



Board Meeting Minutes
March 10, 2021
 APPROVED

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

Facilitator: Mark Gibbs **Timekeeper:** Annie Hoy The meeting was called to order at 6:06 p.m. by Mark Gibbs.

	ITEM DESCRIPTION	DISCUSSION	ACTION
1.	Positive Affirmation	<ul style="list-style-type: none"> Ed Claassen led the positive affirmation. 	
2.	Owners Forum	<ul style="list-style-type: none"> Owners Bob Kaplan, Catherine Greenspan, Amey Broeker, Larry Cooper and Donnie Maclurcan attended the meeting. Donnie Maclurcan asked the Board to acknowledge the land and the peoples at meetings and on the property itself. He also thought there should be a bylaw that considers worker representation on the Board. Additionally, he reported some workers directly affected by the fires are struggling with difficulty dealing with the privilege when they hear people discussing that many homes were saved in Ashland. Director Melina Barker noted she has been in touch with Native American people in the valley and a statement will be crafted soon. 	
3.	Announcements and Opportunities	<ul style="list-style-type: none"> Ed will attend the March 11 employee training day. 	
4.	Agenda Review	<ul style="list-style-type: none"> Done. The agenda item about Hero pay was moved to the Executive Session. 	
5.	Consent Agenda	<p>The following Consent Agenda documents were unanimously approved:</p> <ul style="list-style-type: none"> Board Meeting Minutes, February 10, 2021 (unapproved) 	The Board unanimously

		<ul style="list-style-type: none"> Executive Session Minutes, February 10, 2021 (unapproved, confidential) Board Finance Report, January 2021 Board Actions, 2020 	approved the March Consent Agenda documents.
6.	Change for Good Update	<ul style="list-style-type: none"> The February Change For Good (CFG) partner was the AHS culinary program and \$4000 was raised. The March CFG partner is the North Mountain Nature Center. Last week a CFG application information meeting was held. The CFG application is available on the AFC website, along with a video presentation. CFG applications are due March 17 at 9 p.m. CFG finalists will be announced before the election and owners will vote for organizations for the following year. CFG has raised between \$4000 and \$7000 for each participating organization and 20 to 25% of all store transactions have been CFG transactions. 	
7.	Solar Facility Purchase Update	<ul style="list-style-type: none"> The GM reported that AFC closed on a \$400,000 solar project that will be constructed on a leased rooftop at Oak Street Tank and Steel. The project is expected to provide about 1/3 of all of AFC's energy needs. True South Solar will start construction on Monday. AFC will receive a \$108,000 grant for the solar project from the Oregon Department of Energy. 	
8.	CCMA Proposal	<ul style="list-style-type: none"> CCMA (Consumer Cooperative Management Association) hosts an annual national conference for cooperatives. Julie O'Dwyer has submitted a presentation proposal about how AFC engaged the community during the significant upheaval caused by Covid-19 and the Alameda Fire. Key collaborative partnerships included Rogue Food Unites, the Ashland Bicycle Brigade and Rogue Volunteer Initiative and Cascade Builders Association. 	
9.	MEETING BREAK	<ul style="list-style-type: none"> There was a five-minute meeting break. 	
10.	Board Finance Report	<ul style="list-style-type: none"> The Board Treasurer discussed the trends and drivers impacting the business. January and YTD sales were just 0.9% under budget driven by lower sales in Wellness, Prepared Foods and Bulk. Lower sales in these departments were offset by higher sales in Grocery, Meat, Beer and Wine and Produce. Gross margin dollars were down \$33,867 to budget in January. Margin dollars continue to be negatively impacted by lower than expected sales in our high margin Prepared Foods and Wellness 	

		<p>Departments.</p> <ul style="list-style-type: none"> • The average basket remains extremely high and was the third highest ever, with the other two being April and December in 2020. • Labor to budget was slightly under 2.8%. Operating income was off budget by \$17,000. • Preliminary pre-audited profit sharing figures are \$149,000 for 2020. This is comparable to the \$135,000 2019 profit sharing numbers. Once the financial review by the CPAs is completed, eligible employees will receive profit sharing at the end of April. 	
11.	<p>Patronage Dividend Distribution</p>	<ul style="list-style-type: none"> • At its most recent meeting, the Finance Committee discussed the Patronage Dividend. The total allowable distribution for 2019 was \$629,000. This year, owner purchases generated an allowable distribution of \$476,000. • The Board has a fiduciary responsibility for holding some of the funds for the good of the Co-op. In the past, AFC has done a 50/50 or 30/70 split and it is expected to return to similar ratios next year. Last year the Board took the unusual step of paying out 100%. Because of the exceptional challenges the community has faced again this year, the Board discussed distributing \$476,000 (100% of what sales to owners generated in 2020) and using \$152,000 (the difference between the 2019 and 2020 numbers) to fund a program to make food more affordable at AFC for low-income people. • EDI Chair Kamilah Long suggested providing vouchers or gift cards at the Food Bank for people to use at the store, with a welcoming message on the card voucher. • Owners may pay equity in \$10 monthly increments if they cannot afford the total \$100 at joining. The bylaws stipulate that individuals must contribute equity to receive the full benefits of ownership. Currently there is not a formal way to support people who cannot afford the membership to become an owner. The Board will explore if owner dividends could be earmarked for sponsoring or supporting ownership for people who cannot afford the investment. • The Board President proposed the Board recommend to the Finance Committee pay the full patronage dividend earned through sales back to owners for 2020 and that the additional amount, up 	

		<p>to \$152,000, be designated for a healthy food initiative to make shopping affordable for people with low incomes. The remainder will be set aside for future investments for AFC. The Board was in favor of this proposal.</p> <ul style="list-style-type: none"> • The Finance Committee will bring a final proposal for the Board to consider at the April Board meeting. 	
12.	Bylaw Proposal Status	<ul style="list-style-type: none"> • Steve Bowman, the chairman of the Board Development Committee, reported that the committee was unable to reach consensus about a bylaw proposal. Additionally, key people were not present in the preliminary discussion. He asked to schedule a discussion with the entire Board and with Kamilah Long, to consider questions that came up during the discussions and go into depth as needed to reach a satisfactory conclusion. • There was not time in this meeting agenda to discuss the issues at length. Board directors were concerned about the impact of the delay and hoped the conversation would happen soon. • Julie will send out a Doodle poll to arrange a meeting. 	
13.	GM Report	<ul style="list-style-type: none"> • The Prepared Foods Department has been making some gains over some peers. • AFC has only had two employees test positive for Covid-19 in 12 months. The Operations Team has done an excellent job assisting employees to work at a safe distance apart. • While vaccinations will not be mandatory for employees, AFC is trying to streamline the vaccination process for employees, helping them make reservations with nearby clinics. • Solutions are being developed to remediate the negative air pressure in the store in order to continually circulate fresh air. • The GM has been conversing with NCG peers about applying for the Employee Retention Credit, a federal payroll credit benefit under the CARES Act that encourages businesses to keep employees on their payroll. The refundable tax credit is 50% of up to \$10,000 in wages paid by eligible employers whose business has been financially impacted by Covid-19. AFC may be eligible for a significant credit. • Grocery delivery by Rotary Club members has ended. Their services were greatly appreciated. Many people who formerly received delivery are now using curbside service. 	

		<ul style="list-style-type: none">• The ALT team has begun piloting the Beekeeper business communication app; it could be an excellent way to share information with all employees in the future.• Screenings for the HR Department Manager position are beginning soon.• Emile recently attended an OSF business roundtable.	

The meeting was adjourned at 8:09 pm. Minutes were prepared by Abby Lazerow, Board Administrator.