

Adopted Minutes  
East End Food Co-op Board Meeting  
Held Remotely via Cisco WebEx  
April 18, 2022

**In attendance:**

Board Members: Ariel Barlow, President; Tom Pandaleon, Vice President; Mia Sorada, Treasurer; Laura Valentine, Secretary; Brian Alderman; Jenise Brown; Debi Johnson; Megan Moffitt; Trevor Ring; Marty Seltman

Management: Elly Helgen, Marketing & Member Services; Tyler Kulp, Produce

Member-Owners: Rebecca, Karen Bernard

Board Clerk: MaCall Scott

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**Introduction**

Ariel called the meeting to order at 7:00 p.m. and read the Ends Statement aloud.

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

**Check-In**

Those in attendance checked in to express their feelings and any needs.

**Amend/Approve Agenda**

**Decision:** Motion to approve the agenda as written by Trevor. Second from Marty.

**Vote: 8.0.0**

**Working Meeting Report Out**

The meeting started at 7 p.m. and ended at about 9:10 p.m. on April 4th. Topics included committee advocacy, EBITDA education (Earnings Before Interest, Taxes, Depreciation, and Amortization), co-op strategy and market positioning.

**Amend/Approve March Meeting Minutes**

**Decision:** Motion to approve the March meeting minutes as amended by Brian. Second from Trevor.

**Vote: 7.0.1**

**Member-Owners Open Session**

Rebecca introduced themselves as a new member of the Co-op; they asked about how to get involved and make their presence valuable and productive. They shared that they joined the Co-op because of their interest in our products and our connection to the community and local farmers. Marty noted that attending board meetings and joining board committee(s) is probably the best way to be involved at this time.

Tom joined at 7:14 p.m.

Laura joined at 7:17 p.m.

**GM Update**

Maura provided the following update to the Directors before the meeting:

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This report is in addition to monthly monitoring reports. The expectation of this update is to give additional information to the Board of Directors that may not be included in the month's monitoring report. This report aligns with parts of sub-policy B7: Communication to the Board.... 'The General Manager shall not cause or allow the Board to be uninformed or unsupported in its work.'

**Membership:**

Current total member-owners: 15,595

New member-owners: March – 46 (4 refunds)

Total member equity: \$1,570,607

**Register Round Up Total:**

March recipient: Building New Hop - \$1,018.19

April recipient: Environmental Health Project (<https://www.environmentalhealthproject.org/>)

**Operations Update:**

- Seedlings and soil are back! Sales are performing well, and as the weather warms, selections will increase. The cool weather has required us to keep the seedlings indoors, which I don't recall doing before.
- With the PPP loan forgiveness occurring in March, we paid out a profit share to staff on March 31<sup>st</sup>. This is a slightly different methodology for our profit-sharing process; it has typically only happened with an operational net income. However, since this non-income event (the PPP loan forgiveness) was from a COVID-19-related event, we wanted to be sure staff would be able to share in this event.
- We are surveying staff about what changes we want to make to our current masking policy. Once any changes are decided, we will make public announcements and update our signage.
- MMS is hosting a member-owner drive from April 9<sup>th</sup> to April 16<sup>th</sup>
  - New members who join during the drive will receive:
    - Coupon for a \$1.00 off a smoothie
    - Voucher for free seedling
    - Reusable straw
    - Kleen Kanteen colorful produce branded thermos
    - Dr. Bronner's lip balm
    - Sunflower sticker
    - Every new member is entered to win 1 of 5 \$25 gift cards
    - Ability to enter raffles
- Beginning Monday, April 18th, UNFI deliveries will be arriving in the early morning before the store opens. This is a significant change as we have received an evening truck for maybe as long as we have received trucks from UNFI. This change is supposed to improve our delivery service levels as they have struggled to provide consistent service levels for almost a year.
- In-person conferences are beginning to become a reality again – NCG's Spring GM conference is this month, April 27-28, in San Diego, CA. I will be traveling to CA for that entire week and returning to Pgh on Friday, April 29th. NCG's HR conference is in May, the Up & Coming Conference in Wisconsin will also be in May, and three staff will be attending.

**Updates/Questions/Comments**

- Maura reported that the first day of UNFI delivering in the morning went relatively smoothly. The only hitch was that Four Seasons arrived at the same time.

