

Swarthmore Co-op Board
Meeting Minutes
Monday, July 26, 2021
In-person at Swarthmore Co-op

The existence of this member-owned market means that Swarthmore and its surrounding communities will be healthier and more vibrant, the local food system will thrive, and meaningful connections will be forged between member-owners, customers, and workers in a welcoming environment.

In Attendance: Donna Francher, President; Mark Rossi, Secretary; Greg Bockman, Stephanie Edwards, Kevin Kebea, Vibhat Nair, Ines Rodriguez, Lauren Shohet, Jennifer Smuts, Mike Litka, General Manager

Absent: Jim Godderz; John Moots, Treasurer

Call to Order / Agenda Review:

Donna called the meeting to order at 7:36.

Review/Approval of June Meeting Minutes:

There were no changes or questions related to the content of the draft minutes of the June Board Meeting. Lauren made motion to approve the minutes as written and the motion passed unanimously.

Member comments:

There were no members present.

Celebration of new babies, new marriage and bon voyage to departing board members:

Tonight's meeting was the first in-person Board Meeting since February 2020, due to COVID-19. Donna thanked the Board Members for all their contributions during the pandemic. During the meeting, the Board celebrated personal milestones among Board members that occurred over the past year.

The Board took a moment to thank Jennifer Smuts for her significant service and major contributions since joining the Board in April 2019. Jenn led many of the efforts for community engagement during this period, which was especially challenging with the COVID-19 lockdown. Jennifer is departing the Board due to her pending move to Australia and we will miss her!

Donna also reminded the Board that with the departure of Chris Galbraith from the Board we need to fill the Vice President position. Greg indicated his interest in serving as Vice President.

Action: Donna made a motion to appoint Greg as Vice President and the motion passed unanimously.

General Manager Monthly Update Report:

Mike provided an update to the Board on the following:

Events/Donations/Outreach/Marketing:

- The staff is now preparing for the return of students. There will be an owner appreciation day and staff gratitude event in August.

Facilities:

- The heat reclaim tank needs to be replaced.
- We are planning to have a new soup station added with a food warmer. This will be placed next to the deli “grab and go” where the chip racks were located.

Operations:

- Once again, we are being faced with supply and staffing shortages due to the ongoing pandemic issues that are ramping up among major manufacturers and distributors nationwide. This will present us with challenges in the fall months. There are numerous examples: no Canada Dry products available, Pickle supplier can't obtain jars, supplier inability to keep up with orders due to limited staff, etc. As we've done previously, we are relying on our local vendors to fill product gaps.
- The Co-op is facing staffing issues, reflecting the general shortage of available workers. Mike noted that we currently need to fill one full-time position for the deli as well as three part-time positions. We are not getting applicants. The challenge we face is to attract staff in a post-pandemic world. Many people are not attracted to working for \$15.00 per hour. Mike asked Board members to send him particular suggestions for ways to address this issue.
- Thanksgiving preparations are beginning now. We have secured a product trailer for turkey pick-ups.
- Christmas and Valentine's Day pre-orders are complete.

Financial Highlights:

Mike noted that the current financial position of the store is very good. Sales and gross profit are over budget. Overall sales and net profit are up year to date. Basket size is up even though customer counts are down. Mike noted that we are awaiting the results of PPP loan forgiveness from PNC. We also are awaiting the bill for the replacement of the air conditioning compressor unit, which will be a significant.

Finance Committee Report:

The Finance Committee did not meet in June. Mike and John will provide and report at the next Board meeting.

Board Monitoring:

- **C5: Directors' Code of Conduct**

Ines noted that in the Board's survey/comments for C5, concern was raised that the survey still mentioned that relatives of Board members cannot work at the store. However, it was noted that earlier in 2021 the Bylaws were revised to allow relatives of Board members to serve as employees. This change was formally approved by the owners in conjunction with the Annual Meeting.

Although relatives of Board members can be employed at the store, Board members themselves are not permitted to apply for employment at the Co-op.

