

# The Co-operator

The monthly newsletter of the East End Food Co-op • Pittsburgh, PA



## How to Create Delicious (and Safe) Desserts this Holiday Season

by Emily Levenson, MSW, CHHC

December: a month filled with holiday parties, family functions, cookie swaps, and decadent desserts. For those dealing with food allergies, intolerances, and sensitivities it can also be filled with anxiety, frustration, and a feeling of missing out.

As the host, it's easy to feel overwhelmed and even downright confused by the various restrictions and dietary choices people are dealing with today. Whether your guests are vegan, vegetarian, or paleo by choice, or are gluten free, dairy free, peanut free, and/or egg free by necessity, there can be a veritable minefield of things to avoid when cooking this holiday season.

While it's ultimately up to the individual (or family) to take the necessary precautions around food, it's still possible to create deliciously decadent desserts that can be enjoyed by everyone.



Here are a few tips to help you create a more inclusive dessert menu:

- **Find out what foods your guest(s) avoid.** Have them email a list to you so there are no questions and there is no opportunity to miss something.
- **Ask whether they have any favorite desserts.** You could also ask for recommendations on cookbooks and/or websites that they go to for inspiration.

- **Do a little research.** This is where those cookbook and website suggestions will come in handy. Pick a few recipes that sound appealing to you and send your top three ideas to your guest for their approval. They will be able to spot any potential problems or unsafe ingredients.
- **Have at least one “safe” option available.** If you don't feel confident making something yourself, why not have a fresh fruit salad or store-bought option that would meet their needs?
- **Make sure to point out which dessert is safe.** When your guests show up at your home, let them know what is safe (or not) for them to eat. Labeling can also be super helpful—the more detailed the better.

If a guest is still hesitant or concerned about cross-contamination for any reason, offer to have them bring something suitable instead. While these tips may not seem earth-shattering, they go a long way toward making your guests feel loved and accepted.

*Emily Levenson is a therapist turned holistic health coach specializing in food sensitivities. A once-picky-eater who was diagnosed with several food sensitivities of her own, Emily is adept at creating deliciously healthy and safe treats that are sure to please most palates. You can find Emily's recipe for Chocolate Peanut Butter Truffles on page 2, and her entire catalog online at [emilylevenson.com](http://emilylevenson.com).*



### IN THIS ISSUE:

<u>CO-OP NEWS</u>	<u>2-3</u>
<u>ANNUAL REPORT</u>	<u>4-6</u>
<u>STAFF NEWS</u>	<u>7</u>
<u>CAFÉ MENU</u>	<u>8</u>
<u>UPCOMING EVENTS</u>	<u>8</u>

### CO-OP DEALS FLYERS:

December 3rd - December 16th  
December 17th - December 30th

### MEMBERS ONLY:

Be sure to use your 10% quarterly discount by December 31st!  
The next quarter goes from January 1st - March 31st.

### BOARD OF DIRECTORS:

The next meeting will take place on Monday, December 15th at 7 PM.

### NEW MEMBER ORIENTATIONS:

To register, call 412.242.3598 ext. 438  
or email [memberservices@eastendfood.coop](mailto:memberservices@eastendfood.coop)

### HOLIDAY HOURS:

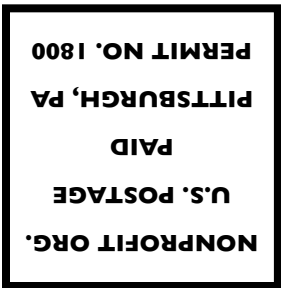
Your Co-op will close early at 7 PM on December 24th and will be closed all day on December 25th.

East End Food Co-op • 7516 Meade St. Pittsburgh, PA 15208 • [www.eastendfood.coop](http://www.eastendfood.coop) • 412.242.3598 • Open to Everyone, Every Day 8 AM – 9 PM



DATED MATERIAL:  
DO NOT DELAY

East End Food Co-op  
7516 Meade St.  
Pittsburgh, PA 15208





Board Corner

by Emily Mercurio, EEFC Director

The warmest of holiday greetings to our members! On Saturday, December 13th, the Co-op’s board of directors will hold a “Board in the Store” event from 9 AM to 3 PM in the store’s entrance foyer. A table will be set up with some information about the board, and two board members will be present throughout these hours.

We hope that you will take this opportunity to meet some of your directors, get to know more about the work of the board, and/or ask any questions you might have about the board’s role in governing the Co-op. We hope that this event will encourage a cross-pollination of ideas and information, be a way for members to conveniently interact with directors while

they are at the store, and give directors new insights as representatives of the Co-op’s membership.

This event is one of the ways the board’s Member Linkage Committee is exploring ways to better communicate and interact with the Co-op’s members. If this turns out to be an effective method of connecting with our membership, we will explore the possibility of holding similar Board in the Store events in 2015.

We hope to see you at the store on Saturday, December 13th from 9-3! And as always, if you ever have questions, suggestions, or want to know more about the board, please feel free to email us at [boarddir@eastendfood.coop](mailto:boarddir@eastendfood.coop). We welcome all member input.

Know Your Farmer: Maxim Berry Farms

Maxim Berry Farm is a 200 acre farm located in Reynoldsville, PA (Jefferson County) that produces honey, maple syrup, apples, pears, shiitake mushroom logs, and a wide variety of berries including raspberries, blueberries, elderberries, and blackberries. The farm, which was established in 2008, is managed by fewer than ten people throughout the seasons. Maxim Berry Farm is a member of the Pennsylvania Association for Sustainable Agriculture (PASA) and a member of Jefferson City Beekeepers Association. You can find Maxim Berry Farm’s maple syrup, shiitake mushroom logs, garlic, pears, berries, and firewood at the East End Food Co-op. The Co-op is also carrying their apartment-sized pine trees this holiday season.



**What are you most proud of as a local farmer?**  
We are proud to supply products we produced with our own hands. Our customers can trust that we farm in the same way we would if we were providing these goods for ourselves.

**What is a typical day on your farm like?**  
Weeding, planting, picking bugs off of plants by hand, picking berries, tending to beehives, watering, mulching, pruning trees and bushes, checking maple syrup lines, cutting and producing shiitake mushroom logs, mowing grass, making honey, jams, and jellies.

