

Minutes

Swarthmore Co-op Board Meeting

May 23, 2022

In-Person, Swarthmore Borough Hall – Community Room

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: Greg Bockman, President; Stephanie Edwards, Vice President; John Moots, Treasurer; Mark Rossi, Secretary; Donna Francher, Vibhat Nair, Ines Rodriguez, Lauren Shohet, Keith West

Absent: Kevin Kebea, Jim Godderz

Guests: Shaina Ragamat

Call to Order / Agenda Review

Greg called the meeting to order at 7:34 p.m.

Review/Approve March Minutes

There were no questions or changes related to the content of the draft minutes of the March 23, 2022 Board Meeting. A motion was made to approve the minutes as written and the motion passed unanimously.

Monthly Update Report

Shaina Ragamat, one of the three co-managers during the period that the Board is seeking a new General Manager, attended the Board meeting and provided the Department Monthly Reports from the following team members:

Grocery – Dave Blanda, Manager

Front End – Shaina Ragamat, Manager

Specialty and Produce – Sharay Barnes, Department Coordinator

Meat/Seafood – Tamika Foye, Department Lead

Deli, Kira Montagno, Manager

Following are the highlights of the reports:

Meat and Deli Cases

The new meat and deli cases are being installed now! This process will be completed tomorrow, May 24. Mike Litka is in the store managing this process. The new case will

further our transition to prepackaged products. Some customers have complained about this change, but most understand why the change is occurring.

Staffing, Recruitment and Hiring:

Each individual report expressed the common concern that the Co-op is understaffed, both for full-time and part-time employees. This is the greatest challenge facing the store today because it impacts the current staff negatively and can impact operations. All areas of the store are affected by the staff shortage. We are down to 25 employees from 40. Most of the employee shortages are in the meat and deli areas, and we sometimes need to switch staff around to be covered.

These concerns led to a long discussion with the Board members and Shaina to consider ways that the staff shortage can be addressed for the short- and long-term:

Stephanie asked whether staff is able to schedule vacations. Shaina noted that we making sure that vacations can still be scheduled. The entire staff is in touch so people can still take time off.

Donna asked about what can be done to enhance our recruiting. Shaina noted that we've had some interested parties when jobs are posted, but it is hard to find seasonal staff, e.g. summer. She noted that she wants to see if we can attract students from Widener to work for longer periods of time. We do not get a high volume of responses when we post jobs. Candidates from services like "Indeed" are not the best because people apply for everything and take the jobs that pay the most. Our deli pays \$13 per hour. That may not be enough to attract people who are finding other jobs that pay more, such as at Lidl.

Ines asked if we can we use the Columinate job board to attract local people.

Keith asked if the reality of short staffing is hurting sales. Shaina noted that the biggest challenge for sales is in the meat department and the seafood case. Tamika is handling all the meat department work by herself. Meat and seafood sales are down somewhat because we have had to raise prices. We will need to monitor sales once the new cases are installed and many of the packaged products are moved from the back of the store into the section of the new cases devoted to packaged foods. These products will be easier for customer to find. Dave will be monitoring meat and seafood sales after the new cases are installed.

Shaina noted that we don't want the store shelves to look empty, so the staff is working had to keep the shelves stocked and attractive.

Donna and Lauren asked if we can get volunteer owners to help the staff with tasks like stocking shelves and moving packed foods to the meat department. Shaina said she can check with Dave Blanda to see if we can have people come in and stock shelves. Donna and Lauren said they would be happy to help.

Shaina expressed the concern from the store managers that we are nearly at a breaking point with our current headcount. We are handling the work now, but if we lose any more staff, that will create difficulties.

Donna asked if the Finance Committee can look at our pay structure. Is there an opportunity to improve our hourly pay without hurting our operations?

Greg raised the issue of whether we are being quick enough with the recruitment and hiring process. Shaina noted that we conduct two interviews and do a reference check. Everyone agreed that while multiple interviews and references are important, this may be delaying the process of hiring, especially for part-time positions. Greg asked what we can do to streamline the process under the current circumstances. For example, can we hire first and then do a reference check? In many cases we are looking at students who have very limited professional experience and may not have a strong reference list. Perhaps we can speed things up by hiring with an offer that is contingent upon successful reference checks.

Stephanie asked if we can offer a referral incentive for employees to find and attract people they already know, or have some type of incentive for our owners to attract new staff.

Another idea discussed was whether we can offer some type of sign-in bonus for new hires.

Next steps/Action Items:

Everyone agreed the primary concern is in how can deal with the staffing shortage and that we need to get more creative with recruiting.

Following this discussion, the Board agreed to the following:

- John will work with the Finance Committee to look at sign-on policies and referral bonuses to improve the recruitment process and fill openings more efficiently.
- Greg will follow up with Dawn, who handles staff benefits and recruiting, to discuss possible areas of efficiency with the hiring process.

Finance Committee Report

John reported that the Finance Committee did not meet during the past month, but the monthly reports through April 30 were provided to the Board members to review, and the Committee will go through them in detail along with the May results. The next Board meeting on June 27 will include a summary of key points.

For right now, John reported that the topline sales are strong. However our profit is down a bit from last year, along with meat sales. Part of the issues is that the cost of goods is going up (which currently is a common issue in many business segments due to inflation). Beer and wine sales are also down a little bit since last year.

Wages are down from last year, due to staff shortage and Mike's departure. The bonus expense line, however, took a hit because of Mike's one-time bonus and the approved stipend for the co-managers. (The stipend is about ½ what Mike was earning.)

The good news is that our cash position remains strong with \$650,000 in the bank. A focus for the Finance Committee will be on how we can best manage our assets in the coming months and years.

