

Facilities

- There was a slight infestation issue in the front half of the store. It was rectified and our pest control firm is with us on a weekly basis.

Operations

- An “interactive shopper’s” kiosk is being placed in the store so customers can order when they enter. They also will be able to instantly print out recipes.

7:30

Finance Update

Mike

- August sales were down from plan by 3.35 percent and from last year by 3.24 percent.
- The cost of goods was slightly up for the period. Megan arranged a new contract for a pasta sauce purchase.
- There was a \$13,000 to \$14,000 case flow adjustment in September for a direct withdrawal that was not occurring due to a bank error by the vendor.
- Generally traffic was low in August but results were not as bad as expected. Results were ahead of plan and better in comparison with the loss in the same period of 2017.
- Of concern is the significant downward trend in customer count by 7,000, although basket size is good. Both owner/member and general customer counts are down. Although sales are down, margins are up.
- Need to continue reduce/eliminate items simply because they are not selling in sufficient quantity.
- While there are concerns the numbers are better than they have been since 2013.

7:50

Board Decisions

GM Monitoring Reports

All

- B7: Co-op Premises
The General Manager is in compliance.
Jill made motion to approve, John seconded and the motion passed unanimously.
- B1-3 Financial Conditions and Activities
The Board discussed that the ratios the General Manager must use to provide evidence are unattainable. The General Manager is not currently in compliance, but the standard can be changed to a result that is achievable.
- B1-4: Financial Conditions and Activities
The ratios that the General Manager must use are unattainable.

- Action: B1-3.a and B1-4 will be reviewed and changed by the Finance subcommittee and brought to the Board for approval.
- The Finance Charter will be updated by the Finance subcommittee. The new charter will be brought to the Board for approval and added to the policy register.
- Stephanie made a motion for B1 to be updated by the committee, Mark seconded. The motion was approved unanimously.

Board Monitoring Reports

- C8: Governance investment –
Ines asked whether we continue to need Jade for consulting services. A brief discussion followed that these costs are significant and there may be better alternatives, such as reaching out to past Board members.
- Jill made a motion that the Board is in compliance. Barbara seconded, and the motion was approved unanimously.

8:10

Discussion

- **Vision Session:** Donna confirmed that the Visioning meeting October 28, noon to 3 p.m. at her home for those who can attend. **Discussion:** Members/owners who are not Board members are welcome as well as those in the community who can contribute to the conversation. It was agreed that someone from the Town Center Board should be invited as well as a few business owners.
Discussion: Session goal is to identify “What do we want the Co-op to be?” Mike noted that we won’t see increase purely in grocery business so we need to broaden the Co-op’s business role. Mike encouraged the Board to look at the product mix data in the report he provided at this meeting. There are many items that are nice to have but not selling. How do we refine the product mix? Jill asked “What is the Co-Op’s culture?” This will be addressed at the meeting.
- **Co-Op Café** is October 20 in Philadelphia.
- **Board budget:** Donna noted that the board budget for 2019 will need to be prepared. We should the alternatives between CBL Consulting vs. CDS. A
- **Update on Liquor License, alternate financing options and next steps**
The Liquor License committee met. Letters from Swarthmore Town Center have been sent to 17 business owners within the Biddle Tract encouraging them to remove the deed restriction in the tract.
Action: Notices will begin being served next week to the small group of about 30 properties (24 individuals) still outstanding.