**What is your most popular product or the product you are best known for?**  
Blueberries and maple syrup.

**How did you get into farming and what inspired you to start this business?**  
We started Maxim Berry Farm to get back to our roots; to go back to the way we grew up on a farm.

**What makes your farm unique?**  
We are a small operation that produces a large crop of premium goods.



**What is your hope for the future of your farm?**  
To run a full-time business and full-time farm all year so we can completely survive financially off the farm. We’d like to have a full service market to pass on to the next generation.

**What is the most important thing for customers to know about your products?**  
We take pride in everything we send off of our farm. We make sure every item is 100% prime and market fresh.

**BOARD IN THE STORE**

**December 13th, 9 AM - 3 PM**

We will be stationed in the Co-op’s foyer entryway and members are invited to stop by to:

- Meet EEFC directors
- Learn about the board’s role in governing the Co-op
- Share your thoughts and ideas

**We look forward to hearing from our members!**

*If you are unable to attend, members are always welcome to email the board of directors at [boarddir@eastendfood.coop](mailto:boarddir@eastendfood.coop).*

“What has the board been working on recently?”

“It would be easier to communicate with the board if...”

“What I think about expansion is...”

“The reason I love the Co-op is...”

“Something I’d like to know more about is...”

“How can I share suggestions or feedback with the board?”

Chocolate Peanut Butter Truffles

**Ingredients:**

- 1½ cups creamy peanut butter\*
- ½ cup (1 stick) Earth Balance
- 4 cups powdered sugar
- 1 tsp. vanilla extract
- 1 (12-ounce) package or 2 cups vegan chocolate chips
- 2 tbsp. solid vegetable shortening

*\*can substitute almond butter or sunflower seed butter if you or your guest cannot do peanuts.*



RECIPE & PHOTO PROVIDED BY: EMILY LEVENSON

- Preparation**
1. With a hand blender, blend the peanut butter with the Earth Balance and vanilla extract in a medium bowl.
  2. Add powdered sugar 1 cup at a time, until well blended.
  3. Line a rimmed baking sheet with wax paper.
  4. Roll the peanut butter mixture by tablespoons into small balls and place on the baking sheet.
  5. Refrigerate for at least 1 hour to firm up.
  6. Melt the chocolate in a double boiler, stirring frequently, over just-simmering water. (Avoid overheating, which can cause chocolate to seize up into a stiff mass.)
  7. Take the sheet of peanut butter balls from the refrigerator; use a toothpick to dip each one into the chocolate, making sure to get an even coating all the way around. Return to the wax paper.
  8. Refrigerate for at least 1 hour before serving.
  9. Store in the refrigerator or freezer and serve chilled.

New In The Aisles

- PACT - Socks
- MAGGIE’S ORGANICS - Killington Socks
- KINGBIO - Health and Wellness Products
- ANDALOU NATURALS - Facial Kits
- HALO - Cat Food (Seafood and Chicken)
- OXYLENT - 5-in-1 Supplement Drink
- NUTIVA - Coconut Hemp Bars
- MATR BOOMIE - Scarves, Gifts, Games, Gift Bags, and Gift Wrap

**What more do you want from your house?**

Improve comfort and efficiency.  
Create more living space.

**AJ Stones**  
Master Green Remodeler

Older houses our specialty  
Consulting and Remodeling

**[ajstones.com](http://ajstones.com)**  
**412-241-6042**



ENDS POLICY STATEMENT

East End Food Co-op exists to enhance physical and social health in our community. To these ends, we will create:

- A sustainable member-owned business open to everyone
- An ethical and resilient food infrastructure
- A vibrant, dynamic community of happy, healthy people
- A creative vision to transform the future

STATEMENT OF COOPERATIVE IDENTITY

Definition

A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.

Values

Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity. In the tradition of their founders, cooperative members believe in the ethical values of honesty, openness, social responsibility, and caring for others.

Principles

Most cooperatives around the world follow the core principles that were adopted by the International Co-operative Alliance in 1995. Cooperatives trace the roots of these principles to the first modern cooperative founded in Rochdale, England, in 1844. These principles are guidelines by which cooperatives put their values into practice.

1. Voluntary and Open Membership

Cooperatives are voluntary organizations, open to all people able to use its services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

2. Democratic Member Control

Cooperatives are democratic organizations controlled by their members—those who buy the goods or use the services of the cooperative—who actively participate in setting policies and making decisions.

3. Member Economic Participation

Members contribute equally to, and democratically control, the capital of the cooperative. This benefits members in proportion to the business they conduct with the cooperative rather than on the capital invested.

4. Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members. If the co-op enters into agreements with other organizations or raises capital from external sources, it does so based on terms that ensure democratic control by the members and maintains the cooperative’s autonomy.

5. Education, Training and Information

Cooperatives provide education and training for members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperative. Members also inform the general public about the nature and benefits of cooperatives.

6. Cooperation among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.

7. Concern for Community

While focusing on member needs, cooperatives work for the sustainable development of communities through policies and programs accepted by the members.

Members Speak Out!

Please list produce prices by the pound. Listing a quarter pound price is needlessly confusing and misleading.

Thanks for your feedback. Specialty or wild-foraged mushrooms are often listed by ounce or partial poundage to give a suggested purchasing amount to the customer. These mushrooms often have concentrated flavors that don’t require large cooking quantities. Regardless, since we have received complaints from multiple customers and staff in this regard we will no longer be selling them in this way.  
-Evan, Produce

Parmesan cheese rind. Why do vendors sell the rind with the rest of it? The rind is unusable, taste it for yourself.

While I try to provide pieces with and without rinds, there are many reasons to buy ones with the rind. In Italian cooking, rind is added to Minestrone and tomato sauces while they are cooking. It can also be used to make a great vegetarian stock or broth. You can slice it thinly and microwave it to make parmesan puffs. Finally, it’s a great thing to hold onto to protect your knuckles when grating the block. Feel free to ask me for more in-depth info next time you are in the store. (PS: We also sell rinds separately, but if you get addicted to all their uses be warned, they sell out fast!)  
-Caldwell, Cheese

Can we post a sign with the hours on the door? Or move the open/close sign to a better location?

