

Swarthmore Co-op Board Meeting

Minutes

December 20, 2021

Via Zoom

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; Greg Bockman, Vice President; Mark Rossi, Secretary; Stephanie Edwards, Jim Godderz, Kevin Kebea, Vibhat Nair, Ines Rodriguez, Lauren Shohet, Mike Litka, General Manager

Absent: John Moots

Guests: Sabria Aziz, Donna McCloskey, Widener University

Call to Order / Agenda Review

Donna called the meeting to order at 7:35 p.m.

Strategy Follow up: Survey Update

Sabria Aziz, Widener University student, presented the results of the consumer survey to the Board. *The survey report is attached to these minutes.*

The report provided an overview of consumer opinions about the Co-Op, as well as areas for improvement.

The Board discussed key survey findings and takeaways:

- Number one preference of current shoppers is convenience.
- Number one reason for not shopping at Co-op is perception of high prices and limited selection.
- Preference of current shoppers for more “ready to eat” and hot, prepared foods.
- Preference of non-shoppers for expanding meal solutions.
- New opportunities:
 - Continue to expand selections of prepared foods and “ready to eat” meals.
 - Improve communication to attract new shoppers and owners, focusing on convenience.
 - Improve the check-out experience for customers.

The Board thanked Sabria and Donna McCloskey for their work in conducting the survey and preparing the results, and acknowledged Vibhat for coordinating this project.

Review and Approval of November Meeting Minutes

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

General Manager Monthly Update Report

Mike updated the Board on the following items:

Overall, sales continue to be steady and strong. Last week we had \$140,000 in sales and are on track to reach \$6 million in sales this year, with \$500,000 in beer and wine sales. This will be our highest annual sales results ever.

Events/Donations/Outreach/Marketing:

- We are continuing to work with Swarthmore Town Center on cross-promotional opportunities and selling luminaria candles for New Years.

Facilities

- On December 14 the Board approved \$40,000 expenditure for new cases in the meat and deli departments.

Operations:

- Staffing remains an issue; we are down 2 people in deli and 1 in produce/specialty and grocery.
- Thanksgiving was flawlessly executed thanks to the staff and volunteers.

Mike noted that we achieved significant sales results this year because of the efforts of the staff. We also had additional challenges of being short-staffed due to the pandemic. Mike proposed the Board to recognize the hard work of the staff with an end-of-year bonus based off 12 percent of our year-end profit.

Action: Jim made a motion to approve the awarding of this bonus to each of the staff members. The motion passed unanimously.

Mike noted a few financial highlights:

- Sales were over budget by \$100,457
- Gross profit was over budget by \$50,424
- Net gain for the period was \$32,890, which was over plan by \$50,035. Mike noted that our final December numbers may be lower this year since last year both Thanksgiving and Christmas fell into Financial Period 12.
- Financial Results Year to Date: Sales are up \$555,030, Net profit year to date (not including PPP funds): \$117,271.

Board/Staff Education

Donna led a discussion around the opportunity that exists to conduct education in support of the Co-op's mission. There is about \$1,200 in our budget that would be available for this purpose.

Discussion:

- This session could be offered via Zoom.
- We could have a public invitation for the benefit of owners and the community.
- Ines recommended that we include Jon Steinman, who wrote "Grocery Story: The Promise of Food Co-ops in the Age of Grocery Giants". His presentation (delivered at the Co-op a few years ago) differentiates the unique role that co-ops play as an alternative to large grocery chains, particularly in terms of community engagement. (Information about Grocery Story is in Backpack under December 2021 Board Meeting.)
- The key objective of the session would answer the question: "Why does it matter that our Co-op is a co-op".
- Everyone agreed that this session could involve participation from the Board and staff.
- Lauren also noted that there classes at Swarthmore College focusing on sustainability that could be invited to participated.

ACTION: The Board agreed that organizing the details around this event should commence right after the holidays. Donna, Mike and Ines will meet to frame out a potential agenda and will report back to the Board.

Finance Committee Report

Mike reported that he signed the contract this past Friday to order the new meat cases.

It will be about 16 to 20 weeks for the work to begin, but the installation can be completed in two days. (Because of the size of one of the cases, one of the doorframes will need to be disassembled to move the case through the doorway.)

2022 Board Calendars

Mark reported that the 2022 monthly Board meeting dates are in an email he sent to the Board.

Mark will also send to the Board the Annual Monitoring Calendar, which lists monthly Board and GM Monitoring topics from the Policy Register.

Both calendars will be posted in Backpack.

Board Monitoring:

D3: Delegation to GM

Greg made a motion that Mike is in compliance with D3: Delegation to GM, and the motion passed unanimously.

D4: Monitoring GM

Mark made motion that Mike is in compliance with D4: Monitoring GM, and the motion passed unanimously.

Planning for the Strategy Meeting

Donna updated the Board on the discussion she, Mark and John following the last Board meeting to initiate planning for the end-of-January strategy meeting:

- We will have this planning meeting on Saturday morning, January 29.
- We will review the ends statement to see if we want to make any changes. (Donna will email it to everyone.)
- We will ask everyone to view it and note changes or updates that are appropriate.

The meeting will focus on three short term goals:

1. Volunteers/owners – how can we help the staff?
How do we engage them in different ways from events for them?
2. Financial plan: 3 to 5 year plan
3. Marketing vision

Board members should look for Donna's email after the holidays.

Adjournment: Greg made a motion to adjourn at 8:40 p.m. and the motion passed unanimously.

Next meeting: January 25, 2022

December 20 Meeting Documents:

Board Meeting Agenda, December 20, 2021

Draft Board Meeting Minutes: November 22, 2021

Swarthmore Co-Op Survey Presentation (Sabria Aziz)

Board and Staff Education for Co-ops – Jon Steinman

General Manager Monthly Report – December 2021

Actual vs. Budget: November 23021
Sales and Income Graph, November 2021
Co-op Income Statement, November 2021
Co-op Cash Flow Statement, November 2021
Co-op Balance Sheet, November 2021
13 month rolling income statement, parts 1 and 2
Co-op 2021 vs. 2020 sales, November 2021