



Ashland Food Co-op
Board of Directors

**Ashland Food Cooperative
Board of Directors Meeting
October 9, 2013
APPROVED**

Board members present: Gwyneth Bowman, Gary Einhorn Joanie Kintscher, Charlie Douglass, Ed Claassen, Sheila Carder, Phil Johnson

Employees present: Emile Amarotico, General Manager. **Others:** Abby Lazerow, Board Administrator, Ken Crocker, Professional Facilitator

The Meeting was called to order at 6: 00pm

AGENDA ITEM	DISCUSSION POINTS	ACTION TAKEN	REMINDERS/ FOLLOW UP
Positive Affirmation	<ul style="list-style-type: none"> Charlie Douglass led the Positive Affirmation. 		
Announcements	<ul style="list-style-type: none"> The BDC will schedule a meeting to plan for Board education and training. The Employee Holiday dinner will be held Saturday, December 7, from 6:30 to 11 p.m. at the Ashland Armory. The All-Staff Meeting will be held on November 4 at 7 p.m. in the Ashland Armory. 		
Owner Forum	<ul style="list-style-type: none"> Owner Nancy Nelson expressed her concern about GMOs and encouraged awareness of the GMO-free Jackson County movement. She also noted a GMO expert, Dr. Seidler, would be speaking on October 30 at the Medford Library. 		
Agenda Review	<ul style="list-style-type: none"> Done. 		
Consent Agenda	<ul style="list-style-type: none"> Consent Agenda Board Meeting Minutes, 9-11-13 Executive Session Minutes, 9-11-13 GM Report, October 2013 Outreach Report, October 2013 Finance Report, 10-9-13 Board Administrator Job Description, Revised July 2013 Board Computer Acquisition Policy, Revised August 2013 New Board Computer Acquisition Manual, August 2013 		

	<ul style="list-style-type: none"> • Code of Ethics for Board Directors, Revised October 2013 • Code of Ethics for Independent Contractors • Code of Ethics for Committee Volunteers • Calendar of Expectations for Board Directors/Expectations of Board Directors, 10-1-13 • Cover Oregon Resolution, 9-17-13 		
Board Director Signing of Updated Codes of Ethics Documents	<ul style="list-style-type: none"> • Board Directors and Independent Contractors working for the Board of Directors signed updated Code of Ethics documents. The documents were rewritten to conform to the new Co-op Bylaws. • Committee Chairs need to have Board volunteers sign the new Board Volunteer Ethics Statements. 		Committee Chairs will have Board volunteers sign the new ethics statements.
Cooperative Leadership 101 Conference Report	<ul style="list-style-type: none"> • Ed Claassen and Gary Einhorn recently attended the Cooperative Leadership 101 Conference in Sacramento. • One focus of the workshop was differentiating the roles of the GM/MT from the Board. • The Directors at the training built a timeline sequence of the balance sheet for our Co-op and examined it in comparison to other similar co-ops. The Co-op is in great financial health and underutilizing our ability to leverage debt. • The Directors enjoyed the networking time at the conference. They observed there were greater numbers of young people on other Boards and want to encourage younger owners to run for election in the years to come. • An event called Co-op Café will be held both in Sacramento and in Portland in March 2014 and Directors were encouraged to attend. • The Cooperative Board Leadership Development program offers consultation about policy governance and strategic planning. 		Ed will get information to the Board about the Co-op Cafes.
Increasing Number of Board Directors	<ul style="list-style-type: none"> • One Director asked to discuss the possibility of increasing the size of our Board of Directors. • To qualify as a cooperative, Oregon State Statutes require 3 Directors; our Co-op Bylaws currently require 5 to 7 Directors. • Increasing the number of Board Directors would allow more Directors to serve on committees and attend events, as well as spread the workload. Increasing the number of Directors also expands the potential for more Director skills, input and ideas. • An owner vote would be needed to increase the number of Directors on our Board. There would be a significant cost to hold an owner vote to change the bylaws. • It was noted there was no correlation between the size of a 		