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- Any updates on the mask policy?
  - Response: the staff survey revealed that most staff members are ready to make a change; we now have to determine what that change will look like. Maura will meet with Union Officers to discuss the options.
- Is there anything you can share regarding the decision to share the PPP loan forgiveness as a profit share to staff?
  - Response: we have a metric system in place that says we share a percentage with staff after a certain amount of profit. Each employee gets a set dollar amount per hour worked during the quarter the profit was incurred. Because we discontinued hazard pay last summer, we wanted to share this COVID-related loan forgiveness with staff. This profit share ended up being over \$4 per hour worked in the 2<sup>nd</sup> quarter of this fiscal year.
- Is there anything, in particular, you are looking to get out of the upcoming GM conference?
  - Response: Maura is excited to see other Co-op GMs; she's also looking forward to conversations about inflation and possible programs NCG may have in the works for us.
- Basket size seems to go down as customer count goes up; what factors influence those metrics?
  - Response: when people come to the store less often (during the pandemic), their baskets are usually larger in size, and vice-versa.

### Management Report

- Elly reported that the Co-op had just completed a member drive; the weather wasn't great, so they couldn't table outside as much, which led to fewer interactions with customers.
  - Department happenings:
    - Working on the June edition of The Cooperator, the small size of the April Cooperator went over well, so they are going to continue making it that size.
    - Planning summer outreach events and sponsorships: VegFest, Run Around the Square, Urban Farm Tour
    - Hope to have some spring/summer events outside
- Tyler shared that we have lots of plants and soil that no one is buying because of the weather. Building up to Easter was very busy and saw slightly higher numbers than last year.

### Updates/Questions/Comments

- Did the member drive get you thinking about lessons learned and things to do differently as we prepare for a capital campaign?
  - Elly responded that they have been working on gathering member testimonials to use during the capital campaign. Fran helped plan different types of engagement for social media; we have learned that Instagram is our platform. A member drive is an excellent opportunity to get to know your members and shoppers and gives us insight into what they're thinking and feeling and what's important to them about the Co-op. We get the highest level of engagement when we are outside; shoppers don't want to stop and talk when they're in a crowded store.
- What's the difference between seeds and seedlings? Are people still buying seeds?
  - Tyler responded that we are selling a lot of seeds and seed-starting soil. Right now, no one is touching the topsoil or seedlings. Hopefully, the seedling inventory will double in the next two weeks – of course, it's all weather-dependent.

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**A - Ends**

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Maura's interpretation of this report is that "We are here to grow and enrich our community through the growth of our co-op by providing local food from our local food system; by being more socially and environmentally sustainable; and by engaging with our community to help them enhance their happiness and health."

Updates:

- We are thinking of having the Ends report be a 9-month check-in on achieving goals in this fiscal year.
- Some additional metrics for the next Ends report will be:
  - the number of community partners added
  - how members are engaging with member-only emails
  - what percentage of each dollar that comes into the Co-op goes to the staff
- There has been a change to the waste diversion numbers; the types of waste used to be broken out but are now reported as one lump sum.

Comments/Questions:

- These metrics are like an ESG (Environmental, Social, Governance) report; we should be telling everyone about the good we're doing. How can we share these metrics with a broader audience?
  - Response: we share them in the Annual Report and member emails. We have been doing "Fun Fact Fridays" on Instagram to share some of those metrics.
- Does any of this information make its way to new members in the new member packet?
  - Elly responded that it is not included.
- Reporting on our Ends should be a struggle because it is, at its core, our identity as a co-op. Something to think about: Is the challenge in writing this report because we are not operating in a way that matches how we're measuring our Ends, and what does that say about the way we're operating or how we define our Ends?
- We've been talking about the importance of getting this information out to members, but we should think about getting it out to all shoppers and even beyond – this could go in the Post Gazette, and no one else is doing it.
- As we think about where the Co-op is going over the next decade, we need to revisit what the Ends say and be sure we emphasize what we genuinely value.
- As far as local products do we have specific goals for the percentage we are trying to reach? How do we compare to other co-ops in that regard?
  - Maura responded that we don't have specific numbers; we hoped for 25% of store sales in the past but have not achieved that goal, so the metric was removed. Instead, we are looking at the number of local vendors to see if we are gaining or losing – we have seen a significant increase in local vendors this year.

