

Minutes

Swarthmore Co-op Board Meeting

March 28, 2022

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; John Moots, Treasurer; Mark Rossi, Secretary; Stephanie Edwards, Kevin Kebea, Ines Rodriguez, Mike Litka, General Manager

Absent: Lauren Shohet, Jim Godderz, Vibhat Nair

Guests: Carol Savery, Keith West, Dave Blanda

Call to Order / Agenda Review

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

Review February Minutes

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

Member comments: Carol Savery: Support for First Place Swarthmore

Carol Savery, owner and past Board Member presented information about First Place Swarthmore, an initiative to provide short-term housing to refugees just arrived into the area, while more permanent housing is being secured. Swarthmore Presbyterian Church is the initiator of this ministry, and there is outreach to various Swarthmore organizations, including the Co-op, to encourage support.

Discussion: Following Carol's presentation, the Board discussed several ways that we could support this initiative: including the "round up" at check out, the Sunday Supper program for seniors, and seed money for arriving parties to do their grocery shopping. Whatever is done, we need to think in terms of making the program sustainable. What about other requests? John asked if we would need to formalize this support for the future through a policy.

Donna suggested that we could revisit this and renew this program every year. We have raised several hundred dollars in the past when customers participated in the round up at

check out. John suggested that we could implement the program in an ongoing fashion by having a round-up week once a quarter. Mike said the Sunday Supper program could be reinitiated but that we would want to have a clear agenda and goal in mind for continuing support.

Action: The Board will continue to discuss, and will plan to add this to the strategy meeting discussion on Sunday, April 3. We could then discuss our response with Carol. We also would need to know how the accounting for this initiative would work. Stephanie suggested that we also check on the 501-C3 status for First Place Swarthmore, and Donna will look into this with Carol.

General Manager Monthly Update Report

Mike updated the Board on the following items:

Events/Donations/Outreach/Marketing

- We are planning to reinstitute vendor demos in the store, including wine demos.
- As we approach summer, we want to start up the patio grill, and will look for volunteer owners to help.
- We will be planning a staff appreciation day this summer. We have not had a staff appreciation event since the beginning of the pandemic.

Facilities

- Several small roof leaks have been patched.
- The installation of the new deli and meat cases is delayed until May 23.
- The staff break room upstairs has been updated with new lockers and table/chairs.

Operations

- We are preparing for the Owner Annual Meeting on April 21. 431 postcard invitations were sent to owners who do not have mail addresses. 1,500 hundred email invitations were sent and only 24 bounced.
- FreeBird is no longer our poultry supplier and we are shifting to Bell and Evans.
- We have experienced issues with a few homeless people in the store and contacted the police department for guidance for how to handle. Both of the homeless people are experiencing mental health issues and are no longer coming into the store.
- We have one less person in the meat department due to personal issues.
- Product costs are skyrocketing. Dave Blanda was present to provide some examples. Dave explained that he is going through invoices and working to minimize price increases. Examples: organic dairy and bread costs are through the roof.

Financial Highlights, Summary to Budget:

- Sales are under budget by \$7,401
- Gross profit was under budget by \$17,129

- Wages were over budget by \$12,939
- Net loss for the period was \$23,791. This was largely due to the payout of the staff bonuses.
- Sales year to date are up \$47,098
- Net profit year to date is \$26,314
- Liquidity: ration of current assets to current liabilities is 4.89.

Finance Committee Report:

John noted that the final 2022 Budget is ready for the Board's approval. Mike presented the budget to the Finance Committee at its last meeting. John and Mike noted that we finished 2021 on a very positive note, with a final net profit of \$240,000. We are also ahead of plan for the first quarter of 2022. There have been no major issues or changes from the budget categories that we set up in Fall 2021.

Action: Mark made a motion to approve the final 2022 Budget as presented by the Finance committee. The Board unanimously approved this motion. Going forward the annual budget will be created and submitted for approval at the end of March of each calendar year.

Board Monitoring:

C2: Board's Job

Ines surveyed the Board to confirm our compliance with C2, which states the parameters for the Board to govern successfully.

Action: Mark made a motion that the Board is compliant with C2 and the motion passed unanimously.

GM Monitoring:

B4: Membership

This motion states that the General Manager shall not allow owners to be uninformed or misinformed of their rights and responsibilities, and shall not fail to promote, monitor, and support membership in the organization.

Action: Greg made a motion that the General Manager is compliant with B4 and the motion passed unanimously.

B9: Communication with Members, Customers and Others

This motion states that the General Manager shall not fail to ensure that all employees of the Co-op represent the Co-op in an exemplary manner and that communications with members, customers and the public promote the Co-op through positive means.

Action: Mark made a motion that the General Manager is compliant with B9 and the motion passed unanimously.

Preparation for Annual Meeting

Donna reported to the Board that we have reserved the Grand Hall of the Park Avenue Community Center for the Annual Meeting on April 21 at 7 p.m. We will be charged \$500 for the space.

Discussion: The Board discussed whether we should also “live stream” the meeting or just have it in person. Someone would have to monitor this process. There is also a concern that video and sound clarity would have to be optimized.

Action: After considering the options, the Board agreed that we would have the meeting without the live stream option, but we would record the meeting and place it on the Co-op Website for owners to view later. We would like to have as many owners as possible to attend the meeting, since we were unable to have a live meeting in 2020 and 2021.

Kevin agreed to record the meeting.

Voting for Officers for 2022-23 Program Year:

Board members will receive an email from Donna asking for them to vote for the following Board officers:

Greg Bockman: President

Stephanie Edwards: Vice President

John Moots: Treasurer

Mark Rossi: Secretary

Voting for New Board members for 2022-23 Program Year

Owners will receive an email inviting them to the Board meeting along with a ballot for them to vote for the following members: Kevin Kebea (second three-year term), and Keith West (first three-year term).

Board Strategy Meeting

Donna confirmed that the Board will meet on Sunday, April 3 from noon to 4 p.m. at her house. The Board will use this session to focus short- and long-term strategy planning to support the business.

Other business

Ines will schedule a meeting of the Governance Committee to review and address the current policy for donations.

Adjournment

Greg made a motion to adjourn the meeting and Board approved unanimously. The meeting was adjourned at 8:41 p.m.

Next meeting: Annual Meeting April 21, 2022

March 28, 2022 Meeting Documents

Board Meeting Agenda, March 28, 2022

DRAFT Board Meeting Minutes – February 28, 2022

First Place Swarthmore Talking Points – Carol Savery

General Manager Monthly Report – March 2022

Policy Register: B4: Membership, March 2022

Policy Register: B9: Communication with Members, Customers and Others, March 2022

Actual vs. Budget: February 2022

Sales and Income Graphs, February 2022

2022 Budget Summary, March 2022

Co-op Income Statement, February 2022

Co-op Cash Flow Statement, February 2022

Co-op Balance Sheet, February 2022

13 month rolling income statement, parts 1 and 2, February 2022

Co-op 2022 vs. 2021 February sales