



## **EFC Board of Directors Meeting**

**October 9, 2023, 6:01- 8:10 pm**

### **In Person**

**Directors Present:** Desirée Olson, Seth Kuhl-Stennes, Joleen Baker, Sarah Baeverstad, Michelle Spangler, Therese Genis, Samantha Bailey, Kristel Porter \*arrived at 6:20 pm

**Directors Absent:** NA

**Staff Present:** Anne Gazola, Michelle Spangler

**Guests Present:** NA

### **Call To Order:**

Samantha Bailey, Board President, called the meeting to order at 6:01 pm.

### **Preliminaries:**

The board voted to accept the consent agenda which includes the September meeting minutes, the October meeting agenda, and the Executive Session meeting minutes from September 26<sup>th</sup>, 2023. Samantha motioned to approve the October agenda, September BOD minutes, and the 9/26/2023 Executive Session minutes. Therese seconded the motion. Upon voting, the motion was carried 7:0.

### **Owner Comment Period:**

Samantha Bailey shared as an owner that the annual meeting went well and that she received good feedback from her neighbors who were in attendance.

### **Board Business:**

#### **Accepting Election Results**

The board reviewed the 2023 election results. Sarah Baeverstad, Julie Tilka, and Zack Avre accepted three-year terms. Nina Houts was elected to a 2-year term. Michelle Spangler and Alicia Marcellis accepted 1-year terms.

The ballot measure to increase the board members stipends passed by a vote of 200 voting in favor; 21 owners voting no, and 3 owners abstaining. The new stipend for board members is as follows:

*Effective November 1<sup>st</sup>, 2023, each board member shall receive a monthly stipend of \$200 during the member's term of service on the Board of Directors. For their additional service, board leadership will be compensated at higher rates. The Board President shall receive a monthly stipend of \$300. The Board Vice-President, Secretary, Treasurer, and committee chairs shall each receive a monthly stipend of \$250.*

Joleen moved to accept the 2023 election results. Seth seconded the motion. The motion to accept the election results passed 8:0.

#### **Secretary's Certificate**

*The annual meeting of Eastside Food Co-op was held on Friday, September 29<sup>th</sup> at Eastside Food Co-op located at 2551 Central Ave NE, Minneapolis, MN, 55418 in its parking lot. Samantha Bailey, Board President, called the annual meeting to order at 5:20 pm and announced the Board hired Anne Gazzola as the new general manager and shared remarks about the co-op's performance and the Board's work during fiscal year 2023. Anne Gazzola, General*

*Manager, followed and provided an update to owners on the store's operations and financial performance. The meeting concluded with a short period of Q&A for owners. The meeting was closed by Samantha Bailey at 6:45 pm and was followed by a community event where people were invited to eat Eastside Food Co-op food, enjoy beverages from Dangerous Man Brewing, listen to a presentation from Jon Steinman, and enjoy live music from several local bands.*

*Owners were given the opportunity to cast their electronic ballots at the annual meeting and all electronic ballots received before 11:59 pm were included in the election results. The Board of Directors staffed an information tent during the event to allow engagement with owners. Copies of Eastside Food Co-op's annual report were available. Owners were informed of the annual meeting through multiple channels. The Marketing Department of Eastside Food Co-op mailed owners a notice of the meeting and promoted the meeting via the co-op's website, social media channels, The Carrot (Eastside's quarterly newsletter), in-store signage and tabling. Attached to these minutes is the Secretary Certificate which contains the correct copy of the mailed and published notice, the date of the notice, and a statement that the notice was provided as prescribed by MN Cooperative Law.*

Samantha moved to accept the Secretary's Certificate of the Annual Meeting. Sarah seconded the motion. The motion to accept passed unanimously.

### **Hiring the General Manager**

Sarah motioned to bring the vote held in executive session with regards to the hiring of the general manager into the public minutes. Joleen seconded the motion. The motion passed unanimously.

*The Board held an Executive Session on Tuesday, September 26<sup>th</sup> to decide to whom to extend the General Manager job offer. Samantha moved to vote to hire Anne Gazzola as GM. Sarah seconded the motion.*

*Kristel, Desiree, Sarah, Joleen, Michelle, and Samantha voted 'Yes'. Seth abstained. Therese was not present. (Therese later voted via email at 6:58 pm in favor of Anne as GM).*

The Board offered Anne Gazzola the position and Anne accepted the position on September 28<sup>th</sup>.

### **Columinate Contract**

Michelle motioned to renew the board's annual CBLD contract with Columinate. Therese seconded the motion. The motion to renew the board's contract with Columinate passed unanimously.

### **Accept Samantha's Resignation from the Board**

On October 3<sup>rd</sup>, 2023, Samantha notified the Board via email that she was resigning from the Board of Directors effective November 13, 2023. Desirée motioned to accept Samantha's resignation effective November 13<sup>th</sup>. Michelle seconded the motion. The board accepted Samantha's resignation in a vote of 8:0. On behalf of Eastside Food Co-op, the Board thanks Samantha Bailey for her service and how she stepped up to lead the GM hiring process.

