

Adopted Minutes
East End Food Co-op Board Meeting
Held Remotely via Cisco WebEx
January 23, 2023

In attendance:

Board Members: Ariel Barlow, President; Debi Johnson, Vice President; Mia Sorada, Treasurer; Laura Valentine, Secretary; Liz Geist, Tom Pandaleon, Marty Seltman, Carlos Gasca Yanez

Management: Maura Holliday, General Manager; Jennifer Girty, Human Resources; Tyler Kulp, Produce; Elly Helgen, Marketing & Member Services

Member-Owners: Theresa Colecchia, Joshua Trapp, Mark Bowers, Edward James

Board Clerk: Jessie Ryan

Absent Board Members: Brian Alderman, Caoimhe Quach

Introduction

The Board President called the meeting to order at 7:01 pm 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: The meeting agenda was approved as written without objection.

Amend/Approve Minutes

The minutes were reviewed for accuracy and clarity.

Decision: The December meeting minutes were accepted with revisions.

Member-Owners Open Session

Edward James and Mark Bowers took a moment to say hello.

January Working Meeting Report

On January 9th, 9 of the 10 board members received an expansion history refresh from the Co-ops General Manager and spent the last hour engaging with the consultant around board improvements.

GM Update

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

This report is in addition to monthly monitoring reports. This update expects 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: 16,018

New member-owners: 34 (5 refunds)

Total member equity: \$1,611,034

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Register Round-Up Total:

December recipient: Community Kitchen Pgh \$702.47

January-March recipients: POWER

Art in the Garden

Operations Update:

- The entryway door company has given us quote that came in much lower than we anticipated. We originally thought, due to cost, we would only be able to replace the main entry door, but the cost to replace all three entry doors came in below what we thought it would cost to replace only one. There is 12–14-week lead time for the doors to arrive. Once they have arrived, we will schedule the install to occur after hours so as not to disrupt business during the day.
- We are in the process of working to reset the produce department with new center island fixtures. Our goal is to incorporate a refrigerated endcap to better display refrigerated fruits and vegetables when on promotion and in season, as well as give the department an updated look. The last produce reset was about 6 years ago and did not entail replacing any of the existing fixtures. We have drawings and will be working with NCG and Four Seasons to order the equipment and perform the actual reset when the equipment arrives.
- There are 3 new salads in the grab n' go case to look for, which include Tempeh Bacon Cobb Salad and Greek Salad. There are also 2 new grain bowls: Southwest and Mediterranean. Some new sandwiches will be available as well.
- PASA Sustainable Agriculture's winter conference is in February, which we are sponsoring again this year. We are sending 4 folks to attend the conference this year, which is the most we have sent since before 2020.

Updates & Clarifications:

- There was a request to bring back Maggie's family soup recipe.
 - Maura stated that we do not have enough staff to be making all soups in-house.
- The customer count and basket size are negative again this month. In the fall of last year, sales were lower than expected. Are we continuing to see that trend happening?
 - Many customers were coming in for smoothies, coffee, and juices. Since we don't have such expansive offerings at the moment, it is driving our customer count down.
- Looking at the sales growth vs. budget, sales can jump between positive and negative week by week. What kind of things impact this?
 - Definitely weather and the holidays. Part of why these weeks are going to look different from prior years' sales growth is because we aren't comparing the same week as it was last year. It is off a week because of the 53 week fiscal year.
- Since the cost of the front doors is much lower than expected, is there a plan on how to use the extra money?
 - The doors were not a planned expense this year, however, we are looking to do a reset in produce. NCG sent over some drawings, equipment suggestions, and layout changes. A call is scheduled this week to help figure out which direction we want to go with the suggestions that they are making and then we will figure out what equipment needs to be ordered. This may not happen in this fiscal year.
 - A deposit has been made on the doors, not exactly sure when doors will be installed, but thinking some time in April.
- Is it possible to make smaller portions of vegetables such as green beans for smaller households?
 - These items are sold by weight so customers are permitted to take however much they need. Staff members are happy to help customers with this.

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East End Food Co-op Board Meeting
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- Do you use the scholarship fund that comes from the Urban Farm Tour to send people to PASA or is that a separate sponsorship?
 - It is a separate sponsorship. We pay for it in cash and will be sending four people this year.

Management Report

- Tyler Kulp, Produce Manager, shared that there is a produce reset call coming up this week. Looking to get new equipment including some refrigerated end caps to prevent waste of perishable and high volume promotable items like berries and grapes. It will save on waste and labor because no one will need to set up and tear down the display on a daily basis. He will be attending the PASA conference where he hopes to work closely with vendors that will be there. Seeds have started to come in and the first gardening supply order arrived as well. Candace Davis has accepted a position in the Marketing Department so they are hiring for a Produce Clerk.
- Elly Helgen, MMS Manager, shared that Candace Davis will be joining the MMS department next month. Excited to get events rolling. They will both be attending PASA as well. The Annual Report draft is ready for final edits and will be on the website soon.
- Jen Girty, HR Manager, shared that there have only been 2 positive COVID cases since the last board meeting. The Workers Compensation renewal came in a bit lower than anticipated. During the meeting, there was discussion about the Co-Ops Experience MOD Rating, which is the rate that all of the insurance companies are going to rate our insurance based on. We have done a great job lowering that rate because we have so few employee and customer accidents. She is currently getting bids for Business Liability Insurance, which renews in March.

