

Swarthmore Co-op Board
Monday September 23, 2019
MEETING MINUTES

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

Guests: Ben Carone, Swarthmore Beer Company
Sharon Mester, Board President, Swarthmore Town Center, Inc.

7:01 Call to Order / Agenda Review All
Jill Gaieski presided over this meeting; Donna Francher called in by phone

7:05 Approve Minutes of August Board Meeting All
Greg made a motion to approve the minutes of the August Board Meeting. Jenn seconded. The motion passed unanimously.

7:06 Member Comments
Two guests, Ben Carone and Sharon Mester, attended the meeting to present to the Board:

Swarthmore Beer Company: Ben presented details of the fund-raiser that Swarthmore Beer Company completed on Saturday, September 21 from 12 to 4 p.m. The purpose of the fund-raiser was to provide a donation to the Co-op toward improvements and upgrades with lighting, flooring, etc. to the “café” area in the store. Meals at the fund-raiser were sold for \$15 for adults, beer was free. Food costs were donated. The net raised was \$3,768. The Co-op can choose to do whatever it wishes toward the renovations, which are estimated to total about \$10,000. Ben presented some visuals / concepts for reshaping the store.

Discussion: Jill proposed the creation of an ad hoc owner/member committee to be led by Ben to move the process forward. This committee could offer a new opportunity for owners to volunteer. Kevin offered to work on this committee as well, leveraging his ARAMARK experience.

Stephanie noted that the Go Fund Me account that has been utilized for the freezer repair project can continue for raising funds for the café renovation. The two fund-raising efforts can run parallel in the Go Fund Me account.

Ines noted that this donation gives us an opportunity to promote a series of ongoing projects in which volunteers can choose to get involved and support the business. We can continue to promote the Go Fund Me account and communicate the owners the examples of ways that their contributions can be used to support the store.

Jill noted that the April 2020 member meeting will give us an opportunity to communicate and present the improvements that we will be making to the cafe space. There should be no issue with Ben chairing the committee even though

he is not on the Board; this should be ok from a policy governance perspective. Ines suggested that this could be a subset of the Engagement Committee. Ben can chair the adhoc committees....this appears fine from a policy governance perspective.

Barbara suggested that the Swarthmore Seniors Association may be able to support this effort. Its president is Linton Stables, who is an architect. It may be appropriate to invite his input with the committee's work and to help with future funding.

Ben presented the donation check to Jill and Stephanie. The Board thanked Ben and his team for their support and expressed appreciation for his offer to continue to remain involved in the store improvement effort.

Swarthmore 2030 Visioning Project: Sharon Mester presented the highlights of this project, which is a summary of recommendations and strategy toward improving the Town Center in the future. The goal of this initiative was to involve key constituent groups toward creating a collective vision for the Town Center and answering the question "What do we want Swarthmore to be in 2030"? Sharon reported to the Co-op Board on the outcomes of the project as part of the reporting to constituent groups that provided input to the committee.

The Swarthmore Centennial Foundation provided funding for the program, which gathered input and comments from about 150 individual influencers in Swarthmore. An RFP was developed for urban planning firms to identify if the vision is attainable. U3, a planning firm with specific expertise looking at college towns, was selected to do the study and provided its findings based on three variables: the retail/restaurant mix, the housing mix, and amenities.

In summary, the vision in the report called for the following:

- Diverse eating and drinking opportunities
- More "after hours" opportunities for the college students.
- Affordable eating and drinking options
- More diverse housing options.
- Collaboration and gathering opportunities
- A performance, community center
- Greater attention to seniors
- Greater opportunity for engagement of college faculty and administrative employees, e.g. accessible child care

The study also noted that there is opportunity to improve the two major retail corridors: Chester Road (Station Square) and the square block bounded by Park, Dartmouth, Lincoln and Myers (adjacent to the Co-op)

Discussion: The Board thanked Sharon for this presentation and agreed with its findings. Board also agreed that the vision plan reinforces and dovetails with the ongoing improvement initiatives of the Co-op to attract the support and engagement of the entire community, including residents, visitors, students and college employees.

