



- Mike and Swarthmore Town Center are discussing the transfer of the responsibility for the Truck-A-Thon event to Town Center.
- The Co-op web page continues to be updated.

**Facilities:**

- The refrigeration leak repairs discussed at the last meeting will cost about \$8,000.
- New merchandising units from Dietz and Watson are being added to the back wall of the store. This will allow for merchandising opportunities with prepackaged meats.
- A new merchandiser case has been received from Bassett's Ice Cream.
- A new shelving unit has been added in the beer and wine section to store products that are not on display.

**Operations:**

- The conversion from UNFI to KeHE as our primary supplier is now underway. There are only about 50 items that are no longer available. KeHe provides a 15% discount.
- The Co-op continues to seek forgiveness for the PPP loan we received to support finances during the COVID-19 outbreak. We are tracking and providing documentation.
- Mike is exploring options to reorganize the responsibilities of the leadership group.

**Financial Highlights:**

- Mike noted there were large expenses to purchase beer and wine during the last period so actual contribution margins are favorable to what appears in the results.
- Sales year to date are up \$29,694 over budget
- Cost of goods was over budget by \$28,466 due to timing of charges for wine and beer purchases.
- Sales are up year to date \$149,436
- Net profits year to date are under budget by \$17,146, but this will swing back in the next month.

**8:00**

**Finance Committee Report**

**John**

John reported on the Committee's work with the following:

**Hazard Pay Renewal**

John asked the Board to consider continuing the Hazard Pay Renewal for the entire staff because of the continuation the pandemic. Mike noted that this

would help us to respond to outside pressure to increase pay for equitable hourly pay for hourly staff, and also noted that we are currently under budget due to several staff vacancies. The Board discussed the options to make the hazard pay renewal permanent and agreed that a quarter-by-quarter monitoring and review would make sense.

**Action:** Lauren made a motion for the Board to approve the renewal of the hazard pay for the next quarter and the motion passed unanimously.

**Monitoring of Savings:**

John also noted that monthly statements in future will show line items more clearly. With reduction in the mortgage, we are will transfer savings into a separate fund. We will continue to monitor and track the repayment schedule for the reduced monthly mortgage payments and our resulting savings.

**Proposed Revision to Timing of Annual Budget:**

John asked the Board to revisit a previous discussion about changing the timing of the annual budget process. Currently, the budget is on a calendar year basis, meaning that preparing of the budget has to occur during the busy fall quarter. The Board previously discussed moving the budget to the first quarter of the calendar year, allowing for the review process to take place in the first quarter of each calendar year. This would allow the budget to be completed by the end of March and to take effect on April 1 of each year. We would need to enact a change to the bylaws for this change to take effect. For now we will keep the same plan in which the budget for 2022 will be formulated and passed in October 2021. We will modify the budget in March 2022 and shift to a March budget schedule going forward.

**Action:** Following the April 2021 Annual Member meeting, the Board will address and formally approve realignment of the annual budget and resulting changes to the bylaws.

**8:00**

**Board Monitoring:**

**C1: Governing Style**

**C2: Board's job**

Ines reported to Donna that Board member responses to the surveys for C1 and C2 were received and there were no issues raised regarding compliance.

Lauren made a motion for the Board to approve that the Board is compliance with both C1 and C2 and the motion passed unanimously.

## **GM Monitoring:**

### **B4: Membership**

Jennifer made a motion for the Board to approve that Mike is in compliance with B4 and the motion passed unanimously.

### **B9: Communication with members, customers and others**

Lauren made a motion for the Board to approve that Mike is in compliance with B9 and the motion passed unanimously.

**8:05**

## **Committee Reports/Update on Strategy Session**

The Board discussed follow-up to the strategy in late January and how the ideas that were addressed are being incorporated into the work of the standing committees. Following are highlights of the discussion:

**Student Intern:** Vibhat reported that he has identified a student intern who can work with us and asked for the Board to identify areas/topics we would like analyzed.

**Beer and Wine Committee:** Kevin reported that the beer and wine committee is back together and bringing topics of the strategy session into the committee's work. Jennifer noted that she is working with the committee on improving the marketing and communication going forward.

### **Store Operations:**

- Mike noted that the left back quadrant of the store provides an opportunity for improvement and is experimenting with new merchandising ideas.
- The structure of the store leadership is another area of focus. Mike noted that we are running the store with just three managers and ideally we should have a fourth one.
- Mike and Chris are also looking ways to improve the display and merchandising of prepared foods in that area.
- Chris noted that we need to continue looking at the meat case and how we will use it in the future, without creating additional labor.
- Another area of focus is how to create additional community space, now that we have beer and wine in the store.

**Engagement Committee:** Jennifer noted that members are being encouraged to submit ideas to showcase the Co-op. The most recent idea was for people to submit recipes that include products found exclusively in the store; i.e., "You can get everything at the Co-op!" We will post recipes in What's Fresh.

**8:20 Annual Meeting Preparation**

Donna and Mike are preparing for the Annual Membership Meeting on April 22. Members are being encouraged to attend via Zoom and will receive an email requesting their approval to the bylaws changes and the ballots for the Board Members to be elected for a new term (Ines, Mark, John, Greg.).

**8:30 Review of Action Items**

**Adjourn**

**Next meeting: Annual Meeting, Thursday April 22, 2021**

**7:30 p.m., Via ZOOM**

**March 22 Board Meeting Documents:**

Board Meeting Agenda: March 22, 2021

DRAFT Board Meeting Minutes, February 22, 2021

General Manager Monthly Report, March 2021

GM Monitoring: B4 – Membership Monitoring

GM Monitoring: B9 – Communications Monitoring

Actual vs. Budget Board Report: February 2021

Co-op Income Statement, February 2021

Co-op Cash Flow Statement, February 2021

Co-op Balance Sheet, February 2021

13-month rolling income statement, February 2021, parts 1 and 2

Co-op 2020 vs. 2019 Sales, February 2020

Board Monitoring: C1 - Governing Style

Board Monitoring: C2 – The Board's Job