



**Ashland Food Cooperative
Board of Directors Meeting
January 14, 2015
APPROVED**

Board members present: Gwyneth Bowman, Joanie Kintscher, Charlie Douglass, Jeff Golden, Gary Einhorn and Julie O'Dwyer. **Employees present:** Emile Amarotico, General Manager, Annie Hoy, Outreach Manager, Amey Broeker, Wellness Manager. **Others:** Ken Crocker, Professional Facilitator; Abby Lazerow, Board Administrator. **Attending Via Conference Phone:** Ian Crosby.

The Meeting was called to order at 6:00 p.m. by Ken Crocker.

AGENDA ITEM		ACTION	REMINDERS/ FOLLOW UP
Positive Affirmation	<ul style="list-style-type: none"> • Julie O'Dwyer led the positive affirmation. 		
Announcements, Calendar of Opportunities and Expectations	<ul style="list-style-type: none"> • The "Awakening the Dreamer, Changing the Dream" class is filling up quickly. This symposium is part of an international movement. • The new Board Wiki should be up and running early next month. 		
Owner Forum	<ul style="list-style-type: none"> • Owner Al Karger (2995) showed a photograph of the Whole Foods store in Oakland, CA. The store had parking issues similar to the Co-op and as a solution built a two-story parking structure. • Owner Lisa Maltzberger (5531) said she was firmly in favor of a GMO-free Co-op, including meats and cheeses at the Deli. • Owner David Terry (5765) was upset that owners were not invited to the Co-op employee Christmas party and said activities for employees and owners should not be separate. • Owner Chris Hardy (9064), one of the leaders of the GMO-free Jackson County initiative, said the Co-op has done good work to educate consumers about GMOs and removing many items off the shelves. Chris was concerned that the meats and cheese in the Deli could contain GMOs or the animals were given GMO feed. He thought Co-op owners would support 		

	<p>the Board and management removing GMO foods from the Co-op, even if prices increased.</p> <ul style="list-style-type: none"> • Owner Greg Marchese (3543) has been studying and working with the GMO issue for three years and is a journalist for the Rogue Valley Community Press and KSKQ. He believes many meats and cheeses in the Deli were from animals raised on GMO feeds. For the health of all, it is important to pressure retail nature food stores to label and/or ban all GMO foods from their stores. He thought most owners would want this as well. Greg appreciated the GM's thoughtful responses to his inquiries. He stated non-GMO products are expensive, and suggested diverting owner patronage dividends to subsidize cost increases for non-GMO foods in the Deli. • Ann Carter (12797) commended AFC for their extraordinary efforts to identify GMO foods in the store and to support the GMO-Free Jackson County ballot initiative. She pointed out that while Whole Foods has the goal to label all foods by 2018, it will require much time and resources to track down this information, including contacting each manufacturer individually. Ann said our Co-op was a leader among other co-ops in this nationwide effort. • Board President Gwyneth Bowman thanked the owners for attending the meeting and encouraged them to attend future meetings. She noted the Board, Management Team and employees have been discussing the GMO issue. Our goal is to have a 100% GMO-free store, but it is a complex task. We don't know how to get there more quickly than what we are already doing. If we all work together, the issue can be solved, but it will take some time. 		
Agenda Review	<ul style="list-style-type: none"> • Done. 		
Consent Agenda	<p>Consent Agenda:</p> <ul style="list-style-type: none"> ○ Board Meeting Minutes, November 12, 2014 ○ Executive Session Minutes, November 12, 2014 ○ GM Report, January 2015 ○ Finance Report, November 2014 ○ Finance Report, December 2014 ○ Board Food and Discounts Policy, Revised Dec. 2014 ○ Cost of Living Increase for Board Administrator, January 2014 ○ Board 2015 General Calendar 	<p>The Consent Agenda was unanimously approved.</p>	

