

SWARTHMORE CO-OP
Annual Meeting of the Owners

Minutes

April 20, 2017

Call to Order

The Annual Meeting of Swarthmore Co-op Member-Owners was held in the store. The meeting began at 7:06 PM.

52 Co-op Member-Owners were in attendance, including President Pam Bartholomew, Vice President Ines Rodriguez, Secretary Jill Gaieski, Treasurer Michael Markowicz, Board Members Don Delson, Lori Knauer, Andy Rosen, Karen Shore, Jacqlyn Diamond, Stephanie Edwards, and proposed incoming Board Members Donna Francher, Barbara Amstutz and Sean Fitzgerald.

Process

- All Owners in attendance signed in.
- Those who had not done so previously cast a ballot to decide whether to accept the Board's nomination of the proposed slate of new Board Members Donna Francher, Barbara Amstutz and Sean Fitzgerald.
- Jill tallied the votes.

Presentation

- A PowerPoint presentation was given to the Owners.
 - Pam introduced the Board of Directors and New General Manager, Mike Litka.
 - Treasurer, Michael Markowicz presented the financial year in review.
 - This included year over year (since 2013) changes in annual sales.
 - A "Wake up Call" was given to members whose sales have declined significantly in the last year.
 - Michael also described the challenges the store faced in 2016, including the need for a capital infusion from Board Members and Owners
 - Improved sales in the first quarter of 2017 (since Mike came aboard) are the result of non-member sales increasing.
 - Acceptance of college One Card has been positive.

- Michael emphasized the imperative that Owners to do more of their grocery shopping at the Co-op.
 - Michael and Pam discussed what came out of Future Visioning and how these insights will shape various aspects of the business going forward.
- Mike gave a presentation on store operations, which included:
 - Display improvements
 - Product choice and decisions about which brands to carry
 - Heinz, Dietz & Watson, bulk-type purchases
 - Mike described how product tastings improve sales, and the plan for more such tastings throughout the year
 - Mike discussed events during his tenure that have been popular and successful, those that are planned, and the general importance of continuing to support of the store.
 - Mike talked about the importance of the talented and committed Co-op staff and how critical they are to the store's success.
 - Mike talked about upcoming changes to the store
 - LED light upgrade
 - Plan for store reset
 - 80th Anniversary Celebration – October 7, 2017
- Pam talked about what's next for the Co-op
 - The state of the retail food environment and how the Co-op must adapt to this changing environment.
 - Another Wake Up Call to members
 - That membership is the key differentiator of the Co-op from other grocery stores, that members are owners!
 - Member benefits –Owners need to rethink the nature of member benefits- from receiving discounts to appreciating that they are in fact owners of a local business whose existence depends on them.
 - Shop the Co-op first
 - Store redesign
 - The possibility of the Co-op selling beer and wine if the Borough passes the Liquor Referendum. Pam shared the Due Diligence that the Board is undertaking, including:
 - Projected sales and profits from beer & wine are positive
 - Consultation with Liquor Liability Lawyer
 - Research on license acquisition
 - Necessary store modifications & systems upgrades

- Decision to sell beer/wine depends on associated costs & priority versus other needed store upgrades
- Upcoming Capital Campaign
 - Member Loans provide working capital to co-ops. Most co-ops have a loan campaign every 4-6 years
 - Our last campaign was in 2003
 - 80th Anniversary tie-in

Election of New Directors

- The slate of Board nominated new directors was introduced. Jill announced that 130 ballots had been cast. The slate was approved by the membership. The membership welcomed to the Board new directors Barbara Amstutz, Donna Francher and Sean Fitzgerald.
- The membership thanks and says goodbye to retiring directors Karen Shore, Andy Rosen and Don Delson.
- A Q&A session followed. Owners asked questions about monies spent, losses, and plans for improved sales and revenue
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Adjournment

The meeting adjourned at 9:25pm.

Refreshments followed.

Respectfully Submitted,

Jill Gaieski
Secretary