We are working on branding and signage store-wide. We’ve been taking on various projects as time permits. I definitely appreciate your suggestion and will see if it can move up our priority list.  
-Heather, Marketing & Member Services



Do you have a thought you’d like to share with the Co-op’s staff?

Then fill out and submit a comment card at customer service during your next visit!

December’s Round Up Recipient: Neighborhood Learning Alliance



The Neighborhood Learning Alliance (NLA) was created to improve the capacity of community and faith organizations to respond to issues that affect the lives of children and families in the neighborhoods they serve. Their efforts and resources are focused on providing quality after-school programming with the goal of improving academic proficiency and ending the dropout epidemic in Pittsburgh city schools. The NLA is able to provide important educational tools to school children and teens through a variety of programs that include teaching, mentoring, and coaching.

Almost a third of Pittsburgh Public School students are dropping out. In response to the alarmingly low levels of academic proficiency, particularly for children in Pittsburgh’s African-American and lower-income neighborhoods, the NLA has created several programs that educate and empower students, teaching them leadership skills as they focus on maintaining educational opportunities and a path to a successful future including: Elementary Afterschool Program, Everybody Graduates!, pghGLO, Reaching Back, and Warrior Movement. The NLA staff and a network of volunteers keep these programs running.

Located less than three miles from the East End Food Co-op at 5429 Penn Avenue, the NLA envisions thriving children, families, and communities anchored by a network of accountable, collaborative community, educational, and faith organizations. To learn more, call them at 412-363-1910 or visit their website. And if you want to help them in their mission to improve the education and opportunities of African-American and lower-income families, be sure to tell your Co-op cashier you’d like to Round Up your total all month long!

Your spare change can result in positive change!

www.neighborhoodlearning.org

Growing in Cooperation

In the month of October we welcomed 63 new members to our Co-op!

We extend our gratitude to each and every member, whether you’ve been signed up for weeks, months, or years. We couldn’t do it without you - thank you for your support, your patronage, and your investment in this business!

We invite all of you new members to sign up for a Member Orientation with a member services expert. We will give you a guided tour of the store, explain the benefits of membership, and fill you in on the many ways you can become more involved in your Co-op. To reserve your spot, please call 412-242-3598 ext. 438 or email memberservices@eastendfood.coop.



Featuring Vegan and Vegetarian Cooking

including;

Meatless Stroganoff

Peanut Sunflower Tofu

Roasted Cauliflower Mac & Cheese

our “Veggyro” Vegan Gyro

and our famous Seitan Wings!

Meat items also available!



2339 EAST CARSON ST ★ PGH, PA 15203  
412-390-1111 DOUBLEWIDEGRILL.COM



# General Manager’s Report

by Justin Pizzella

Fiscal Year 2013-14 was an eventful period, full of growth and change. Our focus this past year was on continued operational improvement in anticipation of expansion. That said, we have been extremely successful at fulfilling our Ends.

To me, one of the biggest indicators of our ability to become an excellent grocer while embodying our Ends has been the phenomenal growth we’ve experienced over the last three years. Here are a few examples of that growth:

- Our sales have grown 40%, from \$7.5 million in 2011 to \$10.5 million at the end of Fiscal Year 2013-14.
- Our membership has grown 20.4%, to over 11,000 active household members.
- Approximately 60% of our top line sales are to members, which indicates that we still have a large body of non-members who shop our store.
- Because of a larger sales volume that allows us to purchase more from local suppliers, overall local sales have grown from 12% of total sales three years ago to 21% this past year.



Our growth is not limited to sales and profits, though. Our staff has nearly doubled from 55 to 94 in the past three years. And with only 35% turnover, we are running well below industry averages. Some other information I’m proud to share about our employment practices, opportunities, and benefits follow:

- Over 75% of our employees are full-time.
- Our staff earn significantly more than the minimum and living wages for Pittsburgh, and direct wages for all our employees are above average for the Pittsburgh market, with the exception of our management team.
- Full-time staff can enroll in a health care plan with only a \$250 deductible. Furthermore, the Co-op covers 75% of the cost of the plan.
- The Co-op matches 3% on a Simple IRA investment plan that employees can opt to sign up for.
- We extend generous staff discounts in the store.
- We have a substantial Paid Time Off plan and offer paid breaks.

To put the value of our benefits in perspective, a full-time employee earning \$10/hour, working 40 hours per week, actually earns an additional \$6.10 in benefits, for a full compensation wage of \$16.10.

One department that has accomplished a great deal as a result of increased staffing extending our capabilities is Marketing & Member Services. The Marketing & Member Services Department details their many successes on page 6. In particular, I’d like to bring your attention to the progress of our Register Round Up Program and the continued high quality of our monthly newsletter, *The Co-operator*.

The remarkable outcomes of the efforts we have made these last three years clearly demonstrate that we are doing things well—and the community is responding. The reality is, though, that this growth (and the growth of the natural foods industry overall) has also brought some considerable challenges.

First, we are in the midst of significant changes in the natural and organic products market. From an industry perspective, these categories of products came about from a fragmenting of the food industry, and now “natural/organic” is fragmenting even further into sub-categories. These days there are many mainstream products, now primarily owned by large corporations, much of which is now of questionable pedigree (especially things labeled “natural”). These are mainly packaged goods with long shelf lives that can be found in many different kinds of stores, with a lot of variation in pricing. The other extreme is what I call “clean” products. These aren’t found in as many retail environments, and they’re mainly fresh items. Fresh and perishable items demand more labor, and usually require refrigeration and high turnover. Our members and customers demand clean foods and it is our primary value proposition in the marketplace. We are the trusted source in Pittsburgh for these products. In conversations with many members, there has been a feeling that this push toward clean foods was driven “top down.” The reality is the opposite—this push is being driven by you, our members.

Next, we have historically operated with many inadequate or non-existent operating systems. The creation of new and/or improved systems storewide will be a primary focus for this next year, and we are strategically working on implementing changes. Much of this will be behind the scenes and unnoticed by our members and shoppers. But, ideally, we’ll gain efficiencies that will result in subsequent savings we can pass on to shoppers along with investing back into the business.

