

## **Minutes**

### **Swarthmore Co-op Board Meeting**

**April 1, 2024, 7 p.m.** *(rescheduled from March 25, 2024)*

#### **Swarthmore Borough Hall**

***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; Donna Francher, Vice President; John Moots, Treasurer; Mark Rossi, Secretary; Kevin Kebea, Vibhat Nair, Ines Rodriguez, Keith West, Kira Montagno, General Manager

**Absent:** Lauren Shohet

#### **Call to Order / Agenda Review**

Greg called the meeting to order at 7:10 p.m.

#### **Review/Approve February 2024 meeting minutes**

The Board reviewed the minutes from the February 26, 2024 Board Meeting. Donna made a motion to approve the minutes as written, John seconded the motion and the motion passed unanimously.

#### **Member comments:**

There were no members/owners present other than Board members. There were no comments submitted from members/owners.

#### **General Manager Monthly Update Report (March 2024)**

##### **Operations:**

- The staff pushed for strong sales in March given the St. Patrick's Day, nice weather and Owner Appreciation Day.
- Our receiver is on vacation for a month.
- Focusing on Budget, Strategic Plan and preparation for Annual Meeting.

##### **Facilities:**

- We are working on the issue with the crumbling dock (see February minutes).

##### **Personnel:**

- No hires or terminations

- Aidan is our newest Manager on Duty (MOD) and is bringing to the team graphic design and marketing experience.

### Financial Summary for February 2024:

Kira presented the **Financial Summary and Highlights** for February 2024:

Feb 2024 Numbers	Budget	Actual	LY 2023	Difference in \$ compared to 2023	% Change compared 2023
Sales	483,129	\$468,179.27	\$471,927.52	\$(3,748.25)	-1%
Total Cost of Goods	308,705	\$302,989.39	\$316,856.12	\$(13,866.73)	-5%
Other income	1,000	\$2,858.64	\$24.66	\$2,833.98	99%
Gross Profit	171,838	\$161,044.33	\$151,843.88	\$9,200.45	6%
Wages	71,000	\$71,937.97	\$61,689.74	\$10,248.23	14%
Store Supplies	\$9,214.00	\$5,211.97	\$8,806.06	\$(3,594.09)	-69%
Marketing	\$3,263.00	\$2,545.69	3230.57	\$(684.88)	-27%
Occupancy	\$22,072.00	\$18,008.99	\$20,420.32	\$(2,411.33)	-13%
Administrative	\$30,810.00	\$26,203.39	\$27,124.21	\$(920.82)	-4%
Profit or Loss	\$17,844.00	\$17,842.14	\$6,677.96	\$11,164.18	63%

### Financial Highlights:

We continue to focus on cost of goods and we see this payoff again this month. Despite sales being down slightly we were able to have a better margin because we lowered our cost of goods. The \$13k we saved in cost of goods went directly to our bottom line! The biggest changes to the expenses are wages, which are up 14% compared to last year. This is because we came into this year better staffed and up \$35k in profit compared to last year. We are in a good place to really capitalize in areas where we felt short of our goals in 2023.

## **Budget Presentation:**

Kira presented the 2024-25 Budget for discussion and Board approval:

**Highlights:** Kira outlined the budget for all categories by category, including projected sales, cost of goods and projected wages, along with profit goals for the coming year. The budget is directly aligned with the current strategic plan goals and priorities.

The budget takes into account two major strategic plan goals: a “reboot” of the Meat Department and utilization of the patio as a significant revenue opportunity.

Specific areas of opportunity were discussed, including:

- Reduction of current high margins with Beer and Wine
- The contributions of John Adams with Meat, Seafood, Prepared Meals and Deli
- Our product mix with Beer. Are we addressing competitive forces adequately?
- Do we have the adequate staff to handle our aggressive sales and profit goals?
- What are we doing to address the need for a better POS system?
- Timing of the patio rollout: There is a Truck-A-Thon event on April 26 and we should have things in place on the patio that evening.
- When are we reviewing the proposal for membership in NCG? Do we have the money in the budget handle this? We should have a business case ready to review at the May Board Meeting. **Action:** Donna, Kira and Vibhat will coordinate this review.

