

# SWARTHMORE CO-OP BOARD OF DIRECTORS

## MINUTES OF MEETING

August 24, 2015

The August meeting was held in the Community Room of Borough Hall. It began at 7:03 PM.

Present were President Martyn Harding, Vice President Carol Savery, Secretary Pam Bartholomew, Treasurer Michael Markowicz, Board members Andy Rosen, Bob Scott, Ines Rodriguez, Karen Shore, Operations Manager Sarah Yoo, and HR consultant Dawn Betts. GM Cheston Lawrence and Board members Don Delson and Jill Gaieski did not attend.

### Approval of Minutes

Carol Savery made a motion to approve the minutes of the July 27, 2015 Board of Directors meeting. Michael Markowicz seconded the motion and the Board voted unanimous approval.

### Manager Update Report

Grocery Manager, John O'Neill, was the guest speaker. He described deep discounts he was able to offer to shoppers as a result of volume discounts and "freebies" that accompanied them. He was also encouraged by sales in Frozen Foods and Dairy that month.

### GM Update

Sarah Yoo, sitting in for GM Cheston Lawrence who was fulfilling his Army Reserve obligation, described the "Serve Safe" certification in food safety that employees were getting this month. The Co-op also received positive feedback from catering at the XPN Festival and will have radio spots on XPN over the holidays.

### Finance Update

Treasurer Michael Markowicz reported that store sales were down 4% in July. Despite margins of 33% which usually would indicate a profit, there was a \$17k loss.

- A margin analysis revealed a solid Produce Dept. Even with declining sales, margins remained good. Manager Ed Farace has developed analytic software that should be shared with other department managers to improve their margins. HR consultant Dawn Betts, will ensure that this training happens.
- Member Sales Analysis showed members continuing to represent 60% of sales despite a decline compared to July '14. Non-members sales declined.

This analysis shows that the top 100 customers account for 18% of total sales.

- We would like to be able to look at sales by vendor so that we could identify how important certain products are, but unfortunately the system cannot sort by vendor.
- Meat & Seafood sales declines are in part due to a POS system problem in which many items are coded as “ring other” and not credited to the department sales. Michael is working with the IT contractor to properly categorize these sales.

### Board Decisions

#### GM Monitoring Reports

- B3: Asset Protection  
Andy Rosen made a motion & Bob Scott seconded to approve B3. The Board voted unanimous approval. Dawn pointed out that the insurance policy spreadsheets need to be updated with correct dates for each policy.
- B1: Financial Conditions & Activities  
This report was not presented because the GM was not present. Bob Scott made a motion that the 2Q B1 Monitoring Report be presented prior to the September Board meeting. Michael Markowicz seconded this motion & the Board voted unanimous agreement.

#### Board Monitoring Reports

- A revised Annual Monitoring Calendar was presented for Board approval. Bob Scott made a motion to approve the revised version that was seconded by Carol Savery & followed by a unanimous vote to approve by the Board.
- C7: Committee Principles  
Carol Savery made a motion to approve C7 with the addition of a Marketing charter to be written now that a Marketing Committee is active. Michael Markowicz seconded the motion and the Board voted unanimous approval.

#### Information Sharing and Discussion

- The committee list will be updated with both the new committees and corresponding members.
- Document Storage and Sharing: The search for a Back Pack replacement continues. Cost and security issues have eliminated Drop Box from contention. Similar security issues exist with Google Drive. Martyn offered to check with the IT Dept at Subaru for their opinion on how to handle security of the shared files.

- Farmers' Market: Andy Rosen reported that vendors are very happy with the market. There was a wide ranging discussion about whether the farmers' market is hurting Co-op produce sales, how to get shoppers over to the Co-op (signage from Marketing), how the Co-op should participate in the market- always having a Co-op table manned by a Board member, and possibly offering tastings (Sara will consult with Brendan & Ed).
- Sustainability: Chair Ines Rodriguez made a presentation on sustainable tuna fishing. This education on sustainable fishing practices was prompted by inconsistencies on the Co-op website, i.e., a news piece saying that the Co-op will never sell Bluefin Tuna because of its endangered status followed by a recipe for Blue fin in a different part of the site. It was agreed that this presentation should be shared with Co-op managers. Everyone also agreed that supporting sustainably raised or farmed products was a message that was totally consistent with the Co-op's position & should be communicated to employees.
- Nominating Committee  
A request for member/owners interested in joining the Board will be posted in January in the "Swarthmorean", on the website and in social media.
- Board Education  
Money will be included in the board budget for CBLD orientation classes for new board members (3-4) next year as well as for Co-op Café fees for a program this November in Philadelphia.
- Marketing Committee  
There is a plan for the remaining 4 months of the year to advertise via direct mail to select geographies, billboards at local train stations, the Inquirer, "Swarthmorean" & Delaware Daily Times, email and social media. The committee is also working on a customer survey.
- Board Retreat.  
Karen reviewed her timeline for data gathering in preparation for the Board Retreat. Her timeline would push the retreat to December.

#### Review of Action Items

1. Provide training to managers on Ed's margin software-Dawn
2. Submit B1 GM monitoring report for 2Q15 before September Board meeting- Cheston
3. Write Marketing Committee Charter-Karen, Pam
4. Issue revised Committee List-Pam
5. Consult with Subaru IT dept re: security of Google Drive- Martyn
6. Develop signage to lure Farmers' Market customers to Co-op- Jason
7. Correct website re: bluefin tuna- Ines
8. Share sustainable tuna fishing presentation with employees- Ines

#### Adjournment

The meeting adjourned at 9:20pm. An Executive Session followed.

Next Meeting

The next meeting will be held on Monday September 28, 2015 at 7pm in the Community Room of Borough Hall.

Respectfully submitted,

Pam Bartholomew  
Secretary

Documents for the Meeting

Co-op 2015v2014 Sales Analysis

Co-op Jul 2015 Balance Sheet

Co-op Jul 2015 Inc Stmt

B3: Asset Protection

C7: Committee Principles

Co-op Board Agenda 8-24-15

July GM & Department Reports

Co-op Board Minutes 7-27-2015

Board Conflict of Interest Statements 2015

Co-op Annual Monitoring Calendar 2015 (rev)

Managers & Asst. Hours

Swarthmore Spreadsheet

