

SWARTHMORE CO-OP BOARD OF DIRECTORS
MINUTES OF MEETING
January 22 , 2018

Call to Order

The meeting was called to order at 7:05 pm in the Community Room of Borough Hall.

Board members present: President Pam Bartholomew, Secretary Jill Gieski, Treasurer Michael Markowicz, Jacqlyn Diamond, Barbara Amstutz, Lori Knauer, Stephanie Edwards, Donna Francher, GM Mike Litka was also in attendance.

Absent: Vice President Ines Rodriguez

Approval of Minutes

Donna made a motion to approve the minutes of December, 2017. Michael seconded. The minutes were approved unanimously.

Member Comments None

General Manager Monthly Update

Mike referred the Board to his report, and highlighted several issues;

- Staff changes were discussed.
- Looking to hire one full-time part timer for service dept lineup
 - o Cross trained in Deli/Prep/Seafood/Meat
 - o Continuing remerchandising of the Meat/Seafood case
- Year to date overview
 - o Total gross margin improved by over 9.25% over last year
 - o Total expenses up .89% mainly due to higher repair costs, trash removal, consulting and professional fees
 - o Bottom line improved 7.39% from last year
 - o Sales soft for January
 - Students away
 - Basket size up
 - \$3000 more in profits in Prepared Foods
- Ownership update
 - o 2258 members
 - 324 suspended for being in arrears
 - 154 deceased, moved, redeemed
 - 1780 overall going into 2018
 - o 31 have asked for return of equity (aprox. \$3000). Mike to discuss with Finance Committee. Will make proposal next month.
 - o Donna proposed forfeit of unpaid

Finance Update

Michael reviewed the financial reports:

- Michael noted a very robust December with encouraging numbers
 - o Up 26%
 - o Market Baskets up
 - o All due to:
 - Students in town longer
 - Better execution of holiday ordering
 - Megan nailed ordering in July
 - Focus on 10-12 items
 - Great customer service
- 2017 End of Year
 - o Sales down \$59k (.1% drop)
 - o Transactions down
 - o One Card flat year of year

Board Decisions

GM Monitoring Reports

- B: Global Executive Constraint
 - o Jill made a motion to accept the Global B report noting compliance. Michael seconded. The Board voted. The motion passed unanimously.
- B1: Financial Condition
 - o Michael made a motion to accept the B1 report noting non-compliance. Jill seconded. The Board voted. The motion passed unanimously.
 - #1 Allows sales to decline year over year, but was previously decided that this should apply to monthly losses and comparing year over year. Board will always keep in mind year to date when assessing compliance.
 - Mike to reissue a corrected B1 report.
- B:12 Financial Activities Policy
 - o Donna made a motion to accept with changes to B12-11. Barbara seconded. The Board voted. The motion passed unanimously.

Board Monitoring Reports

- C: Global Governance
 - o Donna made a motion to accept C report. Barbara seconded. The Board voted. The motion passed unanimously.
- D: Global Board-Mgmt. Connection
 - o Michael made a motion to accept D report. Donna seconded. The Board voted. The motion passed unanimously.
- D3: Delegation GM
 - o Jacqlyn made a motion to accept D3 report. Donna seconded. The Board voted. The motion passed unanimously.
- D4: Monitoring GM
 - o Jill made a motion to accept D4 report. Stephanie seconded. The Board voted. The motion passed unanimously.

Deed Restriction Process Update and Vote

- Pam gave an update on where we are with release of deed restriction
 - o We now have around 50% of signatures
 - o Pam recapped what the Board discussed at a meeting with the attorney representing the Co-op in this effort.
 - o Colleen Guiney to graciously volunteered to knock on doors with a letter authorizing her to notarize signatures.
 - o Following this, the Board discussed sending a letter to remaining home owners laying out the process to come.
 - o The Board also discussed sending a letter to the membership about the plan to move forward.
 - o Mike shared a low cost plan to get the Co-op ready to sell beer and wine if a license is obtained.
- Jill made a motion to pursue the sale of beer and wine at the Co-op including the procurement of a liquor license and any necessary legal steps. Michael seconded. The Board voted. The motion passed unanimously.

Information Sharing and Discussion

- Board Goals 2018
 - o Pam discussed efforts to engage in Board development without all CBLD charges
- Nominating Committee
 - o Michael provide an update stating there are a number of great candidates
 - o The Board discussed the number of spots to be filled
- Membership Committee
 - o Donna discussed that her and Barbara's work yielded 31 new member-owners since the beginning of November
 - o The Committee sent out another 100 letters, will send out another 200
 - o There will be a drawing for new members on Member Appreciation Day
- Equity Campaign
 - o Stephanie and Pam gave an update
- Education Committee
 - o Nothing to report
- By Laws Revisions
 - o Meeting will occur this moth
- Policy Governance Committee
 - o Committee to revise the Policy Register reflecting all changes

Review of Action Items:

- 1- Finance Committee to create and propose policy for equity redemption.
- 2- Jill to reserve community room for upcoming 2018 meetings - 4th Friday of the month
- 3- Lori to look at PA law regarding redemption of coop equity shares.
- 4- Jill to draft letter to membership asking for volunteer attorney to help draft contract for liquor license purchase.
- 5- Policy Governance Committee to draft revised Policy Register.

Adjourn

Meeting was adjourned at 9:41pm. An Executive Session followed.

Next Meeting: February 26, 2018

Respectfully submitted,
Jill Bennett Gaieski, Secretary

Documents for Meeting

B-Global Exec Constraint Jan. 2018
1A58666-Timeline for email to Board
Policies B-1 & B12
Co-op board Agenda January 2018
Internal Board Monitoring Report January 2018 Global D
Internal Board Monitoring Report January 208 D3
Internal Board Monitoring Report January 2018 D4
Internal Board Monitoring Report January 2018 Global C
GM report January 2018
List of Owners – Redemption Requests
Finance Proposal – Redemption Request Policy
B1 Financial Conditions January 2018
B12 Financial Conditions January 2018
Actual v. Budget Board Report 2018
Co-op Profit Loss Statement Dec 2017
Co-op Cash Flow Sheet Dec 2017
Co-op Balance Sheet Dec 2017
Co-op 13 month rolling comparison Dec 2017 page 1 of 2
Co-op 13 month side-by side comparison page 2 of 2
Owner graph 2017
2017 Dec Coop Minutes FOR DISTRIBUTION
Co-op 2017c2016 Sales comparison