

Board of Directors Meeting

November 10, 2004

APPROVED

Ashland Food Cooperative
237 North First Street
Ashland, OR 97520

Board members present: Erik Wallbank, Joe Golton, Herb Heiman, Glenn J. Hill, Richard "Ric" Sayre, Gwen Bowman and Serena St. Clair. The meeting was called to order at 6:30 p.m. by facilitator, Erik Wallbank. Others present: Richard Katz, General Manager; Christina Oliver, Financial Manager; Sava Parisi, Staff Council Liaison; Annie Hoy, Outreach/Owner Services Manager; Guy Nutter, Owner-Member.

1. Announcements: Herb Heiman pointed out an article about AFC and Annie Hoy in the Co-op Business Journal. Herb also reminded the Board that the annual Board of Directors dinner will be held on Thursday, December 9th at Pilaf's starting at 6:30.

2. Check In: Done.

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

4. Staff Council: Sava Parisi noted that the Staff Council is putting together the final details for the holiday party which will be held on Sunday, December 12th starting at 7 pm at ScienceWorks. Dinner will be served, followed by music and dancing. The cost for guests to attend will be \$15 a person.

5. Survey: The Board reviewed the results compiled from 400 of the 800 completed surveys turned in by members. The number of surveys returned represented a third of Co-op membership. The analysis of the surveys showed that, in general, the members are happy with most aspects of the Co-op.

Joe Golton made a list of the following conclusions drawn from the survey results:

- AFC is the health/quality leader in Ashland.
- Shop N Kart is perceived as the price leader and is our main competitor.
- The newsletter is the primary communication vehicle with 96% of owner/members saying that they read it. 63% of owner/members read the special member mailings. Fewer than 10 owner/members indicated that product standards were an issue for them in an open-ended question.
- Owner/members feel that the up-front benefits of co-op membership are good. They felt that the patronage refund was a little low, and they indicated a slight preference for the monthly coupons over the 10% discount on Owner Appreciation days.

The three biggest barriers to shopping at the Co-op more are:

- Pricing (mentioned in 121 surveys)
- Parking (mentioned in 115 surveys)
- Location (mentioned in 85 surveys). (The surveys used in the analysis included 18% of owner/members living north of Talent).

The Board will use the survey results to help make decisions in the coming year about the senior discount and a possible expansion.

A discussion of the senior discount followed. The Board wanted it noted for the record that, "Based on the owner survey, focus group input, and financial projections the board is seriously considering that the senior/disability discount funds should be re appropriated to other programs to better serve the totality of our owners. These may include expanding our basic pricing program and other owner benefits."

6. Finish Setting 2005 Goals: From the list of possible goals which was brainstormed at the October meeting, the Board drafted the following five goals for 2005:

1. Review/revise owner/senior benefits.
2. Increase owner involvement, which might include objectives to:
 - Have over 100 owner/members at the annual meeting
 - Form more focus groups
 - Include owner/members on committees
3. Put together a strategic plan which will help the Board decide on whether to open a second store)
4. Use proceeds from some of our cost-cutting initiatives to improve retail prices.
5. To begin the process of obtaining organic certification.

At the January meeting these goals will be refined and made measurable.

7. Board Budget: Glenn Hill moved that the Board accept the proposed budget for the Board of Directors for 2005. Joe Golton seconded the motion and it was passed by unanimous consent.

8. Minutes Review: The minutes of the October Board of Directors meeting were reviewed, and revised. Glenn Hill moved that they be accepted. Gwen Bowman seconded the motion and they were unanimously approved by the Board.

9. Outreach Committee: Diane Taudvin has withdrawn from the committee due to professional commitments. Herb Heiman moved that Board accept Peter Hoyt and Betty Henry as ad hoc members of the committee for the duration of the Board term with both volunteers receiving the

15% discount. Ric Sayre seconded the motion. Gwen Bowman stood aside, and the remainder of the Board passed the motion.

10. Adoption of 2005 Board and Election Calendars: Joe moved that the Board accept the proposed 2005 Events and Election calendars with changes to be identified by Joe and Christina Oliver, Finance Manager. Ric seconded the motion which was passed by unanimous consent.

11. General Manger's Report: The General Manager's report was reviewed and discussed.

12. Financial Report: The Board reviewed the financial statements for the 3rd quarter with Finance Manager, Christina Oliver.

13. Finance Committee: The minutes of the Finance Committee meeting on November 3rd were presented by the Treasurer, Joe Golton and reviewed by the Board.

14. Meeting Evaluation: Done

The meeting was adjourned at 10:25 p.m. The next regularly scheduled Board meeting will be on Wednesday, January 12, 2005 at 6:30 p.m. with Erik Wallbank facilitating.

The GM report and Committee reports are available on request.

BOARD ACTIONS:

- The Board approved the Board Budget for 2005
- The Board accepted Peter Hoyt and Betty Henry as ad hoc members of the committee for the duration of the Board term with both volunteers receiving a 15% discount on purchases at AFC.
- The Board accepted the proposed 2005 Events and Election calendars with changes to be identified by Joe and Christina Oliver, Finance Manager.

Minutes were amended and approved by the Board on November 10, 2004