8:10

General Manager Monthly Update Report

Mike

Events/Donations/Outreach/Marketing

- Outreach continued to focus on raising funds for the freezer repair project; the next movie night is scheduled for 9/27.
- Swarthmore Beer Company fund-raiser held 9/21 (see presentation notes above).
- Co-op was featured in the Delco Daily Times “Best of Delco” series with “one of the best” unique sandwiches.
- The Co-op placed an ad in the Daily Times Best of Delco issue at a cost of \$650.
- The Truck-A-Thon fund raiser on 9/13 drew huge crowds.
- The fermentation series (sauerkraut and pickles) was held on 9/22.
- The Sandwich Throwdown, Strath Haven vs. Ridley is ongoing from the end of September through October.
- An anonymous owner donated funds for a Co-op ad with the Chester Children’s Chorus for an event on October 26.
- Coming up: Philly Grocery Co-op Day on 10/19.
- On-line turkey orders for Thanksgiving begin on 10/ 31.

Facilities

- As of September 23, \$56,880 has been raised, which has met our goal in order to schedule the construction work in January 2020. Fund-raising is continuing. Measurements will be taken by the construction company in early October.

Operations:

- A search is underway for new grocery manager. We have two candidates for phone interviews.
- We have other open positions; they are now posted.
- The Mochi ice cream bar is up and running! It was the #2 frozen food in its first few days of operation.
- “Grab and go” items have been consolidated into the back of the store to bring traffic through the store and encourage other purchases.
- The insurance company is handling the claim for the refrigeration loss experienced on September 13.

Discussion: Greg asked about the empty space that is in the meat cases. Mike indicated that he is continuing to tweak this space due to the continual loss of sales. Certain items are simply not selling fast enough. We are transitioning more toward grab and go product. This is an ongoing fine-tuning effort to address declining meat sales.

8:15

September Finance Update

Mike

- Sales in August were off by \$21,400 but better than the planned loss of \$27,320.
- September appears on track to be a good month.
- Gross profit was above projection.
- Cost of goods, wages, taxes and benefits, supplies, marketing and administrative costs were all under budget.
- Year to date sales are down \$155,070 compared with 2018.

Discussion: John asked if the progress toward the freezer fund-raising goal is stalled or if we remain on track in order that the project can begin in January and be completed successfully. Stephanie noted that an anonymous donor has expressed interest in funding the outstanding balance and she will reach back out to this individual. The good news is that we are closing in on the balance due. There is one more movie night on 9/27 that will provide additional contributions.

8:25 Board Decisions

General Manager Monitoring Reports

- **B7: Co-op premises**

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

8:30 Board Monitoring

- **C8: Governance Investments**

C8 addresses the level of investment and support the Board places on its governance. Ines noted that several Board members questioned how much effort we place on these investments and whether we are in compliance. Although we have access to professional support and use money in a responsible way, we have not been compliant with training and have not received the support from CDL (now Columinate) that we requested.

Donna noted that Jade (from Columinate) has not responded with the type of training that we have requested. The Board questioned whether someone else could fill this role, perhaps a different consultant or a past Board member. Can we get a different consultant? Ines suggested the need for a facilitator, and that PACA may be able to help us. **Action:** Donna will reach out to see if we can resolve this issue and find a new course of action. The Board agreed to postpone a discussion and vote on this until the October meeting.

8:45 Discussion

- **PACA:** Meeting is coming up on Wednesday, October 23 that may interest owners. Lori asked if we can publicize this.

- **Update on start of work on freezer:** Following up on the previous discussion at this meeting, Stephanie noted that with commitments for the freezer project, we may actually raise upwards of \$100,000. If there is extra money left over after the project is completed, we will need to discuss and disclose where/how to use the extra funds.

- **Committee Updates:** See Mike's monthly report and Lori's Engagement Committee notes for a complete summary of ongoing activities.
- **National Co-op Month:** See Lori's minutes from the last Engagement committee meeting.

8:55

Review of Action Items

Mark

- The entire Board will promote the final movie night fund-raiser. Mark and Jenn will support the effort to draft communications to all owners once our goals are achieved.
- The process of creating a new subcommittee for the physical improvements to the store will begin along with planning for future fund-raising with this initiative.
- Donna will look into training opportunities so the Board is in compliance with C8.

9:00

Adjourn

John made a motion to adjourn; Donna seconded. The meeting was adjourned at 9 p.m.

Next meeting: October 28, 2019

September 23 Board Meeting Documents

Board Meeting Agenda: September 23 Meeting
 Board Meeting DRAFT Minutes, August 26 Meeting
 General Manager Monthly Report – September 2019
 Policy Register - B7: Co-op premises
 Policy Register – C8: Governance Investments
 Actual vs. Budget Board Report, August 2019
 Board Graphs, August 2019
 Co-op Income Statement, August 2019
 Co-op Cash Flow Statement, August 2019
 Co-op Balance Sheet, August 2019
 13-month rolling income statement, Parts 1 and 2