

**Swarthmore Co-op Board**  
**Monday June 24, 2019**

In attendance: Donna Francher, President; Jill Gaieski, Vice President, Stephanie Edwards, Treasurer; Mark Rossi, Secretary; Barbara Amstutz, Greg Bockman, Lori Knauer, John Moots, Jennifer Smuts, Mike Litka, General Manager

Not in attendance: Ines Rodriguez

- 7:00                    Call to Order / Agenda Review                    All**  
The Board welcomed new member Jennifer Smuts. Kevin Kebea is also joining the Board and will be in attendance at the July meeting.
- 7:05                    Approve Minutes of March and May Board Meetings, All  
and April Member/Owner Meeting**  
Jill made a motion to approve the minutes of the three meetings. Stephanie seconded. The motion passed unanimously.  
Action: Mark will arrange for the minutes to be posted on the Co-op website.
- 7:06                    Member Comments:** No members present.
- 7:20                    General Manager Monthly Update Report                    Mike**
- Events/Donations/Outreach/Marketing:**
- Owner appreciation day was held June 15
  - The Co-op would like to host more Saturday pool barbeques, but staff resources are limited. Jill offered to chair a barbeque subcommittee in which we could combine volunteers with staff to run a barbeque on monthly Saturdays during the summer on 7/20 and 8/24. A minimum of two volunteers will be needed to support 4 staff members. **Action:** Jill will move these arrangements forward.
  - Franklin Fountain/Shane's confections summer demo: Unfortunately, we have not heard back from Eric of Franklin Fountain to follow up on this idea for a summer event. Unsure if it will happen.
  - There is interest from Ines's sister in hosting a cooking class. This would be part of our series of food-related events to be led by owners/members.
  - Fund-raising for new freezer: The discussion of various events led to conversation about funding the new freezer. There is an immediate need to raise money as quickly as possible in order to begin the freezer project. The overall cost will exceed \$80,000. \$40,000 is required to begin.  
Options were discussed:  
Could the Co-op sponsor an event at the swim club? Hobbs is there every day at 3 p.m.

Swarthmore Beer Company has offered to help us with a fundraising event. The Engagement Committee will identify items that can be specifically targeted raising money. See Lori's email of June 22. Next engagement committee meeting is July 9.

## **Facilities**

## **Mike and Board**

- The **freezer/cooler repair** issue is of great concern. The Board addressed and discussed the following:
  - All means are being explored to fund the cost of replacement.
  - Don Delson, past Board Member, talked with Bill Cumby, whose company constructed to the building to see if there is any relief possible that the company can provide.
  - Member/owner and public donations: efforts are underway to communicate the urgent matter of raising funds. The message has been addressed in "What's Fresh" but will need more attention and focus.
  - So far (as of June 24) \$1,038 has been donated, with a loan for \$1,000 pending. Several owners have offered to increase equity.  
Discussion: Should we consider an assessment to members? This may be difficult to handle; it was agreed that fundraising would focus on dollar contributions, equity increases, and loans.
  - Outreach to members: it was agreed that we need more and frequent communications and reminders. A jar has been placed in the store and a fund-raising "thermometer" graphic will be created.
  - Organizations, including "Wrong Crowd" have offered to do fund-raising events to raise money.
  - It was agreed that emails should be sent to all members, and that the member list should be split for Board members to call other member owners who they know.
  - Script points of phone calls should be developed for Board members to follow. Members could be asked for specific contributions at "levels": e.g. \$50, 100, 300.
  - Board members will identify other key players, e.g. large individual supporters and past Board members, who can help with larger contributions and loans.
  - During the next visioning committee meeting in early July, Lori will ask for input from attendees and other volunteers.
  - Barbara suggested that we place deadline on our communications to reinforce the urgency; e.g. We need to raise "X" dollars by "Y" date in order to begin funding the freezer repair project.
  - Other sources of funding for contributions to the project were discussed, e.g. Rotary, Centennial Foundation, state grants and loans for an operational "hardship" such as this one.

**ACTION:** Jenn has agreed to draft an overall freezer fund-raising plan with action items and dates. This will include draft emails, social media presence and phone scripts for Board members. As fund raising activities are identified, they can be added to the plan. The focus will be on the first \$40,000 needed to begin the repairs. By the

next board meeting in July, more specific plan elements will be in place.