We are also working to upgrade our training throughout the store. Most of this training will focus on the roles each of our staff has, but we will also be putting emphasis on creating consistently great customer service.

Food safety—really, safety in general—is also a primary focus. We have chartered a safety committee that was certified by the Commonwealth in the fall of 2014. We have proactively put systems in place to comply with the proposed changes to the Health Department grading system. A big part of our training initiative is to ensure that all our staff are trained in food and personal safety. Our insurers are very supportive of these initiatives, which will save us money and help to maintain our good relationship with them.

Legally, we continue to review all our practices to make sure we’re in compliance with the myriad of government agencies we deal with. As our staff has increased, we have greater reporting requirements from EEOC (Equal Employment Opportunity Commission) and OSHA (Occupational Safety and Health Administration). We also need to comply with the County Health Department as well as the USDA (United States Department of Agriculture). I highlight this because as regulations change, some of the things that have been ways for members to participate in the Co-op may need to change or be discontinued.

Even though it technically happened in Fiscal Year 2014-15, I’d like to mention that we ended the volunteer program for this reason, when we were informed by our attorney that the program is illegal under the Department of Labor FLSA (Fair Labor Standards Act) requirements. Prior to this decision, we explored many ways to bring the program into compliance with the law, but didn’t have any success. And, so, in the interest of protecting the Co-op, the board voted to end the program. For the members who participated in this way, it was a big blow. We really appreciate the time and energy these folks brought to the store, but the Co-op is bigger than any individual owner and its interests need to be protected.

Financially, we have been working hard to improve our reporting to allow for transparency of our books. The one disappointing result in the recent period of growth has been the lack of profitability. Basically, for the last three years we’ve run a break-even business. There are many causes for this: inefficiencies resulting from poor operating systems, increased costs for many of our supplies, significant investment in both infrastructure and preparation for expansion, and increases in our benefits and wages.

In January, we hired Shawn McCullough as our finance manager. Shawn has tremendous experience as an auditor and he is in the process of bringing our bookkeeping in-house. As we reached the end of this past fiscal year, we made a decision to make some major purchases that had been planned for July and August in June. We did this in order to document them in the Fiscal Year 2013-14. Additionally, we decided to write off over \$100,000 in fixed assets. The result was the appearance, on the books, of a significant loss. Board Treasurer Dennis Schauer will share more about this process in his report on page 5, but I’d like to personally assure you that most of what we did had little, if any, impact on our cash position. Better still, these decisions have set up Fiscal Year 2014-15 to be really successful.

Our final big challenge is participation: specifically, the question of what it can look like and how we can engage in it. This isn’t just a conversation our Co-op is having—it’s taking place in food co-ops throughout the country. When it comes to activities that are the rights of membership in our Co-op, we have extremely low turn-out and participation. Some examples: the board election in 2013 had fewer than 150 votes; the three available board seats were uncontested that year; and the 2013 Annual Meeting had less than 100 attendees.

One possible reason for this lack of participation may stem from the fact that the membership has changed in many ways. We are reaching and serving more folks in our community, and the growth in our membership brings much more diversity of opinions and viewpoints. For many of our newer members, the primary motivation for joining the Co-op is to shop the store for the clean food we sell, and, ultimately, that is the primary connection and mode of participation they experience.

In addition to many changes in the natural foods industry and the composition of our membership, we are also now living in a very different and quickly evolving competitive, regulatory, and risk environment. Through all of these changes, the cooperative model is, first and foremost, an economic model and the most sustainable thing we can do is generate a profit and provide a great shopping experience. If we don’t do that, we won’t exist to accomplish all the other great things we do. That also means we need to continually respond to the market and to what people want.

Amidst all of this change and growth, I’m excited about Fiscal Year 2014-15. We will continue to improve the business and we have exciting plans for this year, including finalizing some concrete expansion plans. In keeping with our Ends, our Co-op is poised to greatly increase our ability to enhance the physical and social health of our community!



New, energy-efficient digital displays permit more sustainable updates to our Café menu offerings.



The cleaner, safer set-up in our revamped Bulk Department benefits both shoppers and our staff.



Board of Directors Report

by Mike Collura, EEFC Vice President

It’s been another busy and exciting year for the East End Food Co-op, and your board has been working hard to serve our members by building the foundation needed to further meet our Ends and grow the Co-op community. Both board and management have been working to gauge and enhance our “operational readiness,” the capacity for us to undergo an expansion. The idea is to not take on a big project until we get our key systems, as they exist today, running smoothly and efficiently. This approach has resulted in many efforts to standardize what we do so that it can easily translate into a repeatable process for a possible second location.

The majority of Fiscal Year 2013-14 saw the Co-op’s directors focused on readying our board for expansion. Early in the year the board put a great deal of time into defining the types of information we would need from management to properly monitor operational readiness and an expansion project itself. Along with General Manager Justin Pizzella, the board also developed a clearer understanding of the steps we expect to take during this process, where the decision points will be, and who will be responsible for each of them. In the fall of 2014 we also received the results of a market study that will help to narrow our focus for potential projects.

The board spent time throughout the year reading and discussing articles that helped us to understand the types of work we will need to do during the course of this process. Both management and board representatives attended various conferences to speak with and listen to industry experts and our peers. This connection to our greater national co-op community helps to show us trends in the industry and allows us to learn how other co-operators have overcome the kinds of challenges we will face. Through the Member Linkage Committee,

the board has also begun to try new ways of communicating and connecting with members to ensure that a dialogue remains open throughout this entire process.

While a specific expansion project has yet to be decided on at this point, we do know that we want to create prosperity and increase the opportunity for communities in Pittsburgh and the surrounding areas to have access to healthy, local, and affordable food. The goal of expansion is for us to live our Ends by serving and growing the Co-op community. The first stage of planning takes significant time to be done properly, and so the board will continue to perform its due diligence by periodically engaging with members, consultants, and peers in the national co-op community during this process.

