



Board Meeting Minutes

October 14, 2020

Approved

Attending via video conference: Julie O'Dwyer, Ed Claassen, Annie Hoy, Steve Bowman, Melina Barker, Mark Gibbs, Lisa Beam, Emile Amarotico, Abby Lazerow.

The meeting was called to order at 6:02 p.m. by Lisa Beam.

	ITEM DESCRIPTION	DISCUSSION	ACTION
1.	Positive Affirmation	<ul style="list-style-type: none"> Melina Barker led the positive affirmation. 	
2.	Owners Forum	<ul style="list-style-type: none"> Owner Adam Danforth spoke about his organization Rogue Food Unites. His organization contracts with locally owned restaurants to make meals for fire impacted residents. This work also helps to recycle revenue through the local economy. He is also coordinating with school systems and other community and cultural organizations. He appreciated AFC's support and the many meals they have provided for the organization. He asked that AFC Gives consider including Rogue Food Unites in the Change for Good program. 	
3.	Agenda Review	<ul style="list-style-type: none"> Done. 	
4.	Consent Agenda	<p>The following Consent Agenda items were approved: Board Meeting Minutes, September 16, 2020 Executive Session Minutes, September 16, 2020 Board Finance Report, August 2020</p>	The Consent Agenda was unanimously approved.
5.	Employee Stress	<ul style="list-style-type: none"> The GM reported seven AFC employees lost their homes. To help support them, links to 	

	and Wellbeing	<p>their Go Fund Me pages have been listed in many AFC emails. AFC gave \$1000 to each employee who lost their home and \$250 to all employees who were evacuated for three or more nights by the fires.</p> <ul style="list-style-type: none"> • Employees generally seem to have a good outlook and feel supported. Receiving Hero Pay has been helpful. The employee meal program has also been well received. 	
6.	Board Retreat	<ul style="list-style-type: none"> • The Board retreat will be held on October 26. The focus will be on DEI. The retreat facilitator has not yet submitted the final agenda. 	
7.	Review of 2020 Board Goals	<p>The Board reviewed progress on the 2020 Board goals:</p> <ul style="list-style-type: none"> • Space Solutions. The Board has been working for several years to acquire the Umpqua Bank property. Umpqua is uncertain of its plans due to the loss of its Phoenix store in the Almeda fire. • Expansion Beyond the Store. AFC is considering developing a satellite store in Talent or Phoenix. • AFC Gives. The Change for Good program is well supported by shoppers and raises approximately \$6000 a month for local organizations. The Front End manager and staff are doing an amazing job promoting the program. • Deli Rebrand. The Prepared Foods and Marketing Managers have done an excellent job. They are currently working on special meals and promotions for Thanksgiving. • Actively Promote EDI. This year all staff and directors have participated in cultural agility training. The Board has made thoughtful and appropriate statements to our ownership, supporting Black Lives Matter. The EDI response team has responded to employee issues and specific owner requests for information and clarification. The staff is going through harassment training to support AFC's anti-harassment policy. • Resolve Board Officer Issues. The BDC created a process to work through transitions following elections. • Champion Preparation for Climate Change. This goal will continue in 2021. • Integrate with Local Food Production. AFC is looking for opportunities, especially ways to tie in with Talent/Phoenix redevelopment. • Owner Involvement. This goal has been pushed aside by Covid-19. The Board had hoped to get owners involved in thinking through store expansion. • Delivery Service. The E-grocery program is expanding. The Rotary Club has been carrying out deliveries. • Reassess Policy Governance. This goal has been tabled during this time. 	
8.	2019 NCG Participation Report	<ul style="list-style-type: none"> • Emile presented the latest NCG Participation Report. • NCG is a network of 140 co-ops and negotiates purchasing terms with UNFI, along with some smaller vendors. NCG also facilitates communication between co-ops and GMs, creates forums and offers helpful support. AFC pays NCG \$30,000/year in 	

		<p>participation dues.</p> <ul style="list-style-type: none"> • The NCG report compares our data and numbers with that of other co-ops. It also presents data showing what numbers co-ops should strive for. The participation report shows how dollars from food co-ops are returned at a much higher level back into the community. 	
9.	Board Finance Report	<ul style="list-style-type: none"> • The Finance Committee met on October 6. Committee members discussed the 2021 budget process. There are many budgeting challenges given the uncertainties we face. It is important to stay nimble, and to maintain financial flexibility and resilience. • Sales for August were up 10% and 5.3% over budget. YTD sales are up 2.5% but customer counts are still down. The average basket remains high at \$37. • Labor expenses are up 10% over last year but are 4% under budget, factoring in hero pay and labor wage increases. Non-labor expenses were slightly under budget. There have also been additional pandemic safety and security costs. • AFC's balance sheet is strong. AFC has no debt and a good cash balance. August accrual for the patronage dividend was \$44.2K, bringing annual accrual to \$402,800, which is \$60,800 over budget. • All of last year's dividends have been distributed with the final checks cut on 09/08/2020. 	
10.	GM Report	<ul style="list-style-type: none"> • Sales in September were cool, but stronger than what they would have been if September was not a 10% owner discount month. The 10% discount was extended through October. So far October sales have been lower than September. • The Finance Manager is ready to apply for PPP loan forgiveness. The lender has 60 days to process the application and it is then forwarded to the SBA, who has another 90 days to respond. The status of the loan status at year end may have an impact on AFC's Income Statement. • E-grocery sales have been flat. The GM is working with the E-Grocery team who have done an amazing job of piloting the program. • AFC has been holding Spring and Fall Assemblies for employees for a few years. Because of Covid-19, large groups of employees cannot meet together. In the future we hope to implement a phone and desktop app called Beekeeper that allows employees to log in for messages, communicate in their departments, and participate in training. • AFC made an agreement to purchase solar energy credits from Ashland Community Solar 2, but the equipment installer has had some issues. If the solar panels are not built before the end of the year, the tax credit drops from 30% to 25%. The parties are looking for another installer. 	
		<i>The meeting was adjourned at 7:15 p.m. Minutes were prepared by Abby Lazerow, Board Administrator.</i>	