

Adopted Minutes
East End Food Co-op Board Meeting
Hybrid Meeting held in EEFC Conference Room and via Cisco WebEx
December 18th, 2023

In attendance:

Board Members: Laura Valentine, Tom Pandaleon, Marty Seltman, Brian Alderman, Tyleda Worou, Nick Leise, Mark Bowers, Nico Demkin, Lucia Covato

Management: Maura Holliday, General Manager; Jeff Guererro, Marketing and Member Services Manager; Shawn McCullough, Finance Manager; Erin Myers, IT Manager

Member-Owners: Dave Crout, Edward Joseph James, Susan Petrella, Mongell, Courtney Pellegrino, Jim Tomasits, HP

Board Clerk: Jessie Ryan

Absent Board Members: Ariel Barlow, Carlos Gasca Yanez, Desmond Zheng

Introduction

Tom called the meeting to order at 7:02 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: Tom motioned to approve the agenda as written. There were no objections.

Amend/Approve Minutes

Decision: Tom motioned to approve the November meeting minutes as written. There were no objections.

Member-Owners Open Session

Courtney shared that she was disappointed that she was unable to vote in the board elections due to technical difficulties with the voting website. Maura and Erin both explained the reason behind the technical difficulties and provided an apology. She also expressed her frustrations with the lack of space to sit in the store after shopping.

Board Transition

Decision: Motion to certify the board election results by Laura. Second by Marty. There were no objections.

Mark Bowers, '26

Lucia Covato, '26

Carlos Gasca Yanez, '26

Tyleda Worou, '25

Desmond Zheng, '24

Nick Leise, '24

Nico Demkin, '24

Decision: Motion to seat the new board members by Laura. Second by Marty. There were no objections.

Tom thanked Laura, Marty, and Brian for their service on the board.

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December Working Meeting Report

The Board met on December 4th, 2023 to discuss relocation, a possible HR audit, the election process and counting votes, new board member orientation, and the board retreat. At the working meeting, by unanimous consent, the Board agreed to empower the GM to move forward with signing a purchase agreement for the Meade St site, provided that financial and legal information from the NCG consultant and the EEFC's legal counsel supports such a purchase. This is a one-time exception to policy B1.6, and the GM will report it as such in the next B1. The Board also empowers the GM to move forward with the Penn-Lincoln site should Meade St. prove infeasible.

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: 16,466

Fully Paid Member-Owners: 14,137

New Member-Owners: November - 37 (4 refunds)

Total Member Equity: November - \$1,653,089

Total Member-Owner sales: November - \$654,301 (\$1,032,510 total sales – 63.4%)

Register Round-Up Total:

October-December Recipients: currently raised - \$1,088.93

DeafStone Servies – <http://www.deafstone.org/>

Three Rivers Waterkeeper – <https://www.threeriverswaterkeeper.org/>

Operations Update:

- Holiday season is wrapping up in the next few weeks and sales have been strong.
- Our entire Wellness department (Supplements, Gift, HBA, Bulk Herbs, and Books) are all seeing positive sales growth. This is a significant change over the last handful of years, especially in the world of supplements, which has struggled with online sales competition. Total department sales are up 6.9% for the year!
- Rockwell Park hosted the I Made It Market this past week, which brought in a lot of foot traffic to the store. Sales on Saturday 12/9 were over \$49k, which is similar to what we do on a day leading up to a holiday.
- The UE has officially submitted their notice to bargain for the new contract. No meetings have been scheduled yet, but they should commence after holidays.
- Produce is selling mini Christmas trees this year. We haven't sold these in a few years.
- The store closes at 5pm on Christmas Eve, is closed on Christmas Day and New Year's Day.
- YTD sales week ending 12/10/23: \$5,603,768, which is 6.6% above PY sales.

Questions/Comments:

- Is there anything to report on the store readiness audit?
 - Maura doesn't have the report yet. They did an exit interview with the management team and provided their general observation of things for us to focus on. The goal of the internal audit is to make sure the Co-op is ready for expansion. We don't want to carry over the same problems that we

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currently have to the new location. It is more focused on processes and procedures. Maura anticipates getting the report before the holidays.

- Was this requested?
 - It is part of the contract that we have with NCG.
- How do we account for the drop in customer experience?
 - The targets are based on how other Co-ops are doing that participate in the survey. It could pertain to what products folks were unable to get here for Thanksgiving.
- Is the satisfaction survey just a list of questions?
 - Yes, the customer answers questions on a scale. We get at least 30 surveys a month. It prints out with a customer's receipt and goes out based on the number of transactions that happen in a day.

Management Report

Shawn McCullough, Finance Manager, provided commentary for the B1. There were no comments from the other managers in attendance.

B1 – Financial Conditions and Activities

The Policy Register states, “With respect to actual, ongoing financial conditions and activities, the General Manager shall not cause or allow the development of fiscal jeopardy or material deviation of actual expenditures from Board priorities established in Ends policies.”

Shawn's narrative was as follows:

- Normally the B1 is a hefty document, so he has been working on scaling it back. Over the past year in the Accounting department, we have doubled the volume of work we have been doing by bringing accounting in house, and we are also without a Finance and Payroll Coordinator. We have been learning new processes and figuring out how to record and report information.
- He has been vetting applications to fill the Finance and Payroll Coordinator position.
- He has been working with Erin Myers to be the payroll backup.
- Our cash has gone down; it is currently at \$1.842 million. We have numerous cash accounts that are low risk, and low reward. We are in the process of switching our operating account from PNC to Dollar Bank.

Questions/Comments/Clarifications:

- Can you explain what co-metrics is?
 - It is a financial database that allows us to compare ourselves to other Co-ops in our network.
- Is it industry standard that Tuesday and Wednesday are the days people are shopping the least?
 - We would have to look at the CX survey to see the satisfaction and product availability to get some feedback.
- Do members who receive their receipts electronically receive the survey?
 - The survey will still print even if you do not receive a paper receipt.
- How can we incentivize non-members to become members?
 - We can have this conversation at another point when Maura has the membership data to reference.
- What is the benefit of having more members?
 - Equity. You don't want a high percentage of sales coming from members.

Decision: The Board accepts the B1 as compliant. There were no objections.

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

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Committee Updates:

Resilience

The Committee had no update to provide.

Finance

Brian and Tom met with Shawn a few weeks ago and received an early presentation of the B1 report.

Board Perpetuation and Elections (BP&E)

The Board Elections ended December 4th. Leslie and Tom tallied and finalized the votes. Tom held an Intro to the Co-op for the new board members. The next big thing the committee will be working on is the Board Retreat.

Member-Owner Participation (MOP)

The Committee did not meet in December. The meetings will be held on the 3rd Wednesday of every month at 7:00p.m.

Labor and Team Relations

The Committee had no update to provide.

Executive

The Committee had no update 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, January 22nd, 2024

Packet submission due: Monday, January 15th, 2024

The meeting adjourned at 8:39 p.m. without objection.

The Board and General Manager entered Executive Session at 8:39p.m. to discuss relocation.
