

**Adopted Minutes**  
East End Food Co-op Board Meeting  
3/19/2018

**In attendance:**

Present Board Members: Eddy Jones, President; William Warnock, Treasurer; Emily DeFerrari; Malcolm Ferguson; Katy Nevinsky; Sarah Trafican.

Absent Board Members: Patrick McHale, Vice-President.

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

Board Clerk: Erica Peiffer

Member Guests: Faith Schantz, Zoe Mizuho, Dan Denlinger, Andy Mowry, Rayden Sorock, Carlos Gasca, Karen Bernard.

---

Eddy called the meeting to order at 7:02 p.m. Members in attendance introduced themselves. Malcolm read our Ends statement aloud.

**Amend/Approve Agenda**

Discussion: Closed session was added to the end of the agenda.

Decision: Sarah moved to accept the agenda as amended. Katy seconded the motion.

Vote: 6.0.0

**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: Malcolm moved to accept the minutes. Emily seconded the motion.

Vote: 5.0.1

**Amend/Approve Annual Meeting minutes**

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

Decision: Malcolm moved to accept the minutes. Emily seconded the motion.

Vote: 6.0.0

**DGMT Update**

Jen reported that the new union contract had been ratified. Eighteen articles were changed, and one new article was created. She said some changes were minor, like correcting typos, and she reviewed all major changes. She also reported on the renewal of our business liability insurance.

**B1 – Financial Condition & Activities**

This report was projected for review by all. Shawn introduced the report by noting that some of the requested format changes had been made, while others had yet to be integrated. One major change was the inclusion of past quarters to track performance of various financial metrics over the course of several years. Shawn noted this report featured data from the October to December period of 2017. The report highlighted positive sales growth, and while the figure did not meet compliance, it was the best sales growth for that particular quarter that we've seen in three years. Shawn reported a net loss for the quarter, although he noted that we had positive net income for three quarters prior and this is historically our worst quarter, a trend also seen across 58% of NCG member co-ops. Eddy said it was very helpful to learn about the seasonal aspect of the

**Adopted Minutes**  
East End Food Co-op Board Meeting  
3/19/2018

business. Members of the Finance Committee agreed to discuss a more realistic interpretation and operational definition of B1.1, which states that the GM shall not “allow sales to decline or be stagnant”. Former reports had defined compliance by the NCG benchmark of 3% sales growth.

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

Vote: 6.0.0

**A - Ends**

The metrics monitoring spreadsheet was projected for review by all. This report presented data for the same timeframe as the B1 report – October to December of 2017. Directors inquired about the steady decline in donation totals through the Register Round Up. Comparing donation totals with the number of transactions per month and donation totals as a percentage of sales, Eddy noted the data, along with anecdotal evidence, did seem to suggest that cashiers are not consistently asking customers if they’d like to Round Up. eric reported that not all cashiers are comfortable asking, although he invited the board to suggest goals that Front End staff could strive to achieve. Eddy questioned if the Register Round Up was the best way for the Co-op to provide community donations. Erica shared her experience coordinating the program, that the effort-to-outcome ratio of the program is efficient to manage for both the co-op and the recipient organizations, and that recipient organizations consistently provide feedback that Round Up donations provide significant support for their programming. Directors inquired if there was progress in the effort to distinguish between senior discounts and low-income/needs-based discounts, for reporting purposes. eric responded that he and Kate need to develop a new program for qualifying needs-based discounts, and that our POS software requires an update to accommodate a distinction for accounting purposes. Directors decided to sync the submission of this report with the B1 report, in which case, all data will be confirmed well in advance of submission and the report should be included as part of the board meeting packet. eric noted that NCG had developed a similar data set that we are reporting on as a member Co-op. He questioned if this data set should replace the current set of metrics, so as not to duplicate staff efforts. Directors agreed to consider the NCG model as an alternative.

Decision: Malcolm moved to accept the report. Sarah seconded.