## **Other Discussion Items:**

- As part of the Meat Department reboot, Ines asked if we have done an analysis of whether the major change several years ago from having an onsite butcher and the move to packaged product contributed to improved profits. Kira noted that this analysis will be built into plans for improving the Meat Department during the coming year.
- Vibhat asked if we should consider surveying owners to elicit input that supports our operational goals during the coming year. It was also discussed that we may want to consider having consultant interviews to provide input toward improving the efficiency of our prepared foods and deli operations.
- John noted that there is a Board Budget of \$4,000 to cover the following: education and support for new Board members, IT expenditures, surveys and the Annual Meeting.

## **Finance Committee Update:**

- John noted that we are still looking at the balances in our SWEEP account vs. operational account. We may want to consider moving another \$150,000 into the SWEEP account.
- A related area of concern is the high service charges at PNC. We are continuing to work with PNC to seek ways to reduce these charges.

## **Budget Approval**

Following the budget presentation and related discussion of finances from the Finance Committee, Greg called for a vote from the Board to approve the Co-op Operating Budget for the period of April 1, 2024 to March 31, 2025.

**Action:** Vibhat made a motion for the Board to approve the Budget, Ines seconded the motion and the motion passed unanimously.

## **Board Monitoring:**

### **C1: Governing Style**

Ines presented C1, Governing Style, which outlines six items and ten governing principles that express how Board will govern itself. Keith made a motion the Board is compliant with C1, Mark seconded the motion and the motion passed unanimously.

### **C2: The Board's Job**

Ines explained the Board responsibilities in C2 and made motion that the Board is compliant with C2, Mark seconded the motion and the motion passed unanimously.

## **General Manager Monitoring:**

### **B4: Membership: Ines made motion, Greg seconded**

Ines made a motion that the General Manager is compliant with B4, Greg seconded the motion and motion passed unanimously.

### **B9: Communications with Members, Customers, and Others**

Mark made a motion that the General Manager is compliant with B9, Donna seconded the motion and the motion passed unanimously.

## **Old Business**

### **1. Mural Project**

Donna reported that she received a proposed working agreement from Sharon Mester at Swarthmore Town Center outlining the relationship between Swarthmore Town Center and the Swarthmore Co-op for this initiative. Donna shared this agreement with the Board on March 20. The Board expressed its support of the working agreement.

**Action:** Donna will sign the agreement on behalf of the Board and respond to Swarthmore Town Center.

## **2. Annual Meeting Preparation (April 18, 2024, 7:30 p.m., Park Avenue Community Center)**

Greg and Kira noted that the initial Annual Meeting notice was sent to owners on March 22. Today, April 1, the meeting reminder and the Ballots for Board of Director Candidates were sent. The deadline for completion of the Ballots is April 13.

The ballots include four new Board of Director Candidates for the three-year term, April 2024 – March 2027: Anita Barrett, Dana Bauer, Lori Knauer, and Matthew Schroeder.

The ballots also include Current Board Candidates Lauren Shohet and Vibhat Nair to complete the final two years of their second term, April 2024 – March 2026, and John Moots for his third three-year term, April 2024 – March 2027. Board terms are expiring April 18, 2024 for Greg Bockman, Ines Rodriguez and Mark Rossi.

### **New Business**

Keith announced his resignation from the Board, effective April 18, 2024. The Board will seek to appoint a new member to fill the last year of Keith's term (April 2024 – March 2025).

### **Adjournment**

John made a motion to adjourn the meeting, and the meeting was adjourned at 8:40 p.m.

**Annual Meeting:** Thursday, April 18, 2024

**Next Regular Board Meeting:** May 20, 2024

### **Meeting Materials:**

April 1 2024 Agenda  
Minutes, February 26  
Budget, April 1, 2024  
General Manager Board Report – March 2024  
Profit and Loss, 2/24/24  
Balance Sheet, 2/24/24  
Side-by-Side 1 and 2, 2/24/24  
Cash Flow, 2/24/24  
B4: Membership Monitoring Report  
B9: Communications Monitoring Report