

**Adopted Minutes**  
East End Food Co-op Board Meeting  
12/18/2017

**In attendance:**

Present Board Members: Eddy Jones, President; William Warnock, Treasurer. Emily DeFerrari; Malcolm Ferguson; Patrick McHale; Sarah Trist; Brynn Yochim (teleconference).

Designated General Management Team: Jen Girty, Shawn McCullough, Eric Cressley.

Board Clerk: Erica Peiffer

Member Guests: Tom Pandaleon, Faith Schantz, Megan Moffitt, Nate Feuerstein, Emile Durant.

Eddy called the meeting to order at 7:04 p.m. Emily read our Ends statement aloud.

**Amend/Approve Agenda**

Discussion: Five minutes for Board Updates were added after the Approval of Meeting Minutes. Fifteen minutes were added to discuss Annual Meeting planning prior to Closings.

Decision: Malcolm moved to accept the agenda as amended. Emily seconded the motion.

Vote: 6.0.0

William arrived at 7:07 p.m.

**Amend/Approve previous meeting minutes**

Discussion: Directors reviewed draft minutes of the previous meeting and made corrections for grammar and clarity as reflected in the published minutes.

Decision: Sarah moved to accept the minutes as amended. Malcolm seconded the motion.

Vote: 6.0.1

**Board Updates**

Eddy reported outcomes from the 12/4/17 working meeting. Directors received a presentation on cooperative governance by Christie Tillapaugh from the Cohen & Grigsby. Arianna Garofalo announced her resignation from the board due to personal matters. Patrick motioned to subscribe to the Cooperative Board Leadership Development (CBLD) Program in 2018 at a cost of \$6,890. Sarah seconded. The board voted 5.0.1 in favor of the motion. Patrick also motioned that Brynn assume the office of Secretary. Sarah seconded. The board voted 6.0.0 in favor of the motion.

**Designated General Management Team Update**

Regarding Facilities, Shawn reported that it will take at least 8-10 weeks more for the Department of Environmental Protection (DEP) to approve our permit application for the installation of a new reverse osmosis filtration and water dispenser system. Regarding Human Resources, Jen reported that over 70% of staff participated in an All Staff meeting last week, followed by the annual staff party. The main focus of the meeting was a training session about upcoming changes to Open Books Management (OBM). Eddy asked Shawn to provide an overview of OBM for the sake of newly seated directors. Regarding Store News, Eric noted upcoming holiday store hours and closings, and he previewed an update to our credit card pin pads, which should feature chip card readers by April 2018. Regarding National Cooperative Grocers (NCG), Eric noted receipt of a quarterly board bulletin and agreed to share to the communication with directors via Fleep and Google Drive. Regarding Expansion, Shawn discussed intentions to renegotiate our lease with the new landlord to propose changes to the location of our administrative offices.

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**B1 – Financial Condition & Activities**

Shawn introduced this report by noting that sales and net income were the two areas with the most change. He also noted that the Co-metrics site had not been updated and therefore he was unable to incorporate financial data from peer NCG member co-ops as context. Sales growth for the quarter was up at 1%, which is the strongest year-over-year sales growth since June 2015. Directors expressed an interest in more information about sales growth per department. Net income was positive and at its highest in the past seven years. Shawn attributed this to close attention to margin and controls on labor and below-the-line expenses. Shawn projected positive net income for the fiscal year even if sales trends remain flat. He also noted that our current ratio has improved and our cash is up. We have zero debt and member equity is strong. Eddy commented that the narrative is very helpful for interpreting the data and he requested an introductory paragraph in future reports.

Decision: William moved to accept the report with non-compliance. Malcolm seconded the motion.

Vote: 7.0.0

**A – Ends**

Directors requested green and red highlights throughout the tables of this report, to denote increases or decreases in year-over-year comparisons. It was noted that the methodology of A.1 “Total expenditures that are local” and the definition of A.2 “Total sales that are local” required clarification around sales versus cost of goods. Regarding B.2 “Senior and low-income discounts”, directors inquired as to the feasibility of distinguishing the data between low-income and senior qualifications. eric responded that our current Point-Of-Sale (POS) system does not have this capability but a forthcoming software update may help to facilitate this change. He also previewed a plan to create a new membership program in 2018 that will expand the customer base eligible for needs-based discounts. The group discussed the potential to identify the percentage of sales paid for with SNAP funds via ACCESS cards. Regarding B.4 “Member Growth” the group differentiated between the number of new member sign ups, as presented in the report, versus net member growth statistics provided in monthly board packets. Directors discussed the distinction between C.1 “Food Diverted from Waste” and C.3 “Waste Diverted from the Landfill” and also inquired for a comparison of this data relative to what we throw away. Regarding D.1 “Social Media” Eddy suggested checking the numbers for accuracy as it is very uncommon to see a significant drop in followers.

Decision: Malcolm moved to accept the report with revisions as noted. Sarah seconded.

Vote: 7.0.0

**Board Document Management**

Erica projected her laptop monitor onto the whiteboard and walked through settings and file folder structures of the recently overhauled Google Drive for board document storage and sharing. Files and folders were shared with directors and members of the designated general management team. Some confusion remained around the question of how to transfer ownership of files. Erica committed to investigate the matter. Eddy noted the need to investigate how to integrate Google Drive files with Fleep.

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**Annual Meeting**

Emily inquired whether the board budget has a specific line item for the Annual Meeting. Eddy confirmed there is not a fixed budget and suggested the committee look to the past several years for a range of spending. Costs for catering were estimated between \$600 - \$1,000. Emily reported that she will visit the venue to determine set-up needs in early January. Eddy suggested that some time during the upcoming board retreat could be used to discuss agenda items. Emily suggested a formal acknowledgment of board members and employees that have worked hard through strong disagreements over the past several years. Erica noted that past boards had often considered questions around the tone of the meeting when developing an agenda – specifically, is it a celebration or a business meeting? She agreed to put past Annual Meeting minutes on Google Drive for the board to review.

**Closings**

The next board meeting was scheduled for January 22nd. Submissions to the next meeting packet are due to the board clerk on January 10th. The board's retreat was scheduled for January 13<sup>th</sup>.

**Member-owners Open Session**

Tom Pandaleon offered anecdotal experience that musical entertainment at the Annual Meeting is not appealing, loud and distracting. He then inquired when the next union contract negotiation would begin, to which Jen responded that no date had been set although the current contract expires March 18<sup>th</sup>. Faith Schantz suggested the board consider offering a visioning session at the Annual Meeting to learn more about what members want from their Co-op. Megan Moffit introduced herself as an employee and thanked everyone at the meeting table for doing important work. Nate and Emil introduced themselves as employees.

**Adjournment**

Decision: Malcolm moved to adjourn the meeting at 9:34 p.m. Patrick seconded the motion.

Vote: 7.0.0

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The Board went into Executive Session at 9:40 p.m. to discuss non-public matters. Emily motioned to move forward advertising the job listing for a General Manager. Patrick seconded. The board voted 4.2.1 in favor of the motion. Emily motioned to seat Patrick as Vice-President. Malcolm seconded. The board voted 7.0.0 in favor of the motion. At 11:00 p.m. Patrick moved to adjourn the session. Malcolm seconded. The Board voted 7.0.0 to end the session.

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Minutes respectfully submitted by Erica Peiffer, Board Clerk.