

Board of Directors Meeting

April 13th, 2004

APPROVED

Ashland Food Cooperative
237 North First Street
Ashland, OR 97520

Board members present: Glenn J. Hill, Joe Golton, Richard "Ric" Sayre, Serena St. Clair, Diane Taudvin, Herb Heiman, and Erik Wallbank. Also present were: Richard Katz, GM; Annie Hoy, Outreach Coordinator/Owner Services Manager; and Anouschka Andresen, Staff Council Liaison. The meeting was called to order at 6:30 p.m. by facilitator, Erik Wallbank.

1. Announcements:
2. Check In: Done.
3. Agenda Review: The agenda was reviewed, amended and accepted.
4. Staff Council: Staff Council representative reported that two new Staff Council members will be elected to replace two departing members. The staff break room has been remodeled.
5. Consumer Coop Management Association: Herb Heiman moved that the Board send Erik Wallbank and Joe Golton to the CCMA meeting in Minnesota this June. Glenn Hill seconded the motion and it was passed by unanimous consent.
6. General Manager's Report: The Basic Pricing program is going well, and more items will be added in the future. Comments about the patronage refund have been largely positive.
7. NCGA Reorganization Plan: Glenn Hill moved that the Board authorize the GM to vote in favor of the reorganization of the National Cooperative Grocers Association. If the vote is approved nationally, the regional associations will be disbanded. Joe Golton seconded the motion, and it was passed by unanimous consent.
8. Community Grants: The amount to be given for community grants this year is \$22,484. Joe Golton moved that the board adopt the following formula: community grants will total 10% of the prior year's GAAP net income, plus 10% of the declared patronage refund. Annual board approvals are no longer needed. The board recommends, but does not require, at least one grant committee member be from the board. All other guidelines are to be administered by management. Diane Taudvin seconded the motion, and the Board passed it by unanimous consent.
9. Co-op Leadership: Erik Wallbank led the Board in a discussion of its role in relationship to the General Manager, the 5-year business plan, the Board visioning and strategic planning. Erik and

Joe will work together to bring a draft process to integrate the business plan, board visioning and strategic planning into one document to the Board after the Owner/member survey has been conducted.

10. By-Laws Changes: The Board discussed making changes to the by-laws to clarify the definition of who is eligible to be nominated to represent the AFC staff on the Board. Richard and Erik will talk with AFC legal counsel and bring recommendations to the Board. Ric Sayre moved that the number of signatures on a petition needed for the nomination of a patron director to the Board be changed from twenty-five to fifty. Glenn Hill seconded the motion and it was passed by unanimous consent. This proposed change will be referred to the Owner/Members for ratification.

11. Financial Report: The financial report was reviewed by the Board.

12. Patronage Refund: Joe Golton moved that the Board read into the minutes and adopt the vote taken via e-mail to distribute 90% of the 2003 owner patronage net savings to members and retain 10% for AFC. Ric Sayre seconded the motion and it was passed by unanimous consent.

13. Minutes Review: The minutes were reviewed and approved.

14. Finance Committee: There was no formal meeting of the Finance Committee last month, but the members did meet with Tom Reid, CPA. He found no significant issues for Board concern.

15. Owner Member Forum: Annie Hoy, Outreach Coordinator/Owner Services Manager presented a second draft of the Owner/Member survey and noted comments from the Board. The final survey will be mailed to owner/members, and a modified version of the survey will be conducted with our non-member shoppers.

16. Staff Council/Owner/Member Follow Up: There were no comments given.

17. Meeting Evaluation: Done

The meeting was adjourned at 9:55 p.m. The next regularly scheduled Board meeting will be May 11, 2004 at 6:30 p.m. with Erik Wallbank facilitating.

The GM report and Committee reports are available on request.

Minutes are not posted until approved by the Board at the next month's meeting.

BOARD ACTIONS:

- Erik Wallbank and Joe Golton will attend the CCMA meeting in Minnesota in June
- The GM was authorized to vote in favor of the reorganization of the National Cooperative Grocers Association
- Community grants will total 10% of the prior year's GAAP net income, plus 10% of the declared patronage refund. Annual board approvals are no longer needed. The board

recommends, but does not require, at least one grant committee member be from the board. All other guidelines are to be administered by management.

- The number of signatures on a petition needed for the nomination of a patron director to the Board is changed from twenty-five to fifty. This proposed change will be referred to the Owner/Members for ratification.
- AFC will distribute 90% of the 2003 owner patronage net savings to members and retain 10%.

Minutes were kept and prepared by the Board Assistant (Leslie van Gelder) and approved by the Board of Directors.