Questions & Comments:

- Tyler, what are your goals for the PASA conference?
 - To strengthen relationships with local producers and farmers. He hopes to learn more about local growers' challenges and experiences by attending sessions with them.
- Jen, can you give us a hiring update?
 - We have made two hires recently; one internal hire for the Perishable Merchandiser and one external hire as a Cooperater. Scheduling many phone interviews and trying to connect with folks on a regular basis.
- What is the gap in staffing?
 - Right now we have about ten open positions. We are getting fewer applications than we once did. Applicants are applying but not responding. Seems to be a common thing across all industries. Open positions are posted on Paylocity, Indeed, Columinate Job Board, Good Foods Job Board.
 - A suggestion was made to post at local libraries

B9 – Emergency GM Succession

The Policy Register states, “To protect the Board from sudden loss of GM services, the GM shall not have less than one other manager sufficiently familiar with Board and GM issues and processes to enable her/him to take over with reasonable proficiency as an interim successor.”

Some things were added to this year's report: Based on feedback from last year, Maura added some examples of the cross-training being done for those on the IMT. The IMT is kept up to date about information such as expansion, usually at the weekly manager meetings.

Questions/Comments/Clarifications:

- Would you consider revising your succession plan or focusing the team on the managers who are more active?
 - Might revisit if an Ops Manager is hired in the next year. It will depend on the dynamic of the management team as to whether or not that would be the direction to go in.

Adopted Minutes
East End Food Co-op Board Meeting
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January 23, 2023

- If an Ops Manager is hired, would the IMT change?
 - The Ops Manager would either be added to the IMT or we would amend who is on it.
- There has been discussion of having a more equal rotation of managers to attend board meetings.
 - It was proposed that all managers attend a board meeting once or twice a year to discuss the business and financial aspects of each department.
 - It would be beneficial for managers to build a relationship with the current board members.
- Would it be helpful to have sub-policies for this report?
 - Not really, unless it is marked non-compliant because of one portion
- Is it possible to add a column to the Governance Calendar to include what manager assisted with the report and will be in attendance?
 - It would be difficult to schedule people into meetings so far ahead of time.
 - Maura includes manager contributions in B reports if applicable; she will start adding to her GM FYI update as well
- In the case of the IMT taking over, does anything change with how decisions are made?
 - The IMT would refer to the B2 and B3 reports, which outline the decision-making processes.
- On a scale of 1-10, how insightful are these meetings for you to attend as managers and what is your biggest takeaway?
 - Jen-7, biggest takeaway is getting to know the new board
 - Tyler-7, knowing what topics are being discussed among the board members and being involved in the Co-Op
 - Elly-7, getting other perspectives as the Board plays a very specific role; it's also good to see the dynamic between the board members as well as the Board and Maura
- What is the total electric cost of the store?
 - We get billed our utilities as a percentage of usage for the entire building. They do not break it out by each utility.
- I don't see that Ian ever attended a meeting this year, so is the report compliant?
- Laura proposed to the Board that if Ian shows up to next month's board meeting, the report can be marked compliant at that time. If he doesn't, perhaps he shouldn't be on the IMT. Then the report would be compliant because he is not on the IMT.

Decision: Laura motioned to conditionally accept the B9 report as compliant, subject to the attendance of the Grocery Manager at the February meeting. The alternative is to amend the IMT to remove him. Second from Ariel.

Vote: 8-0

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

Committee Updates:

Resilience

Brian was not present at the meeting to provide an update.

Finance

There are no significant updates. During Orientation, Mia did a brief presentation on how to look at an Income Statement and Balance Sheet. Perhaps Shawn can do a mini presentation of these reports in March when he presents the B1 report.

Adopted Minutes
East End Food Co-op Board Meeting
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January 23, 2023

Board Perpetuation and Elections (BP&E)

The board members just attended the retreat at Workshop PGH where they set goals for the year, reviewed policies and by-laws, participated in relationship-building exercises, and also did some printmaking. They are working on integrating some sociocratic practices into the board's culture.

Member-Owner Participation (MOP)

The committee met last week and focused on how to engage members-owners around the topic of expansion. They want to make sure member-owners understand where we are in the process, which would help engage them in fundraising. This would be done both as a written document that would go out with a survey, and also as an open meeting. They have started to plan the annual meeting and will hopefully focus on that during next month's meeting.

Policy and Governance

Policy revision work will most likely be moved to the Resilience Committee as a working group. Policies need to be reviewed to see what is in line with actual practice and by-laws.

Capital Campaign

This committee is still on pause until expansion updates are available.

Officer Elections as of 1/22/23:

President: Ariel

Vice President: Debi

Secretary: Laura

Treasurer: Mia

Finance: Mia, Chair

Member-Owner Participation (MOP): Marty and Caoihme, Co-Chairs

Compensation and Team Relations: Liz, Chair; Ariel and Debi, Co-Chairs

Expansion: Carlos, Chair

Board Perpetuation and Elections (BP&E): TBD

Resilience: TBD

By acclamation, the Board accepts these results without objection.

Action Items

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

Acknowledgments

Those in attendance took a moment to share their thanks.

Closing

Next Meeting: Monday, February 20, 2023

Packet submission due: Monday, February 13, 2023

The meeting adjourned at 8:56 pm without objection.

The Board did not meet for Executive Session.