- Other facility repairs are underway for kitchen exhaust wiring and six-foot cooler repair, \$3,800.

### **Operations:**

**Mike**

- Return of Equity: Mike requested a return of equity of totaling \$1,500 to those members who are leaving the area and will no longer be owners. The Board approved this request, but asked that Mike ask them to consider a donation to the freezer project.
- The C&S Wholesale contract for delivery of grocery items is up for renewal. C&S will pay the Co-op \$4,700 for renewing our contract for seven years. The Board approved this contract renewal unanimously.
- Operations Discussion: Board members and Mike discussed general issues related to stabilizing operations in light of continuing losses.
  - Mike noted lowering sales of meats are causing a shift to sale of prepackaged meat items. The plus side of this approach is that we are being less wasteful.
  - There is also interest prepared foods. It was suggested that we continue to focus on these adjustments in our communications to the owners.
  - Concerns were also expressed about the optics of empty shelf space. Mike noted that new bulk products are coming, including bulk honey and bulk maple syrup.

**8:20**

### **Finance Update - May**

**Mike**

- Sales were off by \$36,000 from last year for the month, and down \$104,000 for the year
- Wages, taxes/benefits, supplies, marketing and occupancy were all under budget.
- Cost of goods was over budget and gross profit was below projections.

**8:30**

### **Board Decisions**

#### **General Manager Monitoring Reports**

- **A: Global Ends:**  
The Board agreed that the General Manager is in compliance. John made a motion to approve, seconded by Barbara and the Board passed unanimously.
- **B6: Staff Treatment and Compensation**
  - Under B6-1, the employee handbook needs to be revised. The General Manager is currently not in compliance. Action: Greg will lead the effort to have the handbook updated.
  - The Board agreed that the GM is in compliance with B6-2, B6-3, B6-4, B6-5 and B6-6. Greg made a motion to approve, Jill seconded, and the Board passed unanimously.

## **Board Monitoring Reports**

- **C3 Agenda Planning**

The Board is in compliance. John made a motion to approve, Mark seconded and the Board approved unanimously.

- **C4 Meetings**

The Board is in compliance: Jill made a motion to approve, Barbara seconded, and the Board approved unanimously.

## **Administrative: Conflict of Interest Statements**

This item will be addressed at a future board meeting.

**8:40**

### **Discussion**

**All**

**New Board candidates:** The Board formally voted to for Jenn to become a Board member.

**Update on Liquor License:** No updates; four parties continue to oppose the waiver.

**Committee updates:** Lori reminded the Board that a very positive owner engagement committee meeting took place on June 6. Board members should review her email of June 22 with a comprehensive summary of initiatives designed to increase engagement and involvement of owners. Several owners and other individuals have expressed interest in volunteering to take on a more active role with specific projects. The next engagement meeting is set for July 9.

### **Cookbook Exchange and CSA**

**Donna**

The Co-op will have a table at the Farmer's Market on July 13. People can exchange cookbooks, sign up for the Co-op CSA and contribute to the freezer fund. Board members can volunteer to man the table.

**8:50**

### **Review of Action Items**

**Mark**

Mark listed action items for follow-up:

- Freezer Fund-raising and communication outline – Jenn
- Saturday Barbeque volunteer committee – Jill
- Cookbook Exchange - Donna
- Co-op Handbook – Greg
- Engagement Committee – Next meeting - Lori

**8:55**

### **Adjourn**

John made a motion to adjourn, Barbara seconded, and the motion passed unanimously.

**9:00**

### **Executive Session**

Next meeting: July 22, 2019

## **July 22 Board Meeting Documents:**

Board Meeting Agenda, July 22 Meeting

Board Meeting Minutes, June 24 Meeting  
General Manager Report – July 2019  
Actual Vs. Budget Board Report – June 2019  
Board Graphics, June 2019  
Co-op Income Statement, June 2019  
Co-op Cash Flow Statement, June 2019  
Co-op Balance Sheet, June 2019  
Co-op 13-month rolling income statement, June 2019, Parts 1 and 2  
Policy Register – Board Process, C5, Directors’ Code of Conduct  
Policy Register – Board Process, C6, Officers’ Roles  
Policy Register – Communications with, Counsel to and Support of the Board