

SWARTHMORE CO-OP BOARD OF DIRECTORS

MINUTES OF MEETING

October 23, 2017

Call to Order

The October meeting was held in the Community Room of Borough Hall. The meeting was called to order at 7:00.

All Board members were present, including President Pam Bartholomew, Vice President Ines Rodriguez, Secretary Jill Gaieski, Treasurer Michael Markowicz, Barbara Amstutz, Lori Knauer, Stephanie Edwards, Donna Francher, Sean Fitzgerald and Jacqlyn Diamond. GM Mike Litka was also in attendance.

Proposed 2018 Health Plan Review

Sam, a representative of Locher & Associates presented the proposed 2018 Health Plan. Mike Litka and Sam Wunderling of Lacher reviewed the current plan and new coverage options with the Board. The following recommendations were made:

- Move medical insurance to Independence Blue Cross
- Offer two plans
- The Co-op continues to seed HSA at decreased dollar amount
- Composite/blended rating structure
- 80/20 percentage contribution for dental
- New plan year to begin 12.1.17

Lori made a motion to adopt the two IBC benefit plans as described in presentation (PowerPoint slides), with 70/30 cost sharing for bronze level and employee paying additional portion for silver level plan. \$300/employee contribution to Health Savings Account. Renew current levels of disability, dental and life insurance plans with Co-op paying additional premiums of approximately \$1,000/year total. Michael seconded. A vote was taken. The motion was approved unanimously.

Approval of Minutes

Jill made a motion to approve the 9.25.17 minutes with one edit. Donna seconded. A vote was taken. Minutes were approved unanimously.

Member Comments

No members attended, therefore there were no member comments.

General Manager Monthly Update Report

Mike referred us to his detailed October report, but he and Board discussed several matters.

- Mike shared that:
 - The oven is on its last leg – the main heating element of the oven is broken.
 - There will be an all store meeting on 11.9 to prepare for the 11.11 holiday tasting.
 - He plans to launch our Ownership campaign the same weekend.

- He is working with a vendor for an online shopping experience.
- Regarding financials:
 - Sales were up \$7,107
 - Contribution Margin rose to 23.02% from 21.51%LY
 - Total expenses were down over last year by \$4,767
 - Profit of \$2,895 Prior year was a loss of \$2,123.

Finance Update

Recap of Alumni Board Meeting

- Michael shared what was discussed at the meeting
 - State of the store
 - Ideas for turning the store around
 - Former treasurer offered to meet with the Finance Committee and work up a cash flow strategy, i.e. equity increases, develop property, more contract departments (like John and sushi)
 - Engage owners more
 - Enhance owner education through Education Committee events

Stephanie gave a financial forecast

- Stephanie discussed the store's path to profitability
 - Qs 3 and 4 are key
 - Cost savings that Mike has put into effect will be spread across 2018
 - We will ask for increased equity from Owners
 - We will encourage opening/replenishing of house accounts
 - We will encourage ATM and debit card use

Michael discussed Owner/Non-owner sales

- Total sales are up
- Non-owner and Owner sales are nearly even
- Owner sales are down
- Non-owner sales are up

Board Decisions

Operational Plan & Budget Presentation

- Mike reviewed with the Board the details of his engagement with employees
 - He is working with employees on budgeting and forecasting for 2018
 - The team did a very good job analyzing the numbers and
 - Brainstormed about bringing in more bulk items, prepackaged high-quality meat to allow for portion control

GM Monitoring Report:

- B1: Financial Conditions – Donna made a motion to accept the B1 Report. Michael seconded. The Board voted. The motion passed unanimously.
- B2: Business Planning & Financial Budgeting – Michael made a motion to accept the B2 Report. Donna seconded. The Board voted. The motion passed unanimously.

Board Monitoring Report:

- D1: Unity of Control – Donna made a motion to accept the D1 report. Michael seconded. The Board voted. The motion passed unanimously

“Ends” Recommendation

- Lori explained how we arrived at the two options
- Board will submit any recommendations by end of the week
- Final “Ends” statement will be presented at next month’s meeting for Board vote

Information Sharing

Deed waiver update:

- 48 of 146 have signed the waiver, including the College
- Need more notaries
- Methodist Church is requesting a modification of the waiver

Membership Committee

- Barbara explained that the campaign will have two components – in store at the register, and new residents (baskets)
 - Launch is November 11
 - Barbara presented ideas for discounts and prizes for new members
 - Isabel to communicate the campaign through social media
 - Employees at the register will undergo training
 - There will be employee (team) incentive

Volunteer Committee – nothing to report

Education Committee – nothing to report

Policy Governance Committee – nothing to report

Sign update – hearing is tomorrow evening. Pam to present photos

80th Anniversary review – kudos to the Committee on a great event and turnout

Review of Action Items

- 1- Ends Committee to incorporate feedback into draft Ends, send around for final review
- 2- Mike L. to get SNAP info to Jill
- 3- Donna to speak with Todd Kitchens about notarizing waivers

4- Michael to set up 102 Rutgers meeting

5- Mike to update list of property owners granting waivers

6- Jill to update Policy Register to reflect policy revisions and document policy changes

Adjourn

Meeting was adjourned at 9:20pm. An Executive Session followed.

Next Meeting

Next Meeting is scheduled for November 27, 2017 in the Community Room, Borough Hall at 7pm.

Respectfully submitted,

Jill Bennett Gaieski, Secretary

Documents for Meeting

Policy D1 Internal Monitoring 2017 Report

Co-op Board Agenda October '17

Membership Update 9-25-2017

2018 Board Budget

GM report October 2017

Budget 2018 qtr breakdown

Financial Projections

2017-2018 Co-op Benefits Anniversary Presentation

2018 Benefit Package Contribution Benefit Composite Rates

B1 Financial Conditions Oct. 2017

B2 Business Planning Monitoring Report

Draft Co-op Board Meeting Minutes 9.25.17

Co-op Sept. 2017 Income Statement

Co-op Sept 2017 Cash Flow

Co-op Sept 2017 Balance Sheet

Co-op 13 month rolling comparison Page 1 of 2

Co-op 13 month rolling comparison Page 2 of 2

Co-op 2017x2016 Sales Sept.