Keep in mind that the expansion opportunity we end up pursuing is really only the first step in the process. Growing our store, or opening a second location, is a means to our Ends. We want to build stable, profitable lines of business to be able to take on the less traditional types of projects that we are excited to try. Remember, the East End Food Co-op is much more than a grocery store. The board envisions a day when we can support multiple types of programs: perhaps some type of food distribution to assist local farmers in moving more of their produce, community kitchens, educational programs in our community, or even small co-op convenience style stores in neighborhoods with little or no access to fresh, healthy, and local produce.

We look forward to continuing the journey toward meeting these Ends with you all. If you ever have questions or want to know more about the board, please feel free to email us at boarddir@eastendfood.coop. Thanks to everyone for another great year!



Treasurer’s Report

by Dennis Schauer, EEFC Treasurer

Fiscal Year 2013-14 officially ended on June 29, 2014. Sales grew by more than 10% over those of the prior fiscal year, in continuation of a multi-year trend of outstanding sales growth, to approximately \$10.6 million. This exceeded our budgeted sales amount by about \$275,000.

However, we failed to fully realize our targeted gross profit margin. This resulted in an unfavorable variance relative to the absolute dollar amount budgeted for gross profit.

We also experienced significant unfavorable variances over budgeted personnel and operating expenses. These results are not entirely unexpected, as management has been intently focused for the previous two years on growing revenue, improving the infrastructure of operational procedures and systems, and making strategic investments in staffing levels and consulting expenses in order to best position our Co-op for expansion.

Now that a foundation has been solidly built, we’ve entered the next phase in the evolution of this positioning: optimized financial operations and cost management. The board is pleased with the creation of the finance manager position during Fiscal Year 2013-14, and the hiring of an experienced financial professional to fill the role.

The addition of Finance Manager Shawn McCullough provides the Management Team with an enhanced planning and analysis capability and improved visibility into potential operating efficiencies and areas for improvement. This includes a more robust system of internal controls, risk management, and compliance. Emphasis on margin improvement and

streamlining operating expenses to realize consistent profitability will help us obtain the most favorable terms for expansion financing.

A primary responsibility of our finance manager is to ensure compliance with Generally Accepted Accounting Principles (GAAP). An intense internal assessment of our accounting system during Fiscal Year 2013-14 revealed the need to adjust the value of our fixed assets, mainly due to incorrect estimates of the useful lives of some of our property and equipment made by previous general managers. This resulted in an impairment loss of approximately \$103,000. It is important to note that this amount was not a cash outlay during Fiscal Year 2013-14 (the cash was spent on the equipment in previous years), but was effectively an accrual-basis acceleration of future period expense recognition, as required by GAAP. The appropriateness of this adjustment will be subjected to evaluation by our auditors.

Our overall pre-audit net loss for the year was approximately \$292,000, including the impairment loss. This amount may change significantly, either favorably or unfavorably, based on adjustments by our auditors.

Despite this loss, our overall financial position remains strong. Our year-end cash balance was approximately \$500,000. Our liquidity and solvency ratios are healthy relative to the ranges for “fiscal jeopardy” defined by National Cooperative Grocers Association, and we find ourselves well-positioned to achieve our operational forecasts at the commencement of Fiscal Year 2014-15.

Results are subject to taxes and final adjustments by our auditors.

BALANCE SHEETS		
YE 6/29/14 *UNAUDITED	YE 6/30/13 *AUDITED	
\$942, 172	\$1,173,488	Current Assets
820, 074	917, 511	Net Property & Equipment
49, 821	90, 570	Other Assets
\$1, 812, 067	\$2, 181, 569	Total Assets
570, 915	542, 995	Current Liabilities
23, 551	181, 769	Non-current Liabilities
\$594, 466	\$724, 764	Total Liabilities
1, 157, 284	1, 104, 109	Member Shares
352,696	369,877	Retained Earnings
(292, 379)	(17, 181)	Current Earnings
1,217, 601	1,456, 805	Total Members' Equity
\$1,812,067	\$2, 181, 569	Total Liabilities & Members' Equity

INCOME/EXPENSE STATEMENT			
	ACTUAL *UNAUDITED	BUDGET	DIFFERENCE
Net Sales	\$10, 561, 909	\$10, 287,343	\$ 274, 566
Cost of Sales	6,517,348	6,172,406	344,942
Gross Profit	4,044,561	4,114,937	(70,376)
Personnel Expense	2,645,694	2,366,089	279,605
Operating Expense	1,604,848	1,537,742	67,106
Other (Expenses)/Income	(86,398)	16,147	(102,545)
Net (Loss)/Income	(\$292,379)	\$227,253	(\$519,632)



# Members Services Report

by Heather Hackett, Marketing & Member Services Manager

As Justin mentioned in the GM Report, this year saw a continuation of steady growth, with 688 new members joining our Co-op. I'm pleased to report that we are currently a cooperative 11,078 household members strong!

In Fiscal Year 2013-14 we added a new member benefit, which is the option to sign up for environmentally-friendly E-receipts. Though shoppers are still able to get printed receipts, there are many advantages to this new, paperless alternative:

- A receipt in digital format lasts. It won't tear, crumble, or crease.
- E-receipts are less likely to get lost in the ways paper receipts are known to go missing from your pocket, wallet, or home.
- E-receipts provide a digital trail of your purchases that could be helpful in the case of a return.
- The increased use of E-receipts will result in faster-moving lines at the registers since fewer shoppers will be waiting for their receipt to print.
- The use of less receipt paper will save us money.
- Printing fewer receipts will lower the maintenance requirements on our registers.

Another change involving Co-op benefits came on March 1st, when the option to special order became a members-only privilege. Most food co-ops began as buying

clubs where people gathered together to order cases of good, healthy food at a discount. At the East End Food Co-op you can still order cases, or large quantities, of almost anything in the store and save money—from food to herbs, and toothpaste to tea.

Fiscal Year 2013-14 also marked the introduction of a new mode of communication for our Co-op. In April we debuted E-News to keep our members better informed. In addition to a monthly "Upcoming Events" E-News, and a seasonal "Local Foods Forecast," we also distribute a bi-weekly email that includes Co-op Deals flyers, in-store specials, a recipe, store news, access to the digital version of *The Co-operator*, employment information, member information, and board updates. We are now in the process of exploring other ways we can use this means of communication, including a members-only monthly E-newsletter that we hope to begin distributing in 2015.

