

SWARTHMORE CO-OP BOARD OF DIRECTORS

MINUTES OF MEETING

March 24, 2014

The meeting, which was held in Swarthmore borough Hall, began at 7:00 PM.

Present were President, Bob Scott, Secretary, Pam Bartholomew, Treasurer, Michael Markowicz, and Board members Don Delson, Andy Rosen, Carol Savery, Helen Nadel and General Manager, Marc BrownGold. Vice President, Martyn Harding and Karen Shore were unable to attend.

Approval of Minutes

The minutes of the February 27, 2014 meeting were approved with two corrections. The Board unanimously approved on a motion by Don, seconded by Michael.

General Manager's Monthly Update

Discussion centered around the Early Bird discount which has turned out to be quite expensive. Members who shop from 8-10am on weekdays receive a 5% discount. Don's concern was the cost of the program to the bottom line. Marc is reluctant to take away a tangible benefit from members. Marc's cost estimate of \$24/day amounts to \$6240/year. There is no evidence of any incremental volume resulting from the program: members just do their usual shopping at a 5% discount. We agree to table the vote until next month when Marc would provide more data: sales data comparing the 8-10am hours to the rest of the day.

Marc's recommendation to take the Co-op business to NCB was discussed. It was agreed that NCB would certainly be among the banks/institutions competing for our refinance business, but it was noted that it was the NCB pre-payment penalty which has prevented the Co-op from taking advantage of current, low interest rates.

The last discussion was the need to clarify (for the board and the public) the "Bagless" policy that will start on Earth Day. Will we be totally bagless, or will paper bags always be available for 5 cents?

Finance Update

- Member Loan Repayment

Cash on hand at the end of March is less than the \$300k that Michael felt comfortable using to repay member loans of \$206k. Because we want to have approximately \$100k cash on hand at all times, it was decided to defer several of the

loan repayments, knowing that we can repay them later in the year if cash is available or roll them into the refinance.

On a motion by Don seconded by Carol, the Board unanimously agreed to defer repayment of \$40k to 4 loan holders and repay \$166k in June.

- Business Manager Search

The Hiring Committee interviewed nine candidates and has another candidate in this first round to be interviewed this week.

GM Monitoring Reports

- B1 – Financial Conditions and Activities

On a motion by Don seconded by Andy, the Board unanimously agreed to revise the policy as follows; Item 3a. will be removed because it does not fit with Liquidity and is covered in section 4. Additionally the “Interpretation” that the GM is held to a target that is 20% higher than the DSCR of 1.25 is unreasonable. He will now be required to meet the DSCR of 1.25.

B-4: Membership

Carol made a motion seconded by Michael to accept the report with a change to B-4-5. The inclusion of member & non-member data in the Operational Definitions is not available in the current STCR reports. The Board voted to approve the motion.

B-9: Communications with Members, Customers and Others

The Board unanimously approved compliance with B-9 on a motion by Don, seconded by Michael.

Board Process Self-Monitoring

- C2-Board Job

On a motion by Bob seconded by Don, the Board found itself in compliance with all aspects of this report except the ongoing education and training aspects of C2.6. We agreed to the following actions in the upcoming year to improve this performance:

1. Begin a Board column in the “Insider” in which Hillary will interview a Board member for each issue.

2. Begin a Board education session at the beginning of monthly meetings where topics pertinent to co-ops are discussed/presented to the Board. Marc agreed to

inquire at other local co-ops to recruit speakers. We also asked that he give us the same talks that presents at industry/co-op events.

Information Sharing and Discussion

- Long Range Plan Chapter Updates:

The chapters have been posted on Backpack. Everyone agreed to update/edit their chapter by the next meeting.

- STCR Data Mining

We agreed that the cost to produce member/non-member sales reports of \$2150 was unjustifiable in our current effort to improve profitability. On a motion by Don, seconded by Andy, the Board unanimously agreed to postpone this project with STCR until the new business manager is hired who could perhaps figure out another way to get this data.

- 501C-3

Discussion centered on whether money raised through the upcoming fundraiser could be used to pay for the filing fee of about \$2000. It would probably depend on how much money is raised. Karen will take the lead on this.

- Annual Meeting

All systems are GO! for the April 24 Annual Meeting.

Review of Action Items

- Marc will complete the Early Bird Member Discount analysis.
- The individuals whose loan repayments will be deferred will be contacted & informed.
- Bob will write the appropriate thank-you letters to the loan holders.
- Marc will confirm with the bookkeeper, Karen, exactly when the loans must be repaid.
- Pam will make the appropriate revisions to the Policy Governance B-1.
- Hillary will interview a Board member for "The Insider".
- Everyone will edit their respective LRP chapter.
- Karen will follow-up on the 501C-3 requirements.
- For the Annual Meeting:
 - Bob & Michael will each create a Power Point presentation
 - Don & Michael will buy the wine & beer (to be paid for by the Co-op)
 - Marc will coordinate the catering & put out the ballot box

Pam will provide the nametags, markers & sign in sheets.

Adjournment

The meeting was adjourned at 8:50PM. An Executive Session followed.

Next Meeting

The next meeting will be the Annual Meeting held at the Co-op on April 24, 2014 at 7PM.

The next regular meeting will be held on Monday, May 19 at 7pm in the Community Room of the Swarthmore Borough Hall.

Respectfully submitted,

Pam Bartholomew
Secretary

Documents for the Meeting

Co-op Board Agenda 1/27/2013

Co-op Board Minutes 12-16-2013

GM Report- December 2013

2013 Co-op Year End 3 Year P&L

End of Year 2013 Membership Report

Co-op December 2013 Income Statement

Co-op December 2013 Balance Sheet

GM Monitoring Reports: B7 & B-Global Executive Constraint

Marketing Director Report December 2013

BCorp dox

NGCA

Leader- winter 2014

Media Kit2

