

Adopted Minutes
East End Food Co-op Board Meeting
Hybrid Meeting held in EEFC Conference Room and via Cisco WebEx
August 21, 2023

In attendance:

Board Members: Ariel Barlow, President; Debi Johnson, Vice President; Laura Valentine, Secretary; Brian Alderman, Fritz Geist, Marty Seltman, Tyleda Worou, Carlos Gasca Yanez, Tom Pandaleon

Management: Maura Holliday, General Manager; Tyler Kulp, Store Operations Manager; Elly Helgen, MMS Manager

Member-Owners: Mark Bowers, Karen, Chad, Breezy, Courtney Pellegrino, Josh, Jackson, Edward Joseph James

Board Clerk: Jessie Ryan

Introduction

The Board President called the meeting to order at 7:03 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 without objection.

Amend/Approve Minutes

Decision: The July meeting minutes were approved as amended.

Member-Owners Open Session

Mark Bowers took a moment to check in and say hello. He shared that he got involved with the Expansion Committee back when he ran for the Board.

Chad Nelson presented a petition to the Board in hopes of getting their support in the creation of a Level 4 Bulk Herbs Buyer position.

Jackson shared his thoughts in support of Chad's petition and explained how important Chad's knowledge of bulk herbs is to the department. Karen supported these thoughts as well.

Josh stated that the sales in the department are high and should be a reflection of Chad's expertise, which is very important and should be considered. Josh also inquired about staff joining the Expansion Committee.

The Board cannot act on the petition but did encourage staff to keep sharing their thoughts and ideas. It is valuable to use this space to educate the Board about what is going on at the Co-op. The more information and stories that can be brought to this meeting the better.

Carlos shared that the Expansion Committee will be opening a working group to member-owners. He will share information about joining the working group with Josh, Fritz, and Karen. They feel that staff should be able to join just as other member-owners. Carlos wants to limit the number of members on the committee so that there is consistent participation and meaningful conversations. It may be possible to add two additional staff members. The

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working group still needs to be figured out amongst the Board. They will discuss this in closed session tonight and at the next working meeting.

Breezy questioned why the Expansion Committee is limited to six members. They stated that having more voices in the room is more important than the commitment of members showing up to every meeting. Carlos responded that this is the idea behind the working group; members can brainstorm ideas and share information with the Committee. This allows for more conversation with members.

Tom joined the meeting at approximately 7:20

August Working Meeting Report

On Monday, August 7th, 5 of the 9 Board Members met and discussed policy governance, expansion locations, and a few committee proposals.

The Board also made a decision about the B.2 that was tabled from a prior Board meeting: The Board Accepts the B2 with Consequences. Specifically, we find the interpretation of B2.1 to be unreasonable in two ways:

- 1) The interpretation of B2.1 implies a change from the previous interpretation of policy B1.1 (from 3% sales growth to 1.25% sales growth).
- 2) The interpretation of B2.1 implies a change from the previous interpretation of policy B1.2 (from above .5% to above ~.5%)

[Note that part 1 about sales growth is a materially more significant change than part 2 about net income, which is more of a rounding error]. The Board prefers to leave the B1 policies alone, and accept the future non-compliance that accepting this B2 commits us to. Further reasoning is provided below. The proposed Consequence is mostly one for the Board (with the paper trail that will enable Maura to remind us that we agreed to this consequence). Specifically, the Board commits to accepting this coming fiscal year's B1's as non-compliant on the B1.1 sales growth policy (since the approved budget means we will not be compliant on those policies, unless something very weird and great happens). Further, we commit to not negatively evaluating Maura's performance based on the B1.1 and B1.2 policy compliance record during any evaluation through FY2024.

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: 16,314

- 14,000 fully paid member-owners

New Member-Owners: July – 62 (16 refunds)

Total Member Equity: June - \$1,639,010

Total Member-Owner sales: June - \$568,867 (\$922,718 total sales – 61.2%)

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Register Round-Up Total:

July-September Recipients: raised - \$810.50

Western PA Diaper Bank – <https://www.wpadiaperbank.org/>

Beverly's Birthdays – <https://beverlysbirthdays.org/>

Operations Update:

- Tyler Kulp has been hired as our Store Operations Manager! Tyler will be working on getting to know the new departments he will be overseeing in his new role in the coming months.
- BULK WATER IS COMING BACK!!!! The new Reverse Osmosis machine is being installed the week of 8/21 and should be online for sale by the end of the week! The price per gallon will be \$0.49.
- Kennywood day was a success! I think we had about 30 or so staff participate. The pavilion was not as successful as we had hoped it would be in terms of a common gathering place, so we might do something more intentional next time if folx are interested in a repeat event.
- August events, etc.: Food Truck Fridays – 8/4, 8/11, 8/18, 8/25; VegFest – 8/5; Intro to Miso – 8/7; Co-op Crafts – 8/12; Yoga – 8/14; Swissvale Farmers Market – 8/19
- All Staff meetings are the week of August 28th
- YTD sales week ending 8/13/23: \$1,383,179, which is 6.1% above PY sales.