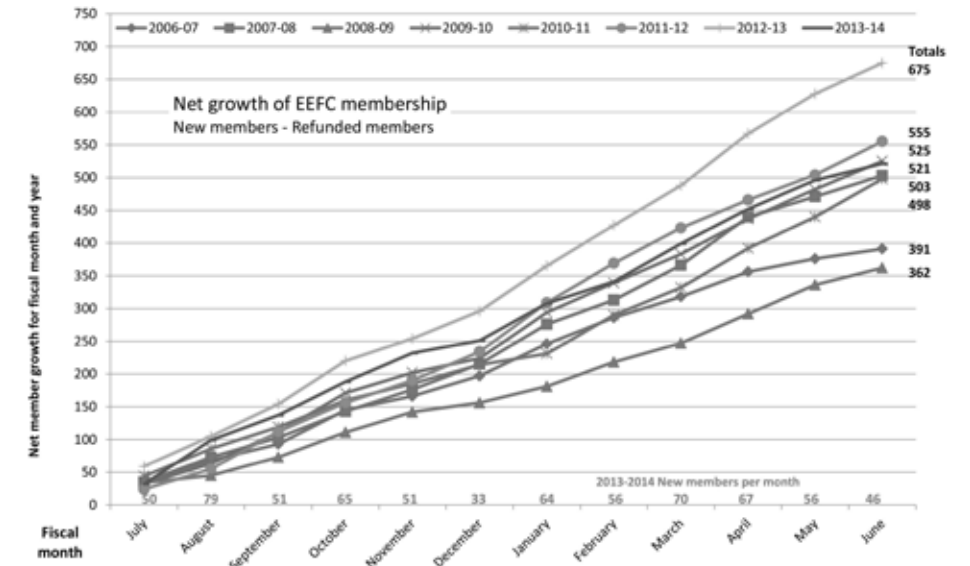
I'd also like to highlight the continued expansion of our Community Partners Program during the past fiscal year. The aim of the Community Partners Program is to provide East End Food Co-op members great benefits while promoting local businesses. Because we are committed to bettering the local community, we truly value the partnerships we build through this program.

This year we proudly welcomed a number of new partners to the list of participating businesses:

- Body Harmony Massage Therapy
  - Cutitta Chiropractic
  - Edits International
  - Keene Window Restoration
  - Kollinger Auto Body, Inc.
  - Naturally Clean
- Murray Avenue Apothecary
  - Pittsburgh Center for Creative Reuse
  - Primal Fitness Pittsburgh
  - The Shop in East Liberty
  - Wexford Automotive Repair, Inc.

We have continued to increase the number of partnering businesses even more this current fiscal year, and as of now we have 30 Community Partners!

Overall, Fiscal Year 2013-14 was extremely productive for our Marketing & Member Services Department and much of our progress can be attributed to the fact we created some new positions in our organizational structure. Thanks to the hiring of a graphic designer, our signage, monthly newsletter, and other promotional materials look significantly more professional and cohesive. And the hiring of our Assistant Marketing & Member Services Manager allowed us to greatly increase the marketing efforts we've been able to undertake across the board. In the sections below, I'm proud to share with you more of the results of our team's efforts to better serve you, our members!



## Giving Back

The East End Food Co-op is committed to the cooperative principle of concern for community and to building a strong local economy. The Co-op fields hundreds of requests each year through the two components of our donations program: general donations and the monthly Register Round Up. Priority is given to local organizations that support causes related to nutrition, education, food access, and sustainability, and whose missions are in line with the Co-op's Ends Statement.

**Register Round Up**  
In April, the Co-op's Register Round Up Program celebrated its first full year of operation. Each month, the Co-op selects a different organization to receive donations provided by customers rounding up their total at the register to the nearest dollar. To the right are the organizations that were chosen as Register Round Up recipients for the Fiscal Year 2013-14. The total Round Up money raised came to an incredible \$11,699.97!

**General Donations**  
The East End Food Co-op's general donations program contributed \$20,124.52 to local charitable organizations through gift baskets, store gift cards, and donations of food. A few of the many organizations that received donations from the East End Food Co-op in Fiscal Year 2013-14.

- Animal Friends, Inc.
  - Clean Water Action
  - Environmental Charter School
  - Pittsburgh Center for Creative Reuse
- Pittsburgh Parks Conservancy
  - Thomas Merton Center
  - Venture Outdoors
  - Western PA Conservancy

**Winterfest**  
In addition to our ongoing donation programs, the Co-op also hosts an annual fundraiser that benefits the Greater Pittsburgh Community Food Bank. Winterfest took place last December 7th at the Jewish Community Center in Squirrel Hill and featured music, dinner, sweet treats, and libations. That year's festive gathering was a tremendous success with approximately 250 people coming out, and the Co-op was able to more than double its previous contribution to the Food Bank with a total of \$1,669.00 raised!

Organization	Total
Food For Change	\$727.48
POWER (Pennsylvania Organization for Women in Early Recovery)	\$1,237.93
Shady Lane Day Care & School	\$1,183.46
Institute for Responsible Technology	\$877.50
Women's Center & Shelter of Greater Pittsburgh	\$1,279.69
Pittsburgh Faison K – 5	\$772.70
Nine Mile Run Watershed Association	\$738.10
Just Harvest	\$931.98
The Children's Institute of Pittsburgh	\$942.92
Grow Pittsburgh	\$1,045.63
Bike Pittsburgh	\$1,078.88
Hope Haven Farm & Animal Sanctuary	\$883.70

## Education & Information

In keeping with Cooperative Principle #5 (Education, Training, and Information), East End Food Co-op is committed to providing frequent opportunities for our members and the larger community to attend store-sponsored educational and informational events. In Fiscal Year 2013-14, the Co-op hosted 42 events, including workshops, lectures, and film screenings! Many of these events focused on local, sustainable agriculture, or presented information about food and nutrition because those subjects were cited as being of greatest interest to our members in the 2012 Member Survey. Over the course of the fiscal year, 653 people attended these events, both members and non-members.