	<ul style="list-style-type: none"> coop and the number of directors. The Board Development Committee agreed to look into this issue further and bring it back to the Board in the spring. 		
MEETING BREAK	<ul style="list-style-type: none"> A ten-minute meeting break was taken. 		
Board Budget	<ul style="list-style-type: none"> The Finance Committee will meet to discuss the 2014 budget in early November and will bring a proposal to the Board at the November 2013 Board meeting. A new formula needs to be developed for the Grants Committee. Due to an accountant's error, less grant dollars were available in 2013 than in previous years. This year to date, the Board has spent half of its 2013 projected training budget. There will be additional expenses for strategic planning in 2014. Training for strategic planning processes could be combined with Board development trainings. Board Directors could be trained to play facilitative roles for the SP environmental scanning process. To support the increased activities of the Board, the work schedule of the Board Administrator has also increased. 		<p>The Grants Committee budget will be discussed at the November 2013 Board meeting.</p> <p>The Finance Committee will bring a budget proposal to November board meeting.</p>
GM Report	<ul style="list-style-type: none"> Emile recently attended the NCGA meeting. The key initiative of the meeting was developing the future. Next year the NCGA would like the GM to bring an employee buddy or second-in-command to the conference to develop talent and leadership. Emile also attended the Provender Conference, which included natural foods producers, resellers and retail businesses. Ten representatives from AFC attended and the seminars were excellent. Topics included staff accountability and strategic planning The Shostrom property is still being evaluated and Richard Katz is investigating comparable listings. The last market capacity survey study was conducted in 2006. Recently Emile and Richard spoke to Hambleton Associates about developing a new market survey, which needs to precede the strategic planning process. The Executive Committee will meet to discuss authorizing the expense of a study. Preliminary work is being done to improve the delivery driveway. The driveway may be re-engineered, and some parking spaces for delivery only may be designated. Design drafts are being developed to improve flow in the Deli 		<p>Emile will keep the Board informed about Provender Board development programs.</p> <p>The Finance Committee will look into the topic of the NCGA investment fund.</p>

	<p>service area.</p> <ul style="list-style-type: none"> • The NCGA has proposed a program where co-ops can invest some of their savings in other co-ops and the co-op movement by investing in a 20 million dollar venture capital fund to support co-op startups and expansions. The minimum investment in the fund, which pays 3.5 %, is \$50,000. Our co-op would most likely invest \$50,000 to 100,000. AFC has enough capital and this investment would support the co-op movement. It was suggested the Finance Committee look into this idea further. • October 9 was the second day of Employee Alliance bargaining. The bargaining process began with a discussion of the participant's shared interests of organization, people, sustainability. At end of first meeting, the group did a check-in and agreed they felt part of a committee, rather than being on opposing sides trying to negotiate. The Contract Committee is composed of five Employee Alliance Council members – Alicia, Chad, Chessley, Taj, and Aaron, as well as Emile, Sharon, Christina and Zach. The meetings are twice-weekly, four-hour meetings each day, with one hour of prep before and after. Substantial progress is being made. • As part of next year's strategic planning process, the MT is identifying candidates for environmental scan teams. • The Co-op GMO policy is challenging and our goal is to be GMO-free. However, if all products that do or might have GMOs were eliminated today, shelves would be empty. Currently we only allow products whose top three ingredients are GMO-free. Any new products coming in to the store must be free of GMOs. If a manager decides for any reason to keep a product that does not meet this standard, the manager must post a sign explaining why it is being kept on the shelves. Customer demand in the marketplace beyond our Co-op can help us to make progress towards this important goal. Our policies can also serve as a model for other stores such as Medford Co-op. 		
<p>Staff Director Report</p>	<ul style="list-style-type: none"> • The Employee Alliance is very pleased with the progress of the Contract Committee. • Contract negotiations are open meeting held from 11 a.m. to 3 p.m. every Tuesday and Wednesday. Employees and Board Directors are invited to come in and observe the process. 		
<p>Board Administrator Evaluation Process</p>	<ul style="list-style-type: none"> • Directors recently received an updated job description and performance evaluation for the Board Administrator. 		

	<ul style="list-style-type: none"> • Directors will give the Board Administrator feedback during the November Executive Session. 		
Happiness at Work Project Update	<ul style="list-style-type: none"> • Jeff and Stuart joined the H@W Steering Committee. The process is transitioning from solution-finding to solution-planning teams, guided by the Steering Committee. The process is open, thoughtful and realistic. • Ed attended the kick-off session of the Co-op University planning team meeting. The committee will be meeting once a week to work on the project, with the goal of engaging employees to create a better place for work. The committee plans to have a proposal and a budget written by the end of October. • As Co-op University grows, there are potentials for education of both our employees and our owners. 		
Meeting Evaluation	<ul style="list-style-type: none"> • The Board meetings are energetic and moving in a great direction. Much progress is being made. • The Board appreciates Emile's GM reports and hard work. 		

The meeting was adjourned at 8:10 p.m.