



**ASHLAND
FOOD CO+OP**
— BOARD OF DIRECTORS —

Board Meeting Minutes

June 9, 2021

APPROVED

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

Facilitator: Melina Barker Timekeeper: Ed Claassen

The meeting was called to order at 6:18 p.m.

	ITEM DESCRIPTION	DISCUSSION	ACTION
1.	Positive Affirmation	<ul style="list-style-type: none">Annie Hoy led the positive affirmation.	
2.	Owners Forum	Owners Alia Lesko, Amey Broeker, Steve Maryannoff, and Richard Spencer attended the meeting. Steven Maryannoff enjoyed seeing all of the Board's unmasked faces on Zoom.	
3.	Announcements and Opportunities	<ul style="list-style-type: none">The Rogue Valley Farm tour is on Sunday, July 18.	
4.	Agenda Review	<ul style="list-style-type: none">Done	
5.	Consent Agenda	The following Consent Agenda items were approved: <ul style="list-style-type: none">Board Meeting Minutes, May 12, 2021 (unapproved)Executive Session Minutes, May 12, 2021 (unapproved, confidential)Board Finance Report, April 2021	Approved.

6.	Election Results	<ul style="list-style-type: none"> ● 1037 (13.2%) of 7858 electors voted in this election. The winning Board candidates were Trine Ostergaard and Larry Cooper. ● 75% of owners approved the Bylaw change proposal. (683 approved, 228 did not approve and 126 abstained.) ● Owners voted for their top Change for Good organizations. The organizations were: Rogue Valley Farm to School, Maslow Project, Ashland Food Angels, Options for Helping Homeless Residents of Ashland, Klamath Siskiyou Wildlands Center, Southern Oregon Land Conservancy, Center for NonProfit Legal Services, Southern Oregon Climate Action Now, Community Works, Rogue Climate, and Rogue Farm Corps. ● The Board President reached out to the candidates who did not win and invited them to consider serving on Board committees. 	
7.	Change for Good Update	<ul style="list-style-type: none"> ● Rogue Valley Farm to School, May's Change for Good partner, raised \$7028.01. ● The Board appreciated the register employees who asked patrons to consider rounding up their purchase. 	
8.	Board Finance Report	<ul style="list-style-type: none"> ● Patronage dividend letters were emailed to owners. Because of the difficulties the community experienced over the past year, owners received \$100% of their patronage dividend distribution. The \$476,000 that will be distributed represents 2.8% of sales over the course of the year. ● Sales were up 9.2% over this period compared to last year. Gross margins were 37.4% YTD, compared to 38.6% budgeted for the year. ● Daily store traffic is down 1/3 but is trending up as weather improves and the pandemic subsides. Basket sizes are increasing from pre-pandemic levels. 	

		<ul style="list-style-type: none"> ● Operating income to date is down \$100,000, due to higher labor and other operating expenses. ● Cash flow is down \$500,000 YTD; \$350,000 is attributable to the costs of the solar array and \$45-50,000 is due to the profit sharing bonus. ● There are 12,377 active owners. 7941 owners shopped in May and 8300 owners shopped in April. Owner sales are a good indicator of owner engagement. 	
9.	GM Report	<ul style="list-style-type: none"> ● June showed a 9% growth rate and is continuing strong. ● The freight elevator in the food production facility on A Street must be replaced, estimated to cost \$25,000; this is an unbudgeted capital improvement. ● The landlord is negotiating with a buyer to sell the A Street building. The buyer is considering an urban winery in a portion of that space. The new landlord would be glad to have AFC continue for the first of five three-year lease renewals. ● Blue Marble is in the process of renovating the old Plexis building. They will be bringing in a significant number of employees in the next 60 days. ● The Access to Healthy Food team is developing a proposal to offer a discount to people who cannot afford healthy food. The proposal will first be brought to the Strategic Planning Steering Committee and then to the Board for additional consideration. ● ROIC Analytics will present a draft of the Talent/Phoenix market survey on Thursday. ● The engineer contracted cannot design air unit remediation in a timely manner by the summer. During that period, AFC will rent an AC unit on a dolly that can be parked outside plugged in and ducted into the building. Next year air units will be installed to balance the air flow in the store. 	

		<ul style="list-style-type: none"> • The City of Ashland has released an evacuation plan. The RR district is Zone 8. AFC plans to develop a communication plan for employees and shoppers in case of an emergency and the need to evacuate the store. • E-Grocery usage is very low. While it offers a positive contribution, it is a large expense to maintain the program. Additionally, if indoor seating reopens, there will be no place to stage this service. If there was a demand for e-grocery due to smoke, it could be restarted. E-Grocery will continue to be made available for special occasions such as Thanksgiving and Christmas. • AFC is close to receiving a \$108,000 solar grant. All of the paperwork has been submitted. • May and June provide more solar power than July and August. In hot weather the systems are not as efficient as in cooler weather. • The Board agreed to take time in a future meeting to capture CCMA highlights and ideas to put forward. 	
10.	<p>Bylaw Change Next Steps</p>	<ul style="list-style-type: none"> • The Bylaw recommendation to eliminate the one year ownership requirement was accepted by 75% of owners. • The Board currently has eight director positions, including two newly elected owners. Kamilah Long, Chair of the ED&I Committee since October 2020, has reviewed the expectations and responsibilities of the full director position and has expressed that she has the enthusiasm and time to join the Board as a fully participating director. • The Board President proposed opening Board membership to a ninth director. The Board unanimously agreed to this proposal. 	<p>The Board approved adding a 9th director. The Board approved the appointment of Kamilah Long to the Board for a one year term.</p>

		<ul style="list-style-type: none"> • The Board President proposed appointing Kamilah Long as Board director through June 2022. The Board unanimously approved her appointment. • Mark Gibbs will mentor Larry Cooper and Melina Barker will mentor Kamilah Long. • The Board will consider meeting in person in August. 	
11.	Steve Bowman	The Board recognized outgoing director Steve Bowman's long and dedicated service. He has been a great mentor and has given so much to the Co-op.	

The meeting was adjourned at 7:23 p.m. Minutes were prepared by Abby Lazerow, Board Administrator.