

Swarthmore Co-op Board Meeting
MEETING MINUTES
Monday, February 24, 2020
Community Room – Swarthmore Borough Hall

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

Absent: Jill Gaieski, Jennifer Smuts

7:07 Call to Order / Agenda Review All

7:07 Approve Minutes of January Board Meeting
Mike noted that the correct number for the sales decline from 2018 to 2019 was 2.8 %, not 4%. Mark will make this correction to the minutes. Ines made a motion to approve the minutes with this correction. The motion passed unanimously.

7:09 Member comments
No members other than board members were present at the meeting. However, board members received a few questions from individuals:

There was a question about the “form line here” sign in the store. In response to this individual this is the best way to control the line for those waiting to pay. One to four registers may be open at the same time.

Next Door Swarthmore: A local college professor decided to survey the public about the Co-op for a Behavioral Economics class. The results were posted on Next Door Swarthmore. The purpose of the survey was unclear and the results were unappealing. This individual questioned why we don’t permit outside directors. Ines will follow up with this individual.

7:16 General Manager Monthly Update Report Mike

Events/Donations/Marketing:
Quizoo was cancelled 2/7; will return on 3/6
Cookie Frosting Class on 2/8 brought in a nice following, including people who were never in the store previously.
Valentine’s Day celebration took place on 2/14
Owner Appreciation Day was held Saturday, 2/24
The next “beer and cheese” event will be 3/13/20
The next Truck-A-Thon is set for 4/7

Facilities:
Mike reported on the progress of the new freezer. As of 2/21, all concrete has been poured and sealed and the panels are being installed. The refrigeration equipment in the store will be turned back on this weekend (2/29 and 3/1). The weekend of March 7, the refrigeration equipment in the trailer will be

turned off and the trailer will be removed. Because of the warm winter, fuel costs for the trailer freezer were higher than expected, about \$1,000 per week.

The Board thanked Kira for the great job during Mike's absence in January and February.

Operations:

Dawn remains on medical leave; she has been out since 1/27.

7:20

Finance Update

Mike

For the month of January, 2020, sales were \$5,045 over budget

Cost of goods was over budget by \$9,226.77

Gross profit was below projection by \$3,371.

Net loss for the month was \$7,220.46, which is the Year-to-date deficit.

Sales were down by \$7,472.13 compared to January 2019.

Net Loss for January was \$7,220 compared to January 2019

John noted that the Board previously discussed taking a relook at the budget in the March/April timeframe. Do we need to make any adjustments based on trends in the store? Examples: Specialty items and prepared foods are up, meat and seafood are down, especially red meat. The full-service case is where costs are higher. There is a move toward prepared foods. Are there budget adjustments needed?

The Board and Mike continued that we will continue to watch these items and address the budget accordingly.

7:35

GM Monitoring

- **B5: Member and Customer Relations**

Discussion: Although the General Manager is in compliance, under B5-2 there was discussion about the status of the employee handbook, which calls for written policies that communicate expectation and set forth policy to the employees to promote a culture of service. Greg noted that the handbook needs updating. There are addendums but the entire document needs to be refreshed. Greg will work toward this goal to have the handbook completed by June 1.

B5-1 provides a mechanism for customers to provide comments and feedback. There was discussion regarding where the comment box resides. Mike noted that it is on the left hand side of the counter near the "to go" coffee. The board agreed we need to make the comment box more visible and pronounced so that shoppers will see it.

Action: Mike will move the comment box to the opposite side toward the exit.

Mark made a motion that the General Manager is in compliance. The motion passed unanimously.

- **B11: Emergency General Manager Succession**

The board agreed that Kira has done a great job with the rest of the team over the past month while Mike was absent for surgery. As an

example, the store had a two-hour power outage on a recent afternoon and operations continued with no issues. Ines questioned whether we have an established professional development plan for those in the store. Is there a plan through CCMA or another organization that could work?

Action: The Board agreed that we will look at options for resources and workshops that employees could attend.

Stephanie made a motion that the General Manager is in compliance with B11. The motion was approved unanimously.

7:50

Board Monitoring

- **C1: Governing Style**

This Board Process policy states that the Board will “govern in a way that emphasizes empowerment and clear accountability. “

While it was agreed that the Board is in compliance, it was also addressed that more can be done at the strategic level.