Vote: 6.0.0

**Annual Meeting Planning Committee Charter**

A draft charter was projected for review by all. Directors considered how the planning timeline relates to the release of the Annual Report as well as the board elections cycle. Eddy suggested the committee first determine when the meeting will happen, so the audit process and board election cycle can be prioritized around the meeting date. Directors considered staff participation on the committee, and agreed to invite Marketing & Member Services Manager Kate Safin to be a member, or to delegate a staff liaison.

Decision: Emily motioned to approve the charter with amendments. Malcolm seconded.

Vote: 6.0.0

**Adopted Minutes**  
East End Food Co-op Board Meeting  
3/19/2018

**Member Linkage Committee Charter**

A draft was projected for all to review. Eddy questioned the desire to amend the D7 policy, which in his opinion is very broad and open to interpretation. Erica suggested the committee review the policy and evaluate board compliance for at least a year before making recommendations to amend. Eddy said this practice could be a stepping stone for the board to get back into the practice monitoring compliance with D policies. Regarding the stated goal to review monitoring reports related to member linkage, Eddy asked which B policies are being referred to and requested the committee to specify in the charter. Jen shared her apprehension at the potential for crossover with the work of the Marketing and Members Services department, and asked the committee to reconsider and flush out the work related to several stated goals with this perspective in mind. She also flagged that staff participation on board committees could potentially increase wage hours will need to be assessed in terms of the cost to the Co-op. Eddy suggested the committee meet to further develop the charter together, and requested another draft for review at the April meeting.

Decision: Emily motioned to schedule a committee meeting and bring back another draft charter for the April meeting. Malcolm seconded.

Vote: 6.0.0

**Guardian Council Committee Charter**

Eddy proposed the work of this committee could be included as part of the Member Linkage Committee. Directors agreed.

Decision: Emily motioned for the goals of this committee to be included as part of the Member Linkage Committee. Sarah seconded.

Vote: 6.0.0

**Annual Meeting Debrief**

The compiled results of a feedback survey distributed at the end of the meeting were projected for all to review. Emily reported that she met with both committee and staff members to debrief. Overall the reports were well-received. Dessert was missed. Attendance was down roughly 30%; survey feedback indicated that a location in the East End was preferred. The committee considered the fall to be a preferable time of year to host, and also considered ideas to make the tone of the meeting more social. To ensure continuity in planning, Emily recommended that the committee be co-chaired by one new director and the director who co-chaired the year prior.

**Closings**

The next board meeting was scheduled for April 16<sup>th</sup>. Submissions to the next meeting packet are due to the board clerk via email by 9 a.m. on Wednesday, April 4<sup>th</sup>.

**Member-owners Open Session**

Carlos Gasca expressed his desire to work with the board to develop an application for the UpPrize competition, a grant opportunity for community solutions that is funded by the Forbes Foundation and BNY Mellon. He suggested a proposal for an online distribution service arm of the Co-op as a solution to building a robust local food system around the values of food justice. Directors and members in attendance had a lot of questions around the timeline for submission

### **Adopted Minutes**

East End Food Co-op Board Meeting

3/19/2018

and the nature of the working relationship between the Co-op and Carlos' consulting business. Directors asked Carlos to submit a proposal to be reviewed at the upcoming working meeting. Dan Denlinger asked the board to provide a report on closed working meetings, and he asked the board to consider his suggestion to open satellite sites to sell prepared foods. He also suggested Co-op staff should produce instructional YouTube videos about Co-op products as a marketing and educational tool. Zoe Mizuho thanked Jen for the report on union contract outcomes, and asked the board to consider if committee charters need to be approved every year. He also asked for an update on the timeline for the GM search and board appointments, to which the board reported there was no new information to share. Faith Schantz thanked the board for the "member focused" Annual Meeting and offered to meet as a potential member of the Member Linkage Committee to help in hashing out the charter.

### **Adjournment**

Decision: Katy moved to adjourn the meeting at 9:42 p.m. Sarah seconded the motion.

Vote: 6.0.0

---

The Board went into Executive Session at 9:52 p.m. to discuss board vacancies, the GM search, and UpPrize. At 10:13 p.m. Malcolm moved to adjourn the session. Sarah seconded. The Board voted 6-0-0 to end the session.

---

Minutes respectfully submitted by Erica Peiffer, Board Clerk.