Action: The Governance Committee will double check the final approved by-law so that future Board surveys and review language of C5 will be correct.

Lauren made motion for the Governance Committee to provide the final language and the motion passed unanimously.

- **C6: Officers' Roles**

Kevin made a motion that officers are in compliance with their stated roles and the motion passed unanimously.

GM Monitoring:

- **B8: Communications with, Counsel to, and Support of Board**

Mark made a motion that Mike is in compliance with B8, and the motion passed unanimously.

Replacement of Departing Board Members

Donna noted that with the departure of Chris and Jenn from the Board, we need to consider when their positions should be replaced. Chris's position was in effect until April 2023 and Jenn's term is until April 2022.

We previously identified a few potential members who may want to step forward at this time.

We can consider appointing one or both before the Board elections in April 2022 and have the new members officially elected at that time. Jenn's replacement would begin a three year term. Chris's replacement would fill the remaining one year's of his term, from April 2022 to April 2023.

Action: Board members should follow up on people who have expressed interest. We will also place a message in “What’s Fresh” and Next Door Swarthmore. We ideally could use a member with experience in marketing, particularly in food service.

Plan for Volunteer Appreciation Day

Donna noted that with many of the COVID restrictions being lifted that a “volunteer thank you” event should be held to acknowledge all of the owner volunteers who supported the CO-OP’s operations during the pandemic.

Although the month of September would be a good time for such an event with everyone back from summer vacation, several Board members and Mike noted that other events are being planned during September, including the next Truck-A-Thon and an event sponsored by SRA.

Action: Stephanie and Lauren will work on coordinating the volunteer recognition event and will identify and communicate the best date that won’t conflict with other upcoming events.

Strategy Follow up – Short-term priorities

Donna noted that this is a good time to revisit the strategy planning work that was done by the entire Board in early 2021.

While many priority items were discussed at that time, there was consistency in priorities identified within each project team. The two areas of focus were with ongoing improvements to what’s being offered in the store (based on customer sales and feedback) as well as the increased application of technology to support operations.

Mike noted that the major priority in terms of offerings is the redo of the “left back quadrant” near the meat counter, especially with the increased availability of prepared meats. We are focused on streamlining the deli and adding more prepared meats. We want to make best use of the space that is in this part of the store.

Improvements to technology will focus on the opportunities for online ordering, beginning with the ability for customers to order the top 25 items in the store. Another priority is to anticipate the ongoing need to replace aging equipment and budget accordingly.

Discussion followed about whether we should be expanding catering. Mike noted that we are experimenting with this, but capacity is the issue.

Vibhat reminded to everyone that the new intern has been hired and will be coordinating a survey of customer preferences. The results of the survey will be used for marketing.

Mike also noted that the arrival of the entire student body should help sales in the fall. We will look at their preferences for purchases.

Movie Night

Everyone agreed that we should reinstitute movie night this fall, which was well supported in 2019 before the pandemic. Stephanie suggested that we simplify it: it does not need to be a fund-raiser. We can simply encourage folks to purchase food and wine/beer in the store and enjoy a movie at no charge. Also, we would eliminate the grill service, which was labor intensive. We should also seek volunteers to coordinate and man the event.

Action: Stephanie and Lauren will lead the coordination of movie nights and update the Board.

Next Meeting: There will be no Board meeting in August. The next meeting will take place on **Monday, September 27, location TBD.**

Adjournment: The meeting was adjourned at 8:50 p.m.

July 26 Board Meeting Documents:

Board Meeting Agenda: July 26, 2021

General Manager Monthly Report, July 2021

GM Monitoring, B8, Communications with Board, July 2021

Actual vs. Budget Board Report: June 2021

Sales and Income Graphs, June 2021

Co-op Income Statement, June 2021

Co-op Cash Flow Statement, June 2021

Co-op Balance Sheet, June 2021

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

Co-op 2021 vs. 2020 Sales, June 2021