

Adopted Minutes
East End Food Co-op Board Meeting
Remote Meeting via Cisco WebEx Meetings
January 25, 2021

In attendance:

Present Board Members: Sam Applefield, President; Ariel Barlow, Vice President; Laura Valentine, Secretary; Charlie Orr, Treasurer; Jenise Brown; Tom Pandaleon; Trevor Ring; Marty Seltman

Absent Board Members: Eva Barinas

General Manager: Maura Holliday

Management Team: Tyler Kulp, Produce; Shawn McCullough, Finance.

Member-Owners: Faith Schantz, Chas Wagner, Karen Bernard, Olivia Lazarchick, Andy Mowrey, Yasmeen Ariff-Sayed, Alice Leibowitz.

Board Clerk: MaCall Scott

Sam called the meeting to order at 7:03 p.m. Trevor read aloud the Ends statement:

The East End Food Co-op exists to enhance physical and social health in our community.

To these ends, we will create:

1. A sustainable member-owned business open to everyone
2. An ethical and resilient food infrastructure
3. A vibrant, dynamic community of happy, healthy people
4. A creative vision to transform the future

Those in attendance checked in to express how they're feeling and any needs they had.

Amend/Approve Agenda

There were no changes made to the agenda.

Decision: Charlie moved to accept the agenda. Laura seconded the motion.

Vote: 7.0.0

Amend/Approve December Meeting Minutes

Directors reviewed the draft minutes from the December board meeting and made corrections for grammar and clarity as reflected in the adopted minutes.

Decision: Motion to accept the December minutes as amended by Charlie. Seconded by Marty.

Vote: 7.0.0

Member-Owners' Open Session

Faith welcomed the new board members. Yasmeen echoed Faith's welcome.

Tom joined the meeting at 7:18 p.m. and checked in.

Board Retreat Update

Sam reported that the Board met via Zoom on January 16 and 17 for the annual board retreat. They spent time getting to know each other and talked about the work ahead. Directors voted on executive roles for the year; results are as follows:

President: Sam Applefield

Vice President: Ariel Barlow

Secretary: Laura Valentine

Treasurer: Charlie Orr

General Manager Updates

The following update from Maura was provided to Directors before the meeting:

- Attending the PASA conference virtually this year – 5 staff registered to attend

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- We have HOT SOUP on the hot bar!!!! So far, the rollout has been great, and you'll never guess which of the four is the top seller?! Drum roll, please.....Spinach & Lentil! I bet you thought I was going to say Mushroom barley
- Produce won 3rd place in the SugarBee Apple Display contest that we participated in in November! Big winners! Two staff, Candace Davis and Matthew Curran are featured in the winning photo.
- Two members of the management team, along with myself, are enrolled in Columinate's Abolitionist Challenge II. This begins on February 4th
- Shawn completed the remaining 6-month budget for FY21; it is on the agenda for this month's meeting.
- We are heading into pre-pandemic panic shopping and then full one pandemic shopping patterns – weekly sales are going to look very different than from a year ago, something we are preparing staff to see and be aware of
- DEI – will be getting the three new board members the link to the DEI survey we did as an organization in November and then looking to regroup with Leigh from Inclusant after February 1st to discuss results and next steps.
- Beginning preparations for our UE Local 667 contract to be renewed by March 13th, negotiation meetings with the UE negotiating committee will likely commence in mid-February.
- Continue to engage with Homewood community leaders about food access; the next meeting is on February 9th.
- The City of Pittsburgh passed a city-wide ordinance; Temporary Emergency COVID-19 Paid Sick Leave, which requires all employers within the city limits with more than 50 staff to provide up to 80 hours (for full-time staff) of Paid sick time to be used for COVID illness/care of oneself or a family member. This is in addition to any Paid time off that employers already provide and is not covered by any government assistance programs (like FFCRA). We have a quick outline of the program available to staff that is being posted to Beekeeper this week. This can be used in conjunction with FFCRA.

Updates from Maura

- NCG put an offer out toward the end of 2020 to allow member co-ops to participate in an employee assistance program called LifeWorks. We also participate in one through UPMC. We will be getting info out to staff, so they know what resources are available to them. You get up to three free counseling sessions per "occurrence"; therapists are local should employees want to continue with the same provider.
- Maura participated in a Columinate survey late last year regarding GM Compensation; the survey found that GMs who identify as females make less than those that identify as male. The survey results will be presented via webinar this evening; Maura intends to watch the recording of it and is interested in seeing how the data is presented.
- EEFC sent out two coupons recently – one was a mailer; one was sent via email. The mailer happened as the result of a \$2000 credit that EEFC won from NCG. The other coupon is a \$5 off coffee purchase, which is good through the end of June.

Questions, Comments

- Regarding the Union contract negotiation, do you have thoughts about how you would like to keep the Board updated during that process, and to what extent?
 - Maura doesn't have a formal plan yet but thinks updates may happen via Fleep but is open to suggestions.
- Do you have a sense of how long negotiations may take?
 - The second contract took about six weeks. Meetings may start in the second week of February. The contract expires in mid-March, and the hope is not to let it lapse.
- Marty commented that the GM salary discrepancies found among co-ops are disturbing but not surprising and asked when Maura's salary would be up for review.
 - Maura answered that her salary is reviewed in July.