Mark asked about how our account with PNC Bank will be managed now that we have learned that the PNC Swarthmore branch will be closing in September.

Action: John will check with Bob Long on how this will affect the Co-op.

Ines asked about the current status of Mike's relationship with the Co-op. John replied that he is being paid hourly to cover the following: The annual meeting in April, seven hours April and May, and the installation of the meat cases. The hourly contractor arrangement will be terminated after the meat cases are installed.

Board Monitoring:

C3: Agenda Planning

Ines reported from the Board member survey that we are in compliance with C3. Ines made motion that we are in compliance, Mark seconded the motion and the motion passed unanimously.

C4: Meetings

Ines reported from the Board member survey that we are in compliance with C4. Ines made a motion that we are in compliance, Donna and Stephanie seconded the motion and the motion passed unanimously.

GM Monitoring:

A: Global Ends:

Ines led the Board discussion on the A: Global Ends Statement, which reads as follows: ***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.***

At this point in time as we begin the process of recruiting a new General Manager, the Board agreed that it may be time to consider making improvements to the Ends Statement, which was last revised in November 2017. There was discussion about whether the new GM can be involved in the drafting of the Ends Statement.

Lauren suggested that we invite the new GM to reflect on whether there is conflict, friction or tension between the ends statement with the store's operations as he/she

sees them; i.e. does the new manager see a mismatch between the Ends Statement and their vision for the store?

The Board decided to approve the current Global A Ends Statement, but with recommendation that changes are made next year with the involvement of the new GM. John made a motion to approve the ends statement, Vibhat seconded the motion and the motion passed unanimously.

Action/Next Steps:

In the interim, the Governance Committee will make recommendations to include specific language or prompts for the new GM to reflect on the ends statement and provide examples of conflict/tension of ends with store operations. Lauren will draft this language.

GM Search Committee Report

Greg reported that the GM recruitment agreement with Carlisle Group has been signed, the check has been sent and Brett Myers, our lead contact, is meeting with his recruitment team tomorrow.

Brett would like to give the same profile test to the Board that Carlisle will be giving to candidates. The test is the Drake Behavioral Assessment. Board members should fill it out as though they are filling it out as a GM candidate. The assessment should be completed and submitted by the end of this week.

Brett will compile the data and compare with how candidates match up against us in terms of how the questions were answered.

Greg will disseminate the job posting to the Board members to share with our professional and personal networks. It will also be posted on the Co-Op webpage.

Board Communication

The Board agreed that we need to be ramping up outbound communication with owners in the absence of this being handed by the GM.

Action: An ad hoc committee will be set up to identify strategy and tasks for these communications. Mark, Lauren and Vibhat volunteered to spearhead this committee along with any other Board members who may wish to take part.

OLD BUSINESS:

Carol Savery: Support for First Place Swarthmore

The Board revisited this top from Carol's visit to our March Board meeting. There was considerable discussion of exactly how we might help with supporting First Place Swarthmore, an initiative to help refugee families who will be temporarily living here until they can find permanent housing.

A variety of approaches was discussed:

Lauren noted that C9, the Board Process policy for Charitable Cash Donations, would work for First Place Swarthmore. Should we provide a gift card, per family, to shop in the store? Do we make a cash contribution? How long would we be supporting this initiative.

The Board agreed that we need more information from Carol about the best way we can help.

Action: Donna will reach out to Carol to discuss further and report back to the Board.

DRAFT Policy C9 – Charitable Cash Donations

The policy for Charitable Cash Donations was drafted by the Governance Committee following earlier this year, and needs Board approval to move forward.

Action: Donna made a motion to approve C9 and add to the Policy Register, Keith seconded the motion and the Board approved the motion unanimously.

Next steps: C9 will next be reviewed in June 2023 (and annually in June thereafter). Charitable giving will be a separate line item in the budget planning process.

NEW BUSINESS

Committee Assignments

Currently there are four committees with charters: Executive, Human Resources, Finance and Governance. There is also a standing committee for Owner Engagement. Ad hoc committees, e.g. Communications are formed as needed.

Action: Board members should confirm which committees where they would like to serve. Mark will maintain a list of committee engagements along with term limits for all Board members.

Webpage Information photos and bios for Jason

Board members should review their photos and bios on the website, make changes as necessary and forward to Jason Shapiro for posting.

Need for Intern – Widener

The Board may wish to consider having a Widener intern join us again in 2022-23. The greatest need we have is for someone to work on communications and marketing. (We also are considering hiring someone who can work with us as a volunteer who can develop and implement a marketing plan.)

Consumer Cooperative Managers Association Conference

The Board agreed that this conference coming up on June 9 - 11 may be of interest to the three co-managers. The cost would be \$149 for virtual attendance.

Action: Greg will check to see if the managers would like to attend virtually.

Review of Action Items

Mark and Greg covered the action items for the Board (outlined in these minutes).

Adjourn

Ines made a motion to adjourn. Donna seconded the motion and meeting was adjourned at 9:26 p.m.

Next meeting: Monday, June 27, 2022

May 23 Board Meeting Documents

Board Meeting Agenda, May 23, 2022

DRAFT Board Meeting Minutes, March 28, 2022

Department Monthly Reports (Co-Managers), May 20, 2022

GM Monitoring: Global Ends - Policy A

Board Monitoring – C3, Agenda Planning

Board Monitoring – C4, Meetings

New DRAFT Policy: C9 - Board Process – Charitable Cash Donations

Profit and Loss: 4/30/22

Balance Sheet: 4/30/22

Statement of Cash Flows: 4/30/22

Side by Side 1: 4/30/22

Side by Side 2: 4/20/22