



**Meeting:** HHI Board of Directors Meeting

**Date:** Tuesday March 19 2024, 8 a.m.

**Present:** Tara A. Ellis (President and CEO), Lamont Williams, Ashley Rowe, Amber Boll, Jamel Perkins

Excused: Sharon Barilec,

**Staff:** Heidi Cheston (Chief Financial Officer), Don Rudewicz (General Manager), Siobhan Maloney (scribe), Lisa Woodring (Executive Vice President of External Affairs, FeedMore WNY)

Williams called the meeting to order at 8:03 a.m.

Boll called for approval of the December 2023 Board of Directors meeting.

Governance:

Ellis asked for a vote to confirm Jamel Perkins to the Board of Directors; Williams made a motion to approve, none were in opposition.

Ellis asked to rearrange the agenda and proceeded with the President and CEO Report. Williams agreed.

She shared that staffing continues to be a challenge. The driver core was momentarily fully staffed, before one retired and another was terminated for insubordination, her mother and cousin also were both drivers, they walked off the job leaving a total of four vacancies. We were able to re-hire one driver, and now have three more driver vacancies to fill.

Betsy Kusmierski has been doing a great job with QA, despite missing some time to illness. We continue to struggle with RTE and have signed an external consultant. Kusmierski has been working on formalizing Standard Operating Procedures (SOPs). The external consultant will be in town March 25; we anticipate issues in the RTE production zone of the commissary until we can begin working in our new facility. We also anticipate that the use of air conditioning in the summer will only make the issues significantly worse.

Williams asked why we keep trucks across the street; Ellis responded that it is a theft precaution. She noted we are grateful that Buffalo Games graciously allows us that privilege.

Rowe asked how the billing happens and wonders if HHI is considered a tenant of FeedMore. Ellis shared that the costs get charged back to HHI, although the facilities are split and all costs are properly allocated. There are actually lease agreements in place among the three corporations. At this time, the costs are being managed through the HHI budget. We do not anticipate paying the Foundation back for the start-up costs for at least two to three years.



A two year grant from NYS been utilized to offset the costs of food. We have three smaller grants to acquire small equipment to help with remediation. Branded milk crates have been purchased so that we no longer need to use vendor's crates; this gives us the ability to keep track of proper sanitation and rotations.

The labor union did not refile. One employee tried to get others HHI employees to sign on, but there was no support to our knowledge so the effort has died down for the moment.

### **Capital Campaign:**

Ellis explained that we are still working toward our \$100 million goal. With an additional \$3 million from the Federal government, we have \$73.6 million committed in total to date. We do not anticipate getting any additional funding from the state this year, but we are still trying. Private fundraising continues to be a priority. She asked the directors to be ambassadors in their own networks, and emphasized that every gift helps.

The bulk of the GMP process has been completed. All bids are being de-scoped and vetted. We do plan to have a ceremonial and actual groundbreaking this spring/summer. We are working with the Governor's office on the date.

We will most likely close on Monday April 8, the day of the North American Eclipse. This is in response to a request from Erie County. A plan was being formulated to ensure our Monday clients do not go without meals.

- Sweet Expectations has been scheduled for May 8. We are still looking for vendors.
- The annual plant sale will kick off in mid-April, with a new third location for pick up this year.
- Party at the Pier will return for a second year in early August – more details to come

### **Financials –**

Cheston shares highlights from the HHI Statement of Activities through the end of 2023.

- Food costs are up 64%
- Salaries equal \$1.9 million
- The year ended with a smaller deficit than we had budgeted for
- \$243,000 available to spend
- Liabilities at \$1.4 million

Perkins asked for a motion to approve the financials as posted; Williams and Rowe made the first and second motions respectively. All board members voted in favor. The motion passed unanimously.



Ellis wanted to share an update about the first cohort of our RISE Culinary skills program that launched on March 5. Everything is going very well and our teacher hire, Allie Demers has been doing a great job. The class made the salad for the most recent cohort of the Warehouse and Logistics RISE module's graduation luncheon that took place on March 18.

Our graduates continue to find jobs in various organizations across the community and many are promoted, sometimes more than once. One internal example is Carl Bounds, a graduate of an early RISE cohort and current FeedMore employee who has just been promoted for the second time. We are so proud of RISE and the way it continues to change lives.

Ellis reminded the board that we are approaching the one year anniversary of HHI. She is so proud of the team and thanked the board. She is working with the employee engagement committee to acknowledge this milestone.

With no more business to address, Williams called for a meeting adjournment and the meeting was adjourned at 8:36 a.m.

Minutes respectfully submitted by Siobhan Maloney

Reviewed by Lamont Williams