Swarthmore Co-op Board Monday July 22, 2019 MEETING MINUTES

In attendance: Jill Gaieski, Vice President, Stephanie Edwards, Treasurer; Mark Rossi, Secretary; Barbara Amstutz, Greg Bockman, Kevin Kebea, Lori Knauer, Ines Rodriguez, Jennifer Smuts,

Mike Litka, General Manager

Not in attendance: Donna Francher, John Moots

7:10 Call to Order / Agenda Review

All

Jill presided and called to the meeting order. (Donna is away on vacation.)

7:12 Approve Minutes of June Board Meeting

Ines made a motion to approve the minutes of the June Board Meeting. Greg seconded. The motion passed unanimously.

7:13 Member Comments: No members present

7:15 General Manager Monthly Update Report

Mike

Events/Donations/Outreach/Marketing

- Co-op hosted meeting with Swarthmore Business Group last week.
- Numerous engagement events have taken place or are upcoming, including owner engagement workshop on fermented salsa, Normandy Farms presentation, 7/27, and Swarthmore Summer Stroll, 7/25.
- We are making significant progress with fund-raising for the freezer repair.
 Donations are being requested through owner/member emails and Facebook posts. Owners and members are responding.
- Fund-raising events in August: Two Movie nights (8/2 and 8/23) and two Readiness Room Boot Camp and Yoga workshops are all in the works. These events are being promoted via "What's Fresh" and Facebook.
- The Fall Fundraiser with the Swarthmore Beer Company is set for 9/21
- Octoberfest with Swarthmore Recreation Association is set for 10/5
- The next Truck-A-Thon is set for 9/13.

Facilities:

The freezer repair is estimated at \$83,000. A 50 percent down-payment is required with 6-8 week lead time for repairs to begin. Construction will take to 3-4 weeks.

Discussion: With the required period of 9-12 weeks for this entire repair project to be addressed, the Board and Mike discussed when the work should ideally begin. The goal would be to have the actual work take place at the slowest time once funds have been raised and the work has been ordered, perhaps in winter.

Mike noted that an owner who does heavy duty industrial construction approached him to see if his construction business could help.

- The 6-foot drink cooler needs repair, estimated at \$3,800.
- The soup station is down to one kettle, it will cost \$4,800 to replace all three.

Operations:

- Freezer fund-raising as of 7/22 is just over \$12,000.
- A storewide theft issue among employees was discovered and reported to
 Mike. This issue was addressed immediately with Mike informing his team of
 direct reports and that theft is unacceptable and grounds for termination. It
 appears that this issue has subsided with employees now understanding the
 consequences.

Action: The employee handbook will be updated to explicitly outline the employee purchase policy and the consequence of termination of employment if this policy is violated.

- A procedure has been created with the goal to keep employees and shoppers safe in the event of a tornado. This is in response to the uptick in tornado watches and warnings this summer.
- The store is now offering grass-fed burgers in 1-pound packages
- Mike thanked the Engagement Committee for its continuing work to raise owner awareness of the Co-op's operations.

7:45 July Finance Update

Mike

- Sales were off by \$28,000, but cost of goods, wages, taxes and benefits, supplies and marketing costs were all under budget for the period, so gross profits were above projection against the same period last year.
- The Board discussed the need to ramp up marketing efforts to the general public as we continue to engage owners. Isabel Paynter has moved on, so help is needed to coordinate marketing. Jill suggested a Next Door Swarthmore post; Jenn will help to review responses. We also have reached out to nearby colleges, including Widener, Temple and Swarthmore.

8:00 Board Decisions

General Manager Monitoring Reports

B8: Communications with, Counsel to and Support of Board

The Board agreed that the General Manager is in compliance. Stephanie made a motion to approve, Jenn seconded and the Board approved unanimously.

Board Monitoring Reports

• C5: Directors Code of Conduct

The Board is in compliance with all items except clear statements from each Board member that they have no conflict of interest with the Co-op.

Mark made a motion to approve, Stephanie seconded and the Board approved unanimously.

Action Item: Each board member must review and sign the **Conflict of Interest Statement** as part of C5, Directors Code of Conduct. Mark will circulate this to the Board members so that it can be approved at the next meeting on August 26.

C6: Officers Roles

The Board is in compliance. Ines made a motion to approve, Jenn seconded and Board approved unanimously.

8:15 Discussion

All

Welcome New Board members

Jill introduced new Board member Kevin Kebea and the entire Board welcomed him.

Orientation for new board members:

Kevin asked about the orientationprocedure. The Board noted that CDS (now known as Columinate) owes us a team building exercise, and the CBL 101 session could fulfill this need for the entire board and staff members who would attend. **Action:** Donna will contact Columinate to see if they would lead this session. In addition, the upcoming Co-op Café in Philadelphia on October 26 would provide a great opportunity for all board members.

- Fund-raising Communication Strategy: Jenn and Marked updated the board. The first email has been sent to owners, the second will take place in August with an update on funds that have been raised, along with a continuing appeal to owners for their support through various means. Jenn is working with the Swarthmorean and Kevin is working with a contact at the Daily Times.
- Updated on Liquor License and Alternative Financing Options: Donna will update the board at the August Board meeting.

8:40 Review of Action Items

Mark

- Coop Café and Columinate Donna to check with contact and update the Board.
- Greg to update language in the employee handbook regarding strict guidelines for employee food purchases, so that there is understanding that theft is strictly prohibited.
- Stephanie and Events team will outreach to members to encourage support at upcoming fund-raising events.

8:45 Adjourn

Next meeting: August 26, 2019

August 26 Board Meeting Documents

Board Meeting Agenda: August 26 Meeting

Board Meeting DRAFT Minutes, July 22 Meeting General Manager Monthly Report – August 2019

Policy Register: B10 - Conflict of Interest Monitoring Report, August 2019 Policy Register: B3 - Asset Protection Monitoring Report, August 2019

Actual vs. Budget Board Report, July 2019

Board Graphs, July 2019

Co-op Income Statement, July 2019

Co-op Cash Flow Statement, July 2019

Co-op Balance Sheet, July 2019

13-month rolling income statement, Parts 1 and 2

Policy Register: C7 - Committee Principles

Conflict of Interest Statement – 2019 Board of Directors