Ines reported on comments that were included with the C1 compliance survey sent to the Board: There is a need for greater consistency and a need to be more focused on strategy.

Discussion: How do we reinforce strategy and vision in our conversations? Kevin asked whether there are specific times for us to address strategy. John noted that we mostly talk about operations, including in our Board meetings, and suggested a one-day or ½ day session a few times a year. Board members agreed that we need to address a five-year plan, along with where we want to be in one year. Everyone agreed that a meeting in the near term would be useful.

Action: Donna will look into arranging a ½ strategy session in May.

The Board also used this opportunity to address the Policy Register. We have the Policy Register as an important framework for board process, BUT do our policies need to be regularly reviewed, amended, updated and enhanced to support the strategy? The “ends” ARE our strategy but do we “live” the governance principles? Should we recite and focus on one at the beginning or end of each monthly meeting? The Board agreed to continue these discussions at the upcoming strategy session.

Action: While the issues above were discussed, Donna made a motion that overall the Board is in compliance with C1. The motion passed unanimously.

8:10

Discussion

All

- **Update on recruiting new board members**

Greg reported that three folks have expressed interest. There is a cross-section of skills offered by the each candidate, including hospitality/food and finance.

Action: Donna, Greg and John will be interviewing candidates. Interviews need to be wrapped up by mid-March in order to announce nominees of elections at the April annual meetings.

It was also discussed that the board nominees could be introduced to members in the store in advance of the April meeting. Mike suggested that if we do this, it should include current board members as well.

Candidates will be asked to share their thoughts on the idea of a public facing event in the store before the annual meeting.

ACTION: If the candidates like the idea, we will do a public facing event in the store to meet everyone.

- **Board Communication with External Audiences**

Ines expressed that we are underutilizing our communication with owners. The Board needs to more visible. Are we moving forward with a newsletter for owners? Donna noted that resources are an issue, and that our strategy meeting could help inform what we communicate and when. Everyone agreed that focusing more on the Co-op as the community hub info is what is important. Can we highlight the staff more?

It was noted that Rachel Pastan's "What's in Your Basket" column in the Swarthmorean is another great way for the Co-op to achieve visibility.

The Board agreed that we should focus more energy on moving forward with an ongoing communications plan.

- **Freezer Repair**

With the completion of the freezer repair product the Board discussed what we should do something to appreciate our donors. How can we call attention to them and thank them?

Action: Stephanie noted that we have a list of all donors: Perhaps we can post something in the store and send an email of the new freezer to all members with the list of donors.

- **CBL 101**

Several Board members and Holly from the Co-op staff attended the CBL 101 Workshop Program at the Inn on February 1. Many issues that were discussed that day helped us to better understand the importance of operational efficiency. We will use some of the findings from this program in our upcoming strategy session.

- **Preparation for Annual Meeting**

Donna and Stephanie will be up for reelection. We also have three candidates for board positions. We will need to communicate the meeting to members 20 days in advance of the meeting, which is set for Thursday, April 16, 7:00 p.m., in the Co-op.

- **Community Engagement Activities**

Stephanie informed the Board that the "Movie Nights" will return in May. We are looking for volunteers who can help. We will not have the grill open for every movie, and instead may keep the store open for people to purchase food items inside.

- **Focus Groups**

Kevin expressed interest in moving forward with Focus Group initiatives to reach key constituents.

- **Coronavirus**

The Board addressed this emerging health issue. Mike will continue to monitor and will communicate to members and the public any steps that the Co-op may need to take as they become necessary.

9:00 Adjourn

Next meeting: March 23, 2020

February 24 Meeting Documents:

Board Meeting Agenda - February 24 Meeting

Board Meeting Draft Minutes – January 27 Board Meeting

Policy Register, C1-Governing Style

Policy Register, B5 - Member and Customer Relations

Policy Register, B11 – Emergency General Manager Succession

Sales and Income Graphs, February

Income Statement – February

Cash Flow Statement – February

Balance Sheet - February

13-month rolling income statement – parts 1 and 2

2020 vs. 2019 Sales - February