

Ashland Food Cooperative
237 North First Street
Ashland, OR 97520
APPROVED
Board of Directors Meeting

March 2, 2004

Board members present: Glenn J. Hill, Joe Golton, Richard “Ric” Sayre, Serena St. Clair, Herb Heiman, and Erik Wallbank. **Board members absent:** Diane Taudvin. Also present were: Richard Katz, GM, Thomas Jones, Owner Member and Kathy Scott, Owner Member. The meeting was called to order at 6:30 p.m. by facilitator, Erik Wallbank.

1. Announcements:

- Dividers have been made for board members to use in a smaller form of the board binder to keep current minutes, calendars and other materials.
The new binders will be distributed at the next meeting.
- Binders for each active committee to keep their minutes in will be added to the board file drawers in the GM’s office.

2. Check In: Done.

3. Agenda Review: The agenda was reviewed, amended and accepted.

4. Minutes Review: The minutes of the February meeting were reviewed and approved.

5. Owner Member Forum: Thomas Jones and Kathy Scott introduced themselves as owner members interested in running for the board and were welcomed to the meeting by the board.

6. Staff Council: There was no staff council representation at the meeting.

7. GM Goals: The board and GM reviewed and discussed proposals for AFC goals for the year and decided on the following goals:

- 1) Ensure member/customer **survey** occurs and that it does a good job of empowering owner members and getting the information most needed by the board and management.
- 2) Expand and increase customer awareness of the **basic pricing** program. Look for savings opportunities (i.e. senior discount, improved deli profits) as funding sources to further lowering prices and/or expand the number of items in the program or lower margins in other departments. Track the basic pricing amounts discounted (from what would otherwise be the normal price).
- 3) Further develop the five-year **business plan** and ongoing **visioning** work into an integrated document to serve as a guide for the next few years.
- 4) Maximize the potential for our present store to **handle sales growth** so that **high customer satisfaction** levels continue.
- 5) Review **internal controls** in conjunction with a 2004 audit.
- 6) Improve **deli** profitability and productivity while maintaining competitive pricing.
- 7) Ensure continued **smooth transition** to a member-owned Co-op with regards to the first patronage rebate checks, tax issues, and the first owner member annual meeting.

A motion was made by Joe Golton to accept these goals. The motion was seconded by Glenn Hill and was passed by unanimous consent.

8. Capital Expense Budget: The GM presented an amended budget for capital expenses for the year. Joe Golton made a motion to accept the amended budget. Glenn Hill seconded the motion and it was passed by unanimous consent.

9. Financial Report: The GM reported that in January the number of owner members jumped by the largest number since the initial quarter in which memberships were offered. There are now 2,186 owner/members which is well ahead of projected figures.

10. General Manager Report: The GM reported on the meeting of the North West Cooperative Grocer's Association and the National Cooperative Grocer's Association in Southern California. The two organizations are putting together a national contract to obtain better pricing for members. This proposal will be presented to the board at the next meeting.

The GM also informed the board of the visioning goals discussion that the Management Team had in February. The MT reviewed the results of the Board visioning process and agreed with those goals. The MT focused on the issue of Co-op growth and future options for the Co-op. The GM is considering hiring a consultant to assist in that process.

11. Changes to By-Laws: This discussion was tabled until the April meeting.

12. Outreach Committee: Herb Heiman reported that the owner member survey will go out in April following the rebate. The board will have an opportunity to review the survey at the meeting in April prior to the mailing.

13. Meeting Evaluation: Done

The meeting was adjourned at 8:45 pm and the board went into Executive session. The next regularly scheduled Board meeting will be April 6, 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:

- The board adopted the following goals for AFC for 2004:
 - 1) Ensure member/customer **survey** occurs and that it does a good job of empowering owner members and getting the information most needed by the board and management.

- 2) Expand and increase customer awareness of the **basic pricing** program. Look for savings opportunities (i.e. senior discount, improved deli profits) as funding sources to further lower prices and/or expand the number of items in the program or lower margins in other departments. Track the basic pricing amounts discounted (from what would otherwise be the normal price).
 - 3) Further develop the five-year **business plan** and ongoing **visioning** work into an integrated document to serve as a guide for the next few years.
 - 4) Maximize the potential for our present store to **handle sales growth** so that **high customer satisfaction** levels continue.
 - 5) Review **internal controls** in conjunction with a 2004 audit.
 - 6) Improve **deli** profitability and productivity while maintaining competitive pricing.
 - 7) Ensure continued **smooth transition** to a member-owned coop with regards to the first patronage rebate checks, tax issues, and the first owner member annual meeting.
- An amended budget for capital expenses for the year was adopted by the board.

Minutes were kept and prepared by Leslie van Gelder, Board Assistant and approved by Herb Heiman, Board Secretary. (Unapproved)