

## **Swarthmore Co-op Board Monday October 28, 2019**

**In attendance:** Donna Francher, President; Stephanie Edwards, Treasurer; Mark Rossi, Secretary; Greg Bockman, Kevin Kebea, Lori Knauer, John Moots, Ines Rodriguez, Jennifer Smuts, Mike Litka, General Manager

**Absent:** Jill Gaieski, Vice President; Barbara Amstutz

**7:00 Call to Order / Agenda Review All**  
Donna presided, called the meeting to order and reviewed the agenda.

**7:05 Approve Minutes of September Board Meetings All**  
John made motion to approve the minutes of the September Board meeting. The motion passed unanimously.

**7:10 General Manager Monthly Update Report Mike**

### **Events/Donations/Outreach/Marketing**

- Turkey orders begin 11/1.
- Turkey farm day is 11/23
- The store will be closed Thanksgiving Day and open at 10 a.m. on Friday
- Small Business Saturday is 11/30. Co-op will sell .50 coffee
- Co-op is supporting Home for the Holidays, 12/7, with a dreidel class and gingerbread house competition.

### **Facilities**

- Costs for the freezer room repair are about \$105,000. Measurements are being finalized. Work will commence in January.
- The trash dumpster behind the store is completely rusted out and needs to be replaced at a \$3,450 expense.

### **Operations**

- Welcome to Dave Blanda, the new grocery manager
- The current general liability policy is not being renewed due to the number of claims that have been made. The Co-op's broker is working on obtaining a new provider. No other insurance policies are affected.
- **2020 Health Insurance Plan:**  
Mike presented the proposed health insurance plan for 2020, which will save \$2,500 and will provide a small reduction in monthly cost for individual employees. The Co-op is staying with Blue Cross/Blue Shield, which offers 70/30 ratio. There will be no increase with the dental plan.  
**Action:** Mike asked the Board to approve the proposal for the 2020 Health Plan.  
Mark made a motion to approve the plan, and the motion was approved unanimously.
- **Staff Bonus Plan for 2020:**  
Mike noted that the budget enables us to pay a small incentive bonus at the end of the year and asked for the Board's permission to do so. Staff would receive 20% of any profit over \$1.00. This would be about \$4,000 that would be divided evenly among staff.

**Discussion:** The Board raised questions regarding bonus incentives for staff:

Should we implement a graduated bonus program?

Greg suggested that if we offer incentives, employees need to better know how to promote them. If we make a profit, it could mean a bonus for them. Lori suggested asking employees to make recommendations with staff “picks” of certain items.

Other questions were raised:

What are we doing to motivate the staff to work more?

Are we preparing them for the busy times with the holidays?

How can an employee make a contribution? Maybe there are ways we can show them how they can contribute to our success....getting over the goals.

Can we encourage staff to “upsell” customers when there is an opportunity to do so?

How can staff better engage shoppers?

Donna and Mark noted that at the Co-op café they attended there was discussion of how staff greets customers in the store.

**Action:** Following this discussion, Stephanie made motion to approve the bonus incentive for members. The Board approved the motion unanimously. Mike will present the final details of the plan at the next Board meeting.

- Ines asked if the staff theft issue in the store has eased. Mike says this has been corrected.
- Mike reported that the store is working with Philly Food Rescue, which is an Uber-like system for food waste distribution. Volunteer drives will be able to deliver immediately to needy shelter programs. The Board agreed that we will publicize this initiative once we are aware that it is working smoothly.

7:18

### **October Finance Update**

**Mike**

September Summary: Our net gain for the period was \$37,347.92. Although sales continue to be off, many items remain under budget, so our year to date deficit has been cut by more than half to \$30,723.

#### **B-1 Monthly Update from monthly financial reports:**

September sales were down \$11,468 from September 2018. Year to date sales are down \$166,537.

October is on par with October 2018 so far.

7:20

### **Board Decisions**

- **B2: Business Planning and Financial Budgeting:** The Budget for 2020 is being prepared and will be addressed at the November Board Meeting.

## Board Monitoring

- **D1- Unity of Control** – Only officially passed motions of the Board are binding on the GM.

Jenn made a motion that the Board is in compliance and the motion passed unanimously.

- **C8: Governance:**  
The Board agreed that it is making investments in its governance capability.

**Discussion:** Questions were raised regarding our membership dues to Columinate. What could we get from them from a training perspective? In the past the Board has spent \$7,000 in dues and has not received anything beneficial.

Donna reached out to Thane Royal at Columinate regarding possible solutions. Instead of the \$7,000 dues payment or travel to the CBL101 training program, could we do something here with Thane that the entire Board can attend for one day? Donna will find out if this is possible. We would spend about \$500 to have it here. Can our \$7,000 cover this expense?

Lori suggested that maybe we can have something like that here and include few other local coops.

Ines noted that PACA's annual summit and meeting is this week at Temple U.

- **Member to Board Communication:** Ines noted a comment in the C8 survey responses that while board-to-member communication is improving and more transparent, member-to-board communication continues to need improvement.  
Some ideas that were discussed include doing the annual meeting two times per year, asking owners to take a more active role in the meetings, polling members quarter and meeting with the more frequently and informally.

7:50

## Discussion

- o **Opportunity for Co-op representation on Swarthmore Town Center:** Sharon Mester asked Donna is someone could be serving on the Board of Swarthmore Town Center. They meet once a month on a Tuesday evening.  
**Action:** Jenn expressed interest in participating. Jenn and Sharon will meet and discuss.
- o **Co-op Café:** Donna and Mark shared the results of the Columinate-sponsored Co-op Café they attended on October 26. It was helpful to hear the similarity of challenges facing all co-ops. We are not alone. All resources from the meeting can be found on the CDS website.
- o **Options for CBL101** Donna will report at the next meeting (see discussion above.) We will also need to determine where the session would be, perhaps at the College?
- o **Committee updates:** Mike covered the events that are coming up.

Mike asked the Board to try to encourage participation in the upcoming holiday events.

**7:55**

**Review of Action Items**

- Mike will work on the staff bonus incentive.
- Donna will investigate whether Columinate can come here for an all-Board member session.
- Jenn will reach out to Sharon Mester regarding participation on the Town Center Board.
- Jenn and Mark will look at our overall communications and means through which we can encourage inbound communication (owner to board).

**8:03**

**Meeting Adjourned**

**Next meeting: November 25, 2019**

**October 28 Board Meeting Documents**

Board Meeting Agenda: October 28 Board Meeting  
Board Meeting DRAFT minutes: September 23 Board Meeting  
General Manager Monthly Report: October 2019  
2020 Budget Summary  
2020 Budget  
2020 Budget “with beer”  
Actual vs. Budget Board Report – October 2019  
Board Graphs – October 2019  
Income Statement – October 2019  
Cash Flow Statement – October 2019  
Balance Sheet – October 2019  
13 month rolling income statement, Parts 1 and 2  
Sales, October 2019 vs. October 2018  
Policy Register – D8, Accountability of the GM