For these events, the Co-op enlisted a number of knowledgeable individuals, vendors and producers, Community Partners, and other organizations to present information on a wide array of subjects. In doing this, we were able to create many positive connections in our community. Here is a list of just a few of the organizations the Co-op had the pleasure of working with this past fiscal year:

- Clean Water Action
  - Pennsylvania Association for Sustainable Agriculture
  - Brazen Kitchen
  - GMO Free PA
  - Republic Food Enterprise Center
- Pennsylvania Resources Council
  - Bike Pittsburgh
  - Swiss Villa
  - Clarion River Organics
  - Blackberry Meadows Farm
  - Garden Dreams Urban Farm & Nursery

This past fiscal year the Co-op was especially committed to raising awareness in our local community about the potential impacts of genetic engineering. In addition to a number of other initiatives, we hosted our first GMO-themed community forum in observance of Non-GMO Month. "Know Your GMOs" was held on October 13, 2013 at the Eddy Theater on Chatham University's campus. The event featured speakers from a number of local organizations (i.e. GMO Free PA, Food & Water Watch, Burgh Bees) and was highlighted by a presentation from the founding executive director of The Institute for Responsible Technology, Jeffrey Smith.

There are many ways to keep track of our upcoming events:

- Read the monthly event listings published on the back page of *The Co-operator*.
- See posters in the store.
- Stop at Customer Service for a handbill.
- Visit our website at: [www.eastendfood.coop/co-op/events](http://www.eastendfood.coop/co-op/events).
- Follow us on social media (Facebook, Twitter, and Google+).
- Sign up for our E-News.



THE CO-OP

The East End Food Co-op is Pittsburgh’s only member-owned natural and organic food market, serving the community since 1980. We offer the finest in certified organic produce and herbs, bulk foods, vitamins and supplements, cruelty-free health and beauty aids, organic and natural packaged and perishable goods and hard-to-find items for special dietary needs.

Our award-winning Vegetarian Café and Juice Bar offers a daily array of fresh, wholesome, hot entrées, soups, salads, and vegan dishes.

The Co-op is open to the public and membership is not required to make purchases, but members do receive better prices, have access to the Federal Credit Union, and can vote and serve on the board of directors.

7516 Meade St. Pittsburgh, PA 15208  
www.eastendfood.coop

Store: 412.242.3598  
8 AM - 9 PM  
Café: 412.242.7726  
8 AM - 7 PM

Credit Union: 412.243.7574  
Wednesday: 6 PM - 8 PM  
Saturday: 11 AM - 3 PM

BOARD OF DIRECTORS

Sarah Aerni, President  
Mike Collura, Vice President  
Mark Frey, Secretary  
Dennis Schauer, Treasurer  
Dirk Kalp ‘15  
Emily Mercurio ‘15  
Jared Evanoski ‘16  
Maria Bowman ‘17  
Tina Russell ‘17

MANAGEMENT TEAM

General Manager: Justin Pizzella  
Human Resources: Jen Girty  
Finance: Shawn McCullough  
Marketing & Member Services: Heather Hackett  
IT: Erin Myers  
Grocery: Maura Holliday  
Café: Amber Pertz  
Front End: eric cressley  
Produce: Evan Diamond

THE CO-OPERATOR

Editor: Heather Hackett  
Assistant Editor: Kate Safin  
Design, Layout & Production: Molly Masood  
Printed By: Indiana Printing & Publishing

The Co-operator is a monthly publication mailed to members of the East End Food Co-op. Additional copies are available at Customer Service, the store’s entrance area, and at outreach events. The Co-operator is also available online at www.eastendfood.coop.

Opinions expressed are the writers’ own and do not necessarily reflect Co-op policy. The East End Food Co-op does not endorse the views or products of the advertisers in this newsletter.

CONTACT US:

If you are interested in more information about advertising or would like to submit an article, please contact Member Services:

Email: memberservices@eastendfood.coop  
Phone: 412.242.3598 ext. 103

EMPLOYEE OF THE MONTH

Congratulations to  
**Susan Drake**,  
who was chosen as the Co-op staff pick for Employee of the Month.  
Susan is our Assistant Grocery Manager, and she has worked at the Co-op in the Front End, Grocery, and Health and Beauty for nearly three years, since February 2012.

- Q. What’s one thing you’ve learned in your time working at the Co-op?
- A. I’ve learned a lot about wellness – herbs, supplements... All that! I can’t begin to enumerate the number of things I’ve learned at the Co-op.
- Q. What’s your favorite thing about the Co-op in general?
- A. The diversity of the staff, as well as the other members.
- Q. What are your favorite products here?
- A. Everything chocolate – from the Brunton’s Chocolate Crème to the lovely raw chocolate coconut...All things chocolate.
- Q. What wouldn’t you ever change about the Co-op?
- A. The fact that it’s a co-op and not just a grocery store. We own it!

NEW FACES


**Tyler Kulp, Café**  
Tyler came to our Co-op to be a part of a dynamic work environment that shares his commitment to healthy, sustainable food. Before joining our team, Tyler worked at a PA farm for four years, cooking and marketing and learning about organic agriculture. Tyler spends his free time in local thrift shops and record stores searching for new sounds.

**Jennifer Lawton, Café**  
Seven chickens, two cats, and hardcore gardening fill much of Jennifer’s time. That’s the time not spent cheesemongering, which Jennifer has been doing for the past ten years. Coming to our Co-op, Jennifer is excited about great food, great people, and being able to bike to work.

Classifieds:

**SCHOOLHOUSE YOGA** has classes for everybody: Gentle, Prenatal, Mommy & me, Kundalini, Ashtanga, Yin, Yoga levels 1,2,3. Strip District, Squirrel Hill, North Hills.

**IMAGINE YOURSELF HERE!** Classified ads available in *The Co-operator* for only \$35/month. Member and contract discounts available. For more info contact memberservices@eastendfood.coop or call 412-242-3598 ext. 103.