The Board discussed the appointment to fill Samantha's seat. The board agreed they would reach out to upcoming board members about appointing Ryan. The board delegated the task to Michelle Spangler as Secretary. Michelle will reach out to Ryan to gauge his interest in the appointment. Then Michelle will reach out to new board members to apprise them of the situation.

### **Board Expectations**

The board discussed the importance of establishing expectations for the future board. Policies around the frequency of checking email, texting, and tardies should be addressed with the orientation. Addressing the board workload, Kristel added that too many time constraints on people's time can keep more diverse candidates from

serving on the board. Kristel said that on a monthly basis, checking emails twice a week should be sufficient. Sarah- In the future, have a schedule that says you will check your email by Saturday or Sunday evening. Maybe two touch points during the week. Michelle added that being proactive with schedule planning should alleviate the need to check email daily.

### **Board Monitoring Report:**

Joleen reported compliance with the Board's D3- Delegation to the GM and D4-Monitoring GM Performance policy monitoring. Sarah moved to accept the policy monitoring as reported by the committee. Seth seconded the motion. The motion passed 8:0.

Michelle requested that the approval of board monitoring reports be separated from approving shared interpretations of the policies. She added that it's important to carefully consider the meaning of words in the shared interpretations since that will be guiding and influencing future boards. She also asked that the GM be consulted before the board voted to accept the shared interpretations.

The board discussed the shared interpretations of policy D3 and Anne agreed that the interpretations seemed reasonable.

Michelle moved to accept the shared interpretations of D3. Kristel seconded the motion. The motion passed unanimously.

The board discussed the shared interpretations of D4. Samantha motioned to approve the shared interpretations of D4.1, D4.3, D4.4, and D4.5. Desirée seconded the motion. The motion passed unanimously. The board will review D4.2 at the November board meeting.

### **Executive Limitations Monitoring Report:**

The Board discussed Anne's monitoring on policy, B6- Staff Treatment. The board discussed how Eastside's wages compare with national and regional standards. Anne expects wages to increase during the collective bargaining process early next year. Samantha motioned to approve Anne's B6 reporting. Sarah seconded it. The motion passed unanimously.

### **GM Time:**

#### **Store Updates**

Anne shared that over 300 people attended the annual meeting. Anne hopes that the board will be able to vote on the roof project at the November meeting. Anne shared that the store is getting estimates for updating its security camera system as well as adding additional cameras.

In November, Eastside is excited to roll out its new e-commerce platform! Because the store adopted its new point-of-sale system earlier this year, Eastside is able to exercise more control and save money with its new online ordering platform.

Anne is seeking out a new, local lawyer to represent Eastside in its contract negotiations. Anne would like to invite the lawyer to speak to the board at the January board meeting.

Seth noted that it might be best for the new board to vote on the new roof in December if possible. Seth also recommended that the board follow up with the thoughts shared by Jon Steinman with regards to strategic planning.

#### **Preferred Share Dividends**

The Board discussed the possibility of declaring preferred share dividends. The decision would need to be made by October 15th.

Joleen moved that the Board declare dividends on preferred shares. Therese seconded the motion. The motion passed 8:0.

## **Committee Reports:**

### **Board Development**

Seth Kuhl-Stennes, Board Development chair, presented a proposal for a 3-year education plan. It received positive feedback from the board.

### **Strategic Planning**

Michelle Spangler, Strategic Planning chair, shared that her committee teamed up with board development to discuss the future of board education and possible restructuring of committees and their work going forward. By streamlining committees, the Board hopes to increase board member participation in committees.

Michelle proposed that the standing strategic planning committee dissolve and become part of the regular work of each monthly board meeting. She proposed that the executive committee work with the GM to plan the strategic planning work undertaken by the board in the next board year.

Michelle motioned to dissolve the strategic planning committee. Sarah seconded the motion. The motion to dissolve the strategic planning committee passed 8:0.

### **Policy Governance**

Joleen Baker, Governance chair, said that the committee will review C1 policy at the November committee meeting.

### **Finance**

Desirée and Samantha shared proposed changes to the finance committee. Samantha moved to dissolve the finance committee and give those responsibilities to the Treasurer. Sarah seconded the motion. The motion to dissolve the finance committee passed unanimously.

### **Justice, Equity, Diversity, & Inclusion**

Kristel Porter, co-chair of the JEDI committee, gave an update on the upcoming DEI retreat on November 18<sup>th</sup>---the focus will be on "Building Relationships Across Cultures." The board discussed embedding justice, equity, inclusion, and diversity within the Board Development Committee.

Sarah moved to dissolve the JEDI committee and incorporate that work into Board Development. Therese seconded the motion. The motion to dissolve the JEDI committee and incorporate that work into Board Development passed 8:0.

### **Adjourn**

Samantha motioned to end the meeting at 8:10 pm. Joleen seconded the motion. Upon voting, the motion to close the meeting was carried 8:0.