	<ul style="list-style-type: none"> ○ Board 2015 Elections Calendar ○ Outreach Report, January 2015. 		
Review of Board of Directors Calendar of Expectations	<ul style="list-style-type: none"> ○ Each year the Board reviews the Calendar of Expectations of AFC Board Directors document to make sure it is accurate. This document is included in the packet for Board candidates. The Board discussed whether the current total hours of participation (163-183/year) were sufficient. ○ The Board agreed to increase strategic planning to 20-24 hours a year. Time spent for Board committees were increased to 18-24 hours per year, as some Directors serve on a second Board committee. Attending other AFC special events was increased to 14 hours/year, with 6 required and 8 voluntary. ○ Directors agreed a minimum of 16 hours per year was spent on reading correspondence. ○ The Board agreed to accept the 2015 Calendar of Expectations as modified as above. 	The Board agreed to accept the 2015 Calendar of Expectations and approved adding additional hours to the document as noted in the minutes.	Abby will type up the revised and send it to the BOD; the revised document will be added to the 2015 Board candidate packet.
Annual Meeting Date	<ul style="list-style-type: none"> ○ The Board agreed to hold the Annual Meeting on Saturday, July 25. The meeting will be held in Lithia Park. 		
Break	<ul style="list-style-type: none"> ○ A ten-minute break was taken. 		
2015 AFC Budget	<ul style="list-style-type: none"> ○ Christina and Emile have developed the 2015 budget. The budget was based on a 2.1 % increase in sales. ○ Some sales were lost in 2014 because of the Deli remodel. There were also additional capital expenses. ○ Because of flat sales, the patronage dividend will be smaller this year. ○ There has been much effort to control labor costs. Sales have been flattening over the past several years while labor costs have continued to grow. ○ The Board took \$10,000 out of the 2015 Board budget. Store managers have also cut back on their budgets. There will be a significant reduction in discretionary items such as travel and training. ○ The Co-op changed its administrator for health insurance and hopes to save \$100,000 in costs. Medical reimbursements were very high this past year. Medical costs are not included in the 22% labor cap. ○ Prices in the Deli may increase by \$.50, and non-GMO and organic verified products may increase by \$1.00 (up to \$9.95/pound.) This would represent a price increase of 13%. 	The Board unanimously approved the 2015 Co-op budget.	

	<ul style="list-style-type: none"> ○ Grocery and meat prices are constantly adjusted based on cost. ○ The Finance Committee reviews and adjusts the budget quarterly. ○ The Board thanked Charlie, Emile and Christina for their excellent work on the budget. ○ The Board unanimously approved the 2015 Co-op budget. 		
GM Report	<ul style="list-style-type: none"> ○ The new Pioneer Street property was hit by vandalism on Christmas Eve and it required much effort to remove paint from window frames and repaint the exterior of the building. Dale Shostrom is currently renting the building from the Co-op. ○ The air curtains are working very well. Although there were concerns the curtains would be loud, the noise level is very low. The store is warmer and the Front End and Deli staff are much more comfortable. It is hoped the air curtains will help keep out flies in the summer. ○ Negotiations for the next version of the employee contract have commenced. The new negotiations will offer the opportunity to fine-tune the contract. Many policies have been tested during this first year. This week an amendment was proposed to clarify definitions of family members as related to some policies. ○ Emile will be on vacation for two weeks. He will be taking two classes through NCGA while he is away. ○ Electronic coupons should be ready in May or June. The system will prompt the checker that the owner's coupons are available and the owner will be asked if they want the coupons applied to the current purchase. A test of the e-coupons will be piloted with employees. ○ Interviews for a media content position will begin soon. ○ The Space/Expansion SWOT team has been meeting regularly. They will make a presentation of their findings in mid-to-late February. These findings will also be brought to the full strategic planning group at a future date. ○ Paul Theeman served for three years on the Finance Committee. Roberta Stebbins is the new volunteer member of the Finance Committee. Roberta is a retired CPA and was on the City of Ashland budget committee. She also ran a hay cooperative in Nevada with 500 owner-members. ○ The five owners who submitted applications for the Finance Committee volunteer position were very well qualified. 		<p>Charlie will send names of the Finance committee applicants to the BDC.</p>

Employee Director Report	<ul style="list-style-type: none"> ○ The recent holiday season was busier than expected, with several record-breaking days. Employees handled the crowds with grace. ○ Various departments have been challenged because many employees have been absent due to illness. 		
GM Evaluation Process	<ul style="list-style-type: none"> ○ Evaluation instruction sheets were sent to the Management Team. Their deadline is January 20. ○ The evaluation tool has been significantly shortened from last year. ○ It is critical Directors and Managers write comments in their documents. ○ A request was made to have a "Don't Know/NA" column, but consultant Cheryl Good said this answer would throw off final tabulations. Additionally, information to answer all questions is available. If new Directors are unable to find the information they need to respond to an evaluation question, they should contact Gwyneth, Charlie, Joanie, or Gary. Much information can be found in the GM Reports and the Board Meeting Minutes. ○ Board evaluations of the GM are due February 15. ○ Directors will evaluate the GM's Strategic Goals during the February Executive Session. ○ Directors will be given a GM evaluation binder to use during the coming year to write down positive impressions and actions or questions and concerns. Directors can refer to the binder when conducting the 2016 GM evaluation 		<p>Gwyneth will discuss the GM Evaluation with Ian to see if he missed any information while he was offline.</p> <p>Abby will resend the GM Strategic Goals evaluation forms with the February Board packet.</p>

The meeting was adjourned at 7:42 p.m.