SWARTHMORE CO-OP BOARD OF DIRECTORS

MINUTES OF MEETING

October 27, 2014

The meeting, which was held in Swarthmore borough Hall, began at 7:00 PM.

Present were President, Martyn Harding, Vice President, Carol Savery, Secretary, Pam Bartholomew, Treasurer, Michael Markowicz, Board members Don Delson, Andy Rosen, Bob Scott, Helen Nadel and Interim General Manager, Sara Yoo, Business Manager, Aliya Glenn. Karen Shore was unable to attend.

Approval of Minutes

The minutes of the September 22, 2014 meeting were approved on a motion by Don, seconded by Bob. The Board unanimously approved.

GM Update

* Interim GM, Sara Yoo has found an alternate inventory company which will begin a trial period in December.
* The Bakery department has been reassigned & split 60% in Deli and 40% in Specialty. This split reflects the actual work being done (Deli prepares the bread daily and “sweets” are within Specialty).
* Sara raised the possibility of closing the store on New Years Day, traditionally a slow sales day when employees are paid time and a half. The Board agreed that the store should be open as a service to the community, but at reduced hours of 9-2.
* West Chester Co-op sent a letter requesting a financial donation for their start up. The Board felt strongly that it would be inappropriate to make a cash contribution especially if we have outstanding member loans. Instead, the Co-op could provide in-kind services. On a motion by Don, seconded by Helen the Board approved providing printing services to the West Chester Co-op.
* Sunday Suppers continues to get funding from Rounding Up- $212 in September.

Finance Update

* September sales were strong bringing 3Q up 3% versus last year and YTD up 5.7% versus 2013. Margins were as good or better across the board.
* Despite payments to the search firm and legal consultants, Oct. profit was $22k. Michael thought that 4th quarter projected earnings could reach $45k (budget = $60k)
* 2015 Proposed Budget

Michael presented the proposed 2015 Budget with more than $6MM in sales and $80k profit. This budget reflects:

2.5% wage increase

Health Insurance price increase

Expenditures for:

* new website ($10k budgeted that Michael felt could be done for less)
* IT contract
* STCR member data
* Seafood Case

After discussions on the relevant line item (see Board Decisions), a motion to accept the 2015 Budget was made by Michael, seconded by Andy and unanimously approved by the Board.

Board Decisions

* Board Expansion: The nominating committee presented Ines Rodriguez as candidate for the tenth Board member. Carol Savery made a motion to appoint Ines to the unexpired term (until April 2015) of Tim Stoppard. Don seconded the motion and the Board unanimously agreed.
* Healthcare Plan Renewal: Andy recommended staying with the current plan & provider as our best option despite the 18.25% cost increase. The only way to reduce this cost increase would be to adopt a radically different type of plan like a high deductible plan or “cafeteria style “ plan, neither of which were judged to be appropriate. It was recommended that the current plan be implemented as a “Section 125 plan” where employees contribute with pre-tax dollars. This offers savings to both the Co-op (savings in FICA taxes) and its employees. Two levels of contribution splits were debated, 80/20 (current) and 78/22.

Don moved that the option of a 125 Plan with an 80/20 split be adopted for the 2015 healthcare plan. Carol seconded and the Board voted unanimously to accept.

* IT Service Plan- Interim GM Sara Yoo presented a proposed IT service plan contract from Lucid Tech Solutions. She had shopped the plan to 3 different vendors and recommended Lucid not only for the cost, but also because of the advice and service that they had provided during the recent personnel transitions.

On a motion by Don, seconded by Michael, the Board voted unanimously to approve the contract.

GM Monitoring Reports

* B-2: Business Planning and Financial Budgeting

A motion was made by Bob & seconded by Michael to accept the report. The Board voted unanimously to accept.

Board Process Self monitoring

* D-1 Unity of Control

Bob moved that D-1 be accepted. Carol seconded and the Board voted unanimously to accept.

Information Sharing and Discussion

* The discussion on electronic file storage will be deferred until Karen Shore is present.
* 501c3: Helen Nadel will follow up.
* Education Committee: Helen spoke about cooking classes that will be held at SPC in November and December.

Review of Action Items

1. The Parental Leave Policy will be finalized- Karen, Sara & Andy

2. 501c3 status- Helen

3. 125 Plan document development & hiring of an administrator-Andy

Adjournment

The meeting was adjourned at 8:20 on a motion by Carol, seconded by Bob. An Executive Session followed.

Next Meeting

The next meeting will be held on Monday, November 24 at 7pm in the Community Room of the Swarthmore Borough Hall.

Respectfully submitted,

Pam Bartholomew

Secretary

Documents for the Meeting

[Co-op 2015 budget(final).xlsx](https://swarthmorecoop.backpackit.com/assets/6970336/as/Co-op%202015%20budget(final).xlsx)

[Co-op Board Agenda 10-27-14.doc](https://swarthmorecoop.backpackit.com/assets/6968640/as/Co-op%20Board%20Agenda%2010-27-14.doc)

[Co-op Board Minutes 9-22-2014.docx](https://swarthmorecoop.backpackit.com/assets/6966252/as/Co-op%20Board%20Minutes%209-22-2014.docx)

[GM Report for September 2014.pdf](https://swarthmorecoop.backpackit.com/assets/6964974/as/GM%20Report%20for%20September%202014.pdf)

[Upcoming Important Dates.docx](https://swarthmorecoop.backpackit.com/assets/6962531/as/Upcoming%20Important%20Dates.docx)

[West Chester Co-op email.docx](https://swarthmorecoop.backpackit.com/assets/6964979/as/West%20Chester%20Co-op%20email.docx)

[Co-op Sep 2014 Balance Sheet.pdf](https://swarthmorecoop.backpackit.com/assets/6961020/as/Co-op%20Sep%202014%20Balance%20Sheet.pdf)

[Co-op Sep 2014 Income Statement.pdf](https://swarthmorecoop.backpackit.com/assets/6961018/as/Co-op%20Sep%202014%20Income%20Statement.pdf)

[Co-op Q3 2014 Actual v Budget.pdf](https://swarthmorecoop.backpackit.com/assets/6961015/as/Co-op%20Q3%202014%20Actual%20v%20Budget.pdf)

[B2 Business Planning Monitoring Report 10-2014.doc](https://swarthmorecoop.backpackit.com/assets/6947578/as/B2%20Business%20Planning%20Monitoring%20Report%2010-2014.doc)

[Membership 2014.xlsx](https://swarthmorecoop.backpackit.com/assets/6947579/as/Membership%202014.xlsx)

[Swarthmoore Food Coop - IT Maintenance Proposal.pdf](https://swarthmorecoop.backpackit.com/assets/6952826/as/Swarthmoore%20Food%20Coop%20-%20IT%20Maintenance%20Proposal.pdf)