**Decision:** Mia motioned to accept the A-Ends report as compliant. Second from Laura.

**Vote:** 9.1.0

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

**Committee Updates:**

**Resilience**

The Committee presented a resilience scenario dealing with extended energy disruption. This exercise aims to drive conversation and thought around different risks posed to the Co-op. The scenario presented last month was very real – short-term energy disruption; now, scenarios become less likely and have a higher impact should they become a reality.

**Finance**

Historically, the Committee has been meeting quarterly, the week before the B1 report. With the upcoming new fiscal year and budget discussions, Mia committed to checking in with Shawn via email in May to see if there is anything worthy of discussion from an operational standpoint.

**Board Perpetuation and Elections (BP&E)**

The Committee met for the first time with Debi as their new Chair. They discussed the staff seat on the Board and concluded that a sub-committee of staff members is needed to establish an election procedure that complies with our bylaws and allows staff to feel heard. They will recruit via Beekeeper and a notice by the timeclock; Directors may be needed to get the ball rolling. There will be a spread in the June Cooperator to encourage involvement on the Board.

**Member-Owner Participation (MOP)**

The meeting is this Wednesday; Fran Carter, the Co-op's Project Manager, will talk about the basic approach for the capital campaign and how members and volunteers can be more involved. The board packet includes a statement of the rationale for a volunteer program.

**Annual Meeting**

Trevor will be looking for Directors to be involved in the Annual Meeting Committee. The charter for this year is ready for Board review.

**Decision:** Motion to approve the Annual Meeting Charter from Marty. Second from Brian.

**Vote:** 10.0.0

**Policy and Governance**

The 2022 Charter is ready for Board review; Laura noted that it is the Bylaws Charter with some adjustments. The Bylaws Committee was temporary, and Policy and Governance is a more permanent committee.

**Decision:** Motion to approve the Policy and Governance Charter by Laura. Second from Tom.

**Vote:** 10.0.0

**Capital Campaign**

Mia circulated the notes from last week's Capital Campaign meeting via email. She shared some images, logos, and color palette/textures that will be used for campaign materials. The timeline for the campaign has been extended somewhat, which can be discussed further in Executive Session. There will be a quiet period once we file. There will be a launch party to kick off the campaign. Once the campaign has started, Fran would like support from the Board with things like hosting activities with investors and speaking to small groups of members.

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**Action Items**

Ariel edited the action items list to improve clarity and accountability.

#	Description	Person Responsible
181	Discuss what it looks like to have in-person or hybrid board meetings	All
182	Explore how to support the Board staff seat election process	All
184	Brainstorm what it looks like to put a call out to members to join committees	Marty
185	Make an effort to attend Capital Campaign meetings on the 2nd Thursday of every month	Capital Campaign Committee members
186	Think about which reports can be delegated to which committees	All
187	In the next working meeting, do an exercise identifying where the current metrics fall on two axes and see if there are any metrics we're not currently measuring. The ideal outcome is to identify easy to get and meaningful metrics.	All
188	Create minutes or a summary from committee meetings and share them out	Committee Chairs
189	Create a calendar for the next six months; Laura will share a draft governance calendar this week.	Committee Chairs
190	Look at what the GM evaluation and compensation procedure looks like for this year	Ariel and Tom
191	Find a space to continue the discussion around delegating leg-work at the committee level	Ariel and Tom
192	Explore what it looks like to do a possible retreat at Three Otters	Ariel and Tom
193	Draft a response to manager feedback that the Board received	Tom
194	Send out the newsletter, which has a questionnaire about the Board's anti-racism training and a questionnaire regarding Board stipends	Ariel

**Closing**

**Next Meeting:** Monday, May 16th, 2022

**Packet submission due:** Monday, May 9th, 2022

**Decision:** Motion to adjourn the meeting at 9:07 p.m. by Marty. Second by Trevor.

**Vote: 10.0.0**

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The Board entered Executive Session to discuss expansion updates with the General Manager.

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Minutes respectfully submitted by MaCall Scott, Board Clerk.