



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

BOARD MEETING MINUTES  
September 8, 2021  
(APPROVED)

**Directors attending:** Julie O'Dwyer, Ed Claassen, Annie Hoy, Melina Barker, Mark Gibbs, Lisa Beam, Kamilah Long, Trine Ostergaard, Larry Cooper. **Others attending:** Emile Amarotico, General Manager; Abby Lazerow, Board Administrator.

Facilitator: Julie O'Dwyer

Timekeeper: Annie Hoy

The meeting was called to order at 6:30 p.m. by Julie O'Dwyer

	ITEM DESCRIPTION	DISCUSSION	ACTION
1.	<b>Positive Affirmation</b>	<ul style="list-style-type: none"><li>• Kamilah Long led the positive affirmation.</li></ul>	
2.	<b>Owners Forum</b>	<ul style="list-style-type: none"><li>• Owner Amey Broeker (5453) attended the meeting. She appreciated the Board's commitment and great work. Amey also appreciated Kamilah's Long's land acknowledgement and Julie O'Dwyer's recognition of the Almeda fire anniversary.</li></ul>	
3.	<b>Announcements and Opportunities</b>	<ul style="list-style-type: none"><li>• The Board took a moment to remember the victims and the destruction of the Almeda fire. Commemorative events and virtual memorials are posted on AFC website.</li><li>• On Tuesday, September 14, there will be an online webinar to talk about the community grants process. The link and applications are on the AFC website.</li></ul>	
4.	<b>Agenda Review</b>	<ul style="list-style-type: none"><li>• Done.</li></ul>	
5.	<b>Consent Agenda:</b>	The following Consent Agenda documents were approved: <ul style="list-style-type: none"><li>• Board Meeting Minutes, 8-11-21 (Unapproved)</li><li>• Executive Session Minutes, 8-11-21 (Unapproved, Confidential)</li></ul>	The Consent Agenda documents were

		<ul style="list-style-type: none"> <li>• Board Finance Report, July 2021</li> <li>• Trine Ostergaard requested the August Executive Session minutes to be pulled from the Consent Agenda for further discussion.</li> </ul>	unanimously approved.
6.	<b>GM Priorities Review</b>	<ul style="list-style-type: none"> <li>• The GM reviewed progress on his 2021 priorities:             <ol style="list-style-type: none"> <li>1) Advance Expansion Initiative: AFC now has use of additional parking spaces at Umpqua Bank. A market study considering potential expansion locations in the Talent, Phoenix, and east Medford areas has been commissioned.</li> <li>2) Increase Accessibility to Good Food for Economically Disadvantaged: The Strategic Planning Steering Committee is reviewing a proposal to offer a 5% discount to eligible owners, which will be forwarded to the Board and MT for review before the October Board meeting.</li> <li>3) Champion Development of Operating Resilience to Climate Change and Other Threats: Additional air scrubbers for smoke have been installed. To increase resiliency, a microgrid feasibility report is being developed with an engineering firm for emergency electrical power using a generator and battery capacity. The store is also trying to cut back on natural gas usage.</li> <li>4) Advance EDI Mission and Initiatives in Co-op Operations: The EDI Committee provides a strong advisory group and sounding board. The GM is exploring training opportunities for both AFC leadership and all staff to increase their knowledge of EDI issues and responses.</li> </ol> </li> </ul>	
7.	<b>Change for Good Update</b>	<ul style="list-style-type: none"> <li>• Over \$4,500 was raised in August for KS Wildlands.</li> <li>• The September Change for Good partner is the Center for Nonprofit Legal Services; the organization helps fire victims and our migrant population.</li> </ul>	
8.	<b>Board Finance Report</b>	<ul style="list-style-type: none"> <li>• July Sales were \$2.6 million bringing YTD sales to \$18.4 million. Sales are 2.3% under budget for the year. Gross margins are 1% over budget. As sales have fallen slightly, margins have been well managed. Primary drivers of lower sales were smoky conditions and Covid. Additionally the store was closed on July 4, usually a \$75-80,000 sales day, to show appreciation for Staff's exceptional efforts to navigate the extended COVID challenges..</li> <li>• Customer counts are down 20% over July 2019. Operating income, \$235,000 YTD, is down slightly from last year, due to various labor,</li> </ul>	

		<p>non-labor, hero pay, employee benefits and Covid safety costs.</p> <ul style="list-style-type: none"> <li>• The monthly patronage dividend accrual is \$72,000 for the month of July.</li> <li>• The store continues to have no debt.</li> <li>• There were 7800 active owner shoppers in July, down about 300 shoppers from last year.</li> <li>• Nine owners applied to join the Finance Committee. All candidates are strong. Mel and Mark are starting informal interviews. Finalists will meet with the entire committee. It is hoped the owners not selected will want to participate in Co-op governance in other ways.</li> <li>• It is assumed AFC would retain 80% of dividends for the next 8-10 years to rebuild cash reserves after taking on anticipated expansion projects.</li> </ul>	
9.	<b>GM Report</b>	<ul style="list-style-type: none"> <li>• Sales trends are lower, partly because locals are leaving town to escape the smoke and visitors are not coming to the area. Some employees in the Grocery Department are going home early because sales are down and vendors are not supplying complete orders.</li> <li>• Because of current Covid trends, protocols to minimize contact between employees and shoppers have been reestablished. Only 7 employees have tested positive in 14 months, with no spread to the store. Protocols are seriously followed. Some employees are working remotely. Air scrubbers were originally installed because of smoke and filter air 4 x an hour on top of the basic requirements of the HVAC system, removing aerosol and respiratory droplets from the air in the store. Negative air pressure continually brings fresh outdoor air in. We are considered to be one of the safest stores in southern Oregon.</li> <li>• The GM has placed a note in the employee log offering a link to find out where to be vaccinated since the Pfizer vaccine has been FDA approved. Approximately 70+ percent of all employees have been vaccinated. The cost of twice weekly testing of both unvaccinated and vaccinated employees weekly would be approximately \$10,000 per week. The cost of that effort does not warrant the benefit, as AFC is unlikely to have an outbreak due to our strong protocols.</li> <li>• E-grocery has been doing 6-8 shops per day, with a \$10 fee for collection. The average basket is over \$150.00. Marketing staff are</li> </ul>	

		filling e-grocery orders.	
		The meeting was adjourned at 7:24 p.m. Minutes were prepared by Abby Lazerow, Board Administrator.	