treasurer of the Board, reviewed the financial performance of the Co-op in 2013. He began by stating that the two primary goals for 2013 were improving profitability in anticipation of our loan refinance in 2015, and hiring a business manager.

Aliya Glenn was introduced as the newly hired Business Manager. She will focus on improving profitability through reducing margin variability and inventory control.

Sales for 2013 did improve 1.8% over 2012. 2013 was our second consecutive profitable year.

Member loan repayment in 2014 was another financial hurdle in preparation for our loan refinancing in 2015. \$166,000 of the \$206,000 in member loans is being repaid, leaving only a \$40,000 balance. If cash flow is sufficient later in the year, that \$40k will be retired as well.

Operations Overview

Marc BrownGold, General Manager, reviewed operational highlights from 2013. He operates the store with a “triple bottom line” model focusing on “People, “Place”, and “Profit”. The success of the Co-op this year is evident when compared to industry trends: our overall sales as well as center store sales were up which is in contrast to similar store industry declines.

He spoke about the effect on margins of the continued move to sustainability in meat and seafood. Sustainable products are about 30% more expensive.

Audience questioned the higher advertising expenditures in 2013. Marc explained the increased ad costs as necessary spending to promote awareness of the Co-op and its programs and events. He pointed to a 6-7% increase in first quarter 2014 sales (also against industry trends) as reflective of the payoff of the ad dollars spent.

Marc fielded other questions from the members in attendance. Members asked how many members we currently have. We've increased to 1688, up from last year as a result of the enthusiastic response to the new installment plan which allows you to join for \$5/month. Marc's goal is to have 2000 members by the end of 2014.

Members also wanted to know what percentage of sales comes from members—about 45%. Members were interested in seeing member sales data and would like to have the data made available to them.

Sunday Suppers

Sunday Suppers is a program that provides nutritious, delicious, homemade meals to local seniors in need. One of the founders of the program, Helen Nadel, shared the new model for Sunday Suppers that began this year. The Co-op has taken over management of Sunday Suppers and will continue to provide the food at cost. While volunteers are still needed, each month a local business takes the lead on food preparation. Volunteers cook and deliver four – six meals per participant per month. Helen said that the program could serve more needy seniors and asked the audience to make any referrals.

Fundraising to support Sunday Suppers has also taken a new turn this year. More of the donations came from local businesses and residents than from the event food sales. The Co-op is looking to operate under the umbrella of an existing non-profit which would allow contributions to be tax deductible without requiring that the Co-op form its own 501c3.

Conclusion

The meeting was adjourned at 8:30 p.m., and members were invited to stay to enjoy food and beverages.

An Executive Session followed the conclusion of the annual meeting. Board members met to elect officers for 2014. The Board unanimously voted: Martyn Harding for President, Carol Savery for Vice President, Michael Markowicz as Treasurer, and Pam Bartholomew for Secretary.

On a motion by Andy, seconded by Carol, the Board unanimously approved the hiring of Aliya Glenn as Business Manager.

The executive session was adjourned at 8:40 p.m. on a motion by Don, seconded by Bob.

Respectfully submitted,

Pam Bartholomew, Secretary