

# SWARTHMORE CO-OP BOARD OF DIRECTORS

## MINUTES OF MEETING

May 18, 2015

The May meeting was held in the Community Room of Borough Hall. It began at 7:00 PM.

Present were Vice President Carol Savery, Secretary Pam Bartholomew, Treasurer Michael Markowicz, Board members Andy Rosen, Ines Rodriguez, Bob Scott, Jill Gaieski, General Manager Cheston Lawrence, Operations Manager Sara Yoo and new Marketing Manager Jason Shapiro. Martyn Harding, Don Delson and Karen Shore were unable to attend.

### Approval of Minutes

On a motion by Michael Markowicz seconded by Bob Scott, the minutes of the March 23, 2015 meeting were approved. The Board voted unanimous approval.

The minutes of the April 23, 2015 Annual Meeting were approved with one correction on a motion by Andy Rosen, seconded by Michael Markowicz.

### Manager Update Report

New Marketing Manager Jason Shapiro addressed the Board on his work to date. His immediate project upon joining the Co-op was to update the website in order to comply with Google's new mobile friendly requirements. He stressed that while crucial information had been updated, the website is still a work in progress.

Other areas he has begun to upgrade include: mobile friendly email marketing with mail chimp, improving both interior and exterior signage, reviewing budgets for cost savings, redesigning the Co-op brochure which will be used in cross marketing efforts he is working on with local realtors, and direct mail advertising possibly through Clipper magazine.

### GM Update

- GM, Cheston Lawrence described the ongoing effort to find an effective and accurate method for taking inventory.
- He outlined plans for staff visits to various food shows including his trip to CCMA this June with Marketing Manager, Jason Shapiro.
- He has begun regular one on one meetings with the department heads.
- Installation of the new meat and seafood cases are on schedule for 5/27. He arranged a buy back of the old seafood case which will pay for the new fogging system in the meat case.

- The \$5/ month payment option for membership is no longer being offered. Payment options and the method of payment are still being worked on. While the number of memberships has fallen precipitously in the last 2 months, the board agreed that getting a lot of members who will likely default on their payments was the wrong approach to membership.

### Finance Update

- Treasurer Michael Markowicz reported total sales for March were off 3.9% but good cost controls yielded a \$31k profit. Quarterly grocery inventory is estimated not actual, so in April when the inventory estimates were corrected, there was a loss of \$23k. However, for the first four months of the year better margin and spending controls led to a profit \$10k above the same period in 2014.
- Produce sales in both March and April were also down 8% and 7% respectively. This is unusual for this normally strong performing department. There was a corresponding drop in customer count for those two months (7.6% & 5.1%) which could have contributed to the declines.
- Sushi sales continue to grow! Having such a strong performing product (about \$250k/yr) in such a small space raises the question of what other niche opportunities might exist to strengthen our sales.
- Grocery cost of goods in April was “wacky”. Inventory categories will change for the next inventory.
- Andy Rosen asked if lower sales were anticipated in the normally slow summer months. While there is concern, Cheston said that so far daily sales are holding in May. However, just when the roundabout will be completed, the Towne Green project will cause another disruption even closer to Co-op parking.

### Board Decisions

#### GM Monitoring Reports

- A: Ends  
This report was incomplete and will be rewritten and resubmitted at the June meeting.
- B1: Financial Condition and Activities  
This report was incomplete and will be rewritten and resubmitted at the June meeting.

#### Board Monitoring Reports

- C3: Agenda Planning  
On a motion by Bob seconded by Andy the board was in compliance with the exception of Board training. The Board voted unanimous approval.
- C4: Meetings  
Bob moved that C4 be accepted. Andy seconded and the Board voted unanimously to approve.

## Information Sharing and Discussion

- Sustainability Committee  
Ines Rodriguez spoke about the need to understand the sourcing of Co-op products.  
Additionally the "Co-op Certified" program was discussed. Everyone, Board and GM, agreed that it should be discontinued because there are no criteria for inclusion or audit process of the items labeled "certified".
- Education Committee  
Meeting plans for the year were outlined. The film "Food for Change" will be shown June 4 in Borough Hall.
- Farmers' Market  
New head and Board member Andy Rosen described plans for the new Farmers' Market that would open May 24. He spoke of partnering with the Co-op to support the town & invited the Co-op to be a vendor.
- Board Retreat.  
Cheston reported that the Samuel & Son tours would not be available on weekends when the retreat would take place.
- Marketing Committee  
Cheston and Jason both agreed that adding a Marketing Committee would be helpful. Pam Bartholomew, Jill Gaieski and Michael Markowicz will represent the Board on the committee.

## Review of Action Items

1. The Ends GM Monitoring report will be completed and resubmitted at the June Meeting.- Cheston
2. B-1 Financial Condition & Activities Monitoring report will be completed and resubmitted at the June meeting. -Cheston
3. Ines will provide Board education on sustainability.
4. Board Retreat- back to the drawing board! Martyn

## Adjournment

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

## Next Meeting

The next meeting will be held on Monday June 29, 2015 at 7pm in the Community Room of Borough Hall.

Respectfully submitted,

Pam Bartholomew  
Secretary

Documents for the Meeting

Co-op Apr 2015 Balance Sheet

B1-Fiancial Conditions May 2015

DSCR B1 May Financial 2015(rev)

A-Ends Board Report May 2015

Co-op Apr 2015 Income Statement

Co-op Apr 2015 Inc Stmt (new)

Co-op Board Agenda 5-18-15

Co-op 2015 Annual Meeting Minutes

GM Department Reports March & April

A- Ends Board Report May 2015