**Improving Optimal Health and Wellness through Dentistry.**

- Holistic/Naturopathic Dentistry
- Non-metal Ceramic Restorations
- Minimal Invasive Dentistry
- Smile Makeovers
- Implants
- Veneers

**S. Rand Werrin, DDS**  
*Holistic approach to oral health care.*

3506 5th Avenue, Pittsburgh, PA 15213  
www.dentalpgh.com  
412-621-0200



**I was going to be cremated.**

**Until I learned about GREEN BURIAL**

**PennForestCemetery.com**  
**412-927-0103** ...minutes away



Café Phipps: named a Food & Wine magazine 2014 Best Museum Restaurant in the U.S.

**café**  
PHIPPS  
phipps.conservatory.org

Café Specials • December 2014

SUN	MON	TUE	WED	THU	FRI	SAT
	1 CHIMICHURRI TOFU	2 CHICKPEA AND POTATO CURRY	3 INDIAN KITCHEN	4 YAM & BLACK BEAN ENCHILADA CASSEROLE	5 BURRITO BAR	6 BROCCOLI PESTO MAC 'N' CHEESE
7 CHEF'S CHOICE	8 MUSHROOM & ONION SMOTHERED POLENTA	9 MARRAKESH VEGETABLE CURRY	10 AFRICAN KITCHEN	11 TEMPEH & BROCCOLI ARRABBIATA	12 PIZZA: VEGAN & DAIRY	13 QUICHE LORRAINE
14 CHEF'S CHOICE	15 OKONOMIYAKI	16 SPICY TOFU PUMPKIN CURRY	17 THAI KITCHEN	18 TOFU LOAF AND MASHED POTATOES	19 BURRITO BAR	20 GRILLED VEGETABLE QUESADILLA
21 CHEF'S CHOICE	22 VEGETABLE LO MEIN	23 GRANDMA ANNIE'S SPINACH BALLS	24 PASTA BAR	25 CLOSED	26 QUICHE LORRAINE	27 SWEET & SOUR TOFU
28 CHEF'S CHOICE	29 SPICY PEANUT TEMPEH	30 GINGER CILANTRO TOFU & KALE	31 HAPPY NEW YEAR BAR			

STORE HOURS:

OPEN DAILY: 8 AM - 9 PM

CAFÉ HOURS:

JUICE & COFFEE BAR: 8 AM - 7 PM

SOUP & SALAD BAR: 8 AM - 7 PM

HOT FOOD BAR: 11 AM - 7 PM

WEEKEND BRUNCH: 9AM - 1 PM

December Co-op Events

HAPPY, HEALTHY HOLIDAYS!	HEALING FOODS	OPEN STUDIO NIGHT	CRAFTING CHEESE TRAYS
<i>Allegheny Chesapeake Physical Therapy</i>	<i>Rosemary Traill, Natural Health Counselor and Cooking Instructor</i>	<i>Nora Gilchrist, Community Liaison</i>	<i>Caldwell Linker, EEFC Cheese Buyer &amp; Department Coordinator</i>
<b>WEDNESDAY, DECEMBER 3RD, 6:30 PM</b> <i>Allegheny Chesapeake Office in The Factory</i>  The winter holidays are upon us, do you have a plan to stay healthy and stress-free amid the inevitable barrage of cookie trays, house guests, and inclement weather? Don't worry, the experts at Allegheny Chesapeake have you covered! Learn positive ways to manage the stress caused by your busy holiday calendar and pick up some tips on staying healthy, fit, and safe despite tempting treats and harsh weather. Led by a team including Physical Therapists, a Dietician Nutritionist, and Massage Therapist, this event will give you the confidence to face your winter challenges head-on!	<b>WEDNESDAY, DECEMBER 10TH, 7 PM</b> <i>EEFC Café Seating Area</i>  The USDA guidelines recommend that plant foods make up the majority of our diet, but what does this look like in your shopping cart and on your plate? Rosemary will discuss the health benefits and healing properties of whole grains like brown rice, barley, and millet. You will leave this workshop with an understanding of the uses and benefits of beans and bean products including: tofu, tempeh, and miso. Leafy green vegetables will also be discussed as we discover the treasure trove of healthful and restorative foods on our Co-op's shelves.	<b>THURSDAY, DECEMBER 11TH, 6 PM</b> <i>Pittsburgh Center for Creative Reuse</i>  Are you struggling to find the perfect gift for that person who has everything? Why not make something unique and sustainable out of upcycled materials? Join the East End Food Co-op and Pittsburgh's Center for Creative Reuse for an Open Studio Night and potluck! PCCR shares our Co-op's enthusiasm for material resource conservation and has invited us to join them for an evening of creative reuse. Explore PCCR's bulk section and use standard tools to assemble one of a kind treasures in this self-guided crafting event. Bring a friend, a snack to share, and your imagination!	<b>WEDNESDAY, DECEMBER 17TH, 6:30 PM</b> <i>Gemini Theater</i>  Our East End Food Co-op's cheese expert, Caldwell, wants to teach you the ins and outs of assembling the perfect cheese tray just in time for your big dinner, office party, or holiday soiree. With ten years of experience and unparalleled passion for all things cheese, Caldwell is well equipped to guide you in constructing the ideal holiday spread. How much cheese should you serve? What pairs well together? Which varieties are the best fit for your event? Learn the answers to all of these questions and more while sampling some delicious examples.
This event is FREE; just call 412-242-3598 to reserve your spot!	This event is FREE; just call 412-242-3598 to reserve your spot!	This is a pay-what-you-wish event for people 18 and older. Please call 412-242-3598 to RSVP!	This event is FREE; just call 412-242-3598 to reserve your spot!

Look for your Co-op at these upcoming events:

Saturday, December 13th, 10 AM – 4 PM: Our Co-op is excited to participate in the Environmental Charter School's **Fair Trade Marketplace!** The school's Parent Community Organization welcomes holiday shoppers to purchase fair trade gifts for friends and family this season in support of equitable trading conditions for producers. The marketplace will feature many fairly-traded gifts from over 20 producers including several local businesses. Stop by your Co-op's table to learn how we support fair trade. Find more information at: [www.ecspco.org](http://www.ecspco.org)

Save The Date: Saturday, January 31

Winterfest

At the Hosanna House  
807 Wallace Avenue, Wilkinsburg, PA  
Music, Food, Fun!

Show how much you "LIKE" us and follow EEFC online!