Updates and Clarifications:

- Maura just wanted to emphasize the excitement of getting bulk water back. Vince and Fran are preparing to demo the bulk sink in preparation for the machine installation.

Questions:

- In regards to member count, how many of those people still actively shop and haven't paid off their membership v. those who gave up and don't shop here anymore? Do we know if the cost of membership deters people from coming here?
 - Maura doesn't know specifically but there should be records of how many members are actively paying off their membership. Most of them are payment plan memberships and should pay quarterly but it doesn't always work out that way. They still receive discounts while making payments.

Management Report

- Tyler had to go down to assist in the store. Elly contributed to the B-4 Report and will share any updates as needed. There were no other Managers in attendance.

B4 – Membership Rights and Responsibilities

The Policy Register states, "The General Manager shall not allow members to be uninformed or misinformed of their rights and responsibilities."

Updates/Clarifications:

- The only amendment that was made to the report is an update on how many member-owners voted in the election last year.
 - It was around 140 people, we don't know the breakdown of how many were staff. Maura is not sure if that is something the Board keeps track of.
- Election turnout is a big issue that we have; maybe there is a way we can increase it. Is there an incentive we could give to entice people to engage? Maybe a discount or coupon?

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- The flyer pick-up rate is very high. Maybe we can print more newsletters?
 - Elly stated we have changed the number of newsletters that are printed many times. We have printed more as a lot of members have requested that we mail the Co-operator.
 - What was the larger amount?
 - Around 300, but there were times when we were ordering up to 500 copies.
- One way to entice people to vote is to advertise some issues that the Board would be discussing and voting on. The Board is made up of people who are going to be making these decisions. We need to instill in the member-owners that their voices matter and they can help shape the decisions that will be made. If we make issues more transparent it might get more people out to vote. Another idea is tabling to personally ask member-owners to vote.
- This year we have stats from the member satisfaction survey. This is the first year we have data that shows the progress that we have made over the past year. 662 of the 880 surveys submitted in the past year were from member-owners.
- Is there anything that we have learned from the comments?
 - Most of them are product availability questions.
- How has it changed how your team is thinking about the day-to-day operations of the Co-op?
 - So far it hasn't, but Maura hopes we can utilize the information in real time. She has access to more data than what is listed in the report.
- In regards to the member count, it's striking that the number of members who have shopped in the past months fell off last year. Have we done anything or taken a look at this data? Are there any ways to reengage members who are not shopping?
 - How much of this has to do with the store and the space that it is in? It is a small store that is producing a lot for its sales floor. It can feel weird when you are in a space that is not designed to put as many people through it as are. It's striking at how steady the numbers are staying, because we are just running up against how much we can do in terms of volume.
 - Maura stated that these numbers don't correlate with the percentage of sales that we are generating on a fiscal year basis.
- In regards to the percentage of sales to member-owners, why do we exclude seniors and staff?
 - Maura is not sure why we took those numbers out specifically. She believes these numbers are provided on a different report. She should be able to provide staff numbers, but cannot break down seniors and low income.

Decision: The Board accepts the B4 as compliant without objection.

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

Committee Updates:

Resilience

The Committee had no updates to provide.

Finance

Brian will try to bring year-to-date board budget actuals to the meetings each month. So far, the Board has spent approximately \$2,700, with the biggest purchases being the Annual Meeting venue rental and the OWL equipment.

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Board Perpetuation and Elections (BP&E)

Fritz and Elly met a few weeks ago. The staff candidacy declaration period is happening now and ends 8/28, the election will be completed by 9/17, and the Board Meeting is 9/18. It is still on schedule so that the person who is elected will be seated at the September meeting. Debi still has the election votes from October 2022 and can provide any additional information regarding voting for the staff seat. The committee will be getting together this week and they will speak about the voting process. The general election is a little delayed, but the candidacy period is tentatively scheduled between September 1st and 15th.

Member-Owner Participation (MOP)

The Member Survey is now in a Google survey form and is ready to be sent out. It will go out after the expansion meeting summary. Annual Meeting planning is underway. Marty and Fran met with the owner of Mana Meals and we are trying to work with them for catering. They have a nice menu, mostly vegan but will have meat options as well. The dilemma is trying to figure out how many people to feed. We have an estimate within our budget for about 100 people. The Save the Date is ready to go out soon. The book group has been reading The Art of Gathering. The idea is to have the next reading group overlap with the Annual Meeting planning group so that we can use things from the book to enhance the Annual Meeting. The next committee meeting is Wednesday, August 30th.

Expansion

A working group will be created for staff and member-owners so they can brainstorm ideas, engage, and talk about expansion.

Labor and Team Relations

The Committee had no updates to provide.

Executive

The Committee had no updates to provide.

Action Items

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

Appreciations

Those in attendance took a moment to share their thanks.

Closing

Next Meeting: Monday, September 18, 2023

Packet submission due: Monday, September 11, 2023

The meeting adjourned at 8:30 p.m. without objection.

The Board entered Executive Session at 8:30 p.m. to discuss Expansion and adjourned at 9:35 p.m.