Additional member-owners joined the meeting after the member open-session. Sam provided an opportunity for them to speak. Alice encouraged the Board to stay in the loop during the Union contract negotiation, to be transparent and involve the membership during the expansion process, and to make sure it's a good time financially for our Co-op to expand. Sam

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thanked Alice for sharing their thoughts and said that the Board intends to develop their plan and approach to what member engagement will look like during the expansion process in the coming weeks.

B9 - Emergency GM Succession

Some changes were made to this year's report: Maura cleaned it up so that timelines are more transparent. She authored almost all of the reports (except the B1); she did delineate which department managers contribute content. She also removed the term "primary successor," which was in the interpretation last year, in favor of a "team of successors."

Updates, Questions, Comments

- Why go with an IMT instead of a chain of successors?
 - Some co-ops will pick one person, and some will pick a team. Our former GM chose a 3-person team as successor. It wasn't sustainable for the amount of time needed to go on and worked better when responsibilities could be shared over the full management team.
 - Tom added that at the time, there seemed to be a greater sense of calm when managers switched over from the three-person team to the full management team sharing GM duties.
- The idea of membership in the interim GM team being optional - how does that work?
 - If a department manager felt they didn't have the capacity to take on additional responsibilities, we wanted to give the option not to be a part of it.

Decision: Motion to accept the B9 as compliant by Laura. Seconded by Jenise.

Vote: 8.0.0

The Board completed the GM Monitoring Matrix, highlighting the report's strengths and opportunities.

Budget Update

Maura's narrative is that the budget is usually made for the entire fiscal year; NCG had recommended switching to a six-month budget due to the unpredictable nature of the pandemic. Two main things contributed to operational loss during this timeframe: two payouts for Hazard Pay, totaling about \$94,000, and budgeting additional paid time off for staff in response to Pittsburgh's COVID sick-leave ordinance, which went into effect in December 2020. A brief explanation of Hazard Pay: since the pandemic began, the Co-op has been making retroactive quarterly payouts to the staff of \$2.22 per hour worked to recognize the work being done in this unprecedented time. Shawn added that we are expecting an operational net loss for the next six months. The anticipated date for writing off the PPP Loan is sometime in March. We have already received the FFFI Grant funds.

Questions, Comments

- Charlie wanted to introduce the idea of when to stop Hazard Pay – not that it should be stopped, but it was easy to start because of the PPP Loan, but when to end is less clear. Maura added that we are in a safe enough position to continue for now. To continue long-term, we may need to rely on government stimulus; without that, we'd have to play it by ear to see if it's financially sustainable.
- How have basket size and number of customers been trending lately?
 - About the same – people are still coming about half as much, but buying twice as much. Maura indicated that those numbers are trending upward. She added that she is going to start adding these numbers to the monthly GM update.
- Can you elaborate on the prediction of -2.3% sales growth?
 - Maura said that other co-op GMs that she communicates with anticipate negative sales growth in the next six months. Shawn added that people get nervous about seeing a negative number, but we have to remember that we're comparing against the horde-buying that was happening at this time last year. We are more or less making our usual sales and should end the year somewhere around 0% (year over year) with positive net income.
 - Laura noted that it would be beneficial in the next B1 to compare the numbers to 2019 and 2020.

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- Is the FFFI a state grant?
 - Yes. It was made to help businesses buy the things they needed to adapt to doing business during the pandemic.

Decision: Motion to approve the six-month budget by Charlie. Seconded by Trevor.

Vote: 8.0.0

Sam confirmed a Working Meeting for the Board on February 8th.

Finance Committee Update

Charlie is the new Finance Committee Chair; he intends to meet with Shawn monthly and meet quarterly with the committee, in line with the B1.

Board Perpetuation and Elections (BPE) Committee Update

Tom would like to have a committee meeting soon to discuss the election.

Member-Owner Participation (MOP) Committee Update

Marty is the new Chair of the MOP Committee; he reported that Faith has agreed to co-chair this committee to smooth the leadership transition. A meeting will be scheduled in February. Clarification is needed about what information the Board wants to see from the governance survey.

Annual Meeting Committee Update

In Eva's absence, there were no updates.

Bylaws Committee Update

Laura will be chairing the Bylaws Committee, and Zoe has agreed to be involved. They hope to meet in February to hammer out implementation details.

Expansion Committee Update

Jenise is the new Expansion Committee Chair. Sam, Maura, and Jenise hope to meet soon to discuss what they would like the committee to look like this year.

Resilience Committee Update

Trevor is the new Chair of the Resilience Committee; he hopes to meet with Charlie soon.

Charlie reminded new directors to send their pictures and bios to Kate.

Action Item Follow-up & Discussion

Directors and managers reviewed progress or lack thereof on action items from previous meetings.

Closings

The next board meeting was scheduled for Monday, February 22nd, 2021. Reports, agendas, and packet submissions are due to the Board Clerk via email on Monday, February 15th, 2021, at 9:00 a.m.

Adjournment

Decision: Tom moved to adjourn the meeting. Marty seconded the motion.

Vote: 8.0.0

Minutes respectfully submitted by MaCall Scott, Board Clerk.