



**Board Meeting Minutes**  
**October 13, 2021**  
**APPROVED**

**Directors attending by video conference:** 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: Annie Hoy      Timekeeper: Mark Gibbs      The meeting was called to order at 6:03 p.m. by Annie Hoy.

	<b>ITEM DESCRIPTION</b>	<b>DISCUSSION</b>	<b>ACTION</b>
1.	<b>Positive Affirmation</b>	<ul style="list-style-type: none"> <li>Trine Ostergaard led the positive affirmation and Kamilah Long led the land acknowledgement.</li> <li>Annie suggested adding a land acknowledgement to all Board meeting agendas.</li> </ul>	A land acknowledgement item will be added to all Board meeting agendas.
2.	<b>Owners Forum</b>	<ul style="list-style-type: none"> <li>Owners Amey Broeker and Bob Kaplan attended the meeting.</li> </ul>	
3.	<b>Announcements and Opportunities</b>	<ul style="list-style-type: none"> <li>There were no announcements.</li> </ul>	
4.	<b>Agenda Review</b>	<ul style="list-style-type: none"> <li>Done.</li> </ul>	
5.	<b>Consent Agenda</b>	<p>The following consent agenda items were unanimously approved:</p> <ul style="list-style-type: none"> <li>Board Meeting Minutes, 9-8-21 (unapproved)</li> <li>Executive Session Minutes, 9-8-2 (unapproved, confidential)</li> <li>Board Finance Report, August 2021</li> </ul>	The Consent Agenda was approved.
6.	<b>Access to Healthy Food Initiative</b>	<ul style="list-style-type: none"> <li>Emile shared updates about the Access to Health Food Initiative. Team members include the GM, Jenny Dadaos, POS owner services; Karinna Thompson, Front End; Mahlea Rasmussen Marketing Department, and facilitator John Lamy.</li> </ul>	The Board approved the Access to Healthy Food Initiative.

		<ul style="list-style-type: none"> <li>• The program will offer broader access to healthy food for lower-income community members. To be eligible, shoppers must be AFC owners and participate in a low-income program such as SNAP, TANF, WIC or Medicaid. Once registered for the program online or at the Information Desk by showing proof of qualification, participants would automatically receive a 5% discount at the register, which would be stackable with employee, Board, bike and volunteer discounts. Senior and disability discounts would not be stackable. Applications must be renewed annually.</li> <li>• Approximately 1 in 8 owners currently use SNAP, spending an average of \$3500/year. \$150,000 has been set aside in 2022 for this program.</li> <li>• Directors discussed that the \$100 membership could be difficult for some people. The Owner Engagement Committee will investigate ways to encourage owners to sponsor memberships for low-income shoppers wishing to become owners.</li> <li>• The board unanimously approved the Access to Healthy Food proposal to offer a 5% discount to eligible low-income owners.</li> </ul>	
7.	<b>Change for Good Update</b>	<ul style="list-style-type: none"> <li>• In October, register round-up funds were designated for the AFC Community Grants program.</li> <li>• A director suggested using the Beekeeper App to inspire and communicate with front end staff about the monthly Change for Good organizations.</li> <li>• Owners can now sign up on the AFC website for automatic round-ups each time they shop.</li> <li>• Board directors appreciated the way the AFC Gives committee has engaged owners in an active way.</li> </ul>	
8.	<b>Meeting Break</b>	<ul style="list-style-type: none"> <li>• A 10-minute meeting break was taken.</li> </ul>	
9.	<b>Collaborative and Advisory Role of Board Committees</b>	<ul style="list-style-type: none"> <li>• The Board President described how work gets done with the Board. The Board governs the organization but does not supervise operational activities of the organization. The Board's role is to set policy and through those policies provides direction to the GM. The GM is an employee of the Board who is responsible for turning policy into effective implementation.</li> <li>• Board committees and individual directors can make recommendations but not decisions; they must bring proposals to the Board as a whole for</li> </ul>	

		<p>any actions that they think are appropriate for the organization to take.</p> <ul style="list-style-type: none"> <li>• The role of the committee chair is to ensure the committee’s charter is up to date, that the committee’s focus reflects Board goals, and to identify current and future opportunities that might be brought forward to the entire Board for discussion and decision-making.</li> <li>• At the November Board Closed Work session, directors will identify and discuss Board goals for 2022. Board goals also guide the work of the GM and inform the work of all Board committees for the coming year.</li> </ul>	
10.	<b>Board Finance Report</b>	<ul style="list-style-type: none"> <li>• August was negatively impacted by smoke. Sales to budget were down 7.1% for the month and 3% YTD; sales were 2% down for August compared to last year and nearly flat for August YTD compared to August 2020 sales. Average daily customers decreased 11% in July and 7% lower than August of last year.</li> <li>• Gross margins were close to budget at nearly 38%. Labor expenses were down 5% and non-labor down 4%.</li> <li>• The \$190,000 YTD operating income was better than budgeted figures.</li> <li>• Patronage dividends accrued \$84,000 for the month of August and \$350,000 YTD.</li> <li>• The Finance Committee is looking for a new owner-member. Nine owners applied for the position and after a round of interviews, the committee has identified three strong candidates who will participate in more extended discussions and interviews with the full committee.</li> <li>• AFC has 12,500 members and 8700 active shoppers. Some owners have moved out of the area and have not asked for their equity to be returned. Those owners could be asked if they want to retrieve their equity or pass it on to people who cannot afford ownership fees.</li> </ul>	
11.	<b>Covid Update</b>	<ul style="list-style-type: none"> <li>• The GM reported employee status is very stable after implementing changes in protocol in September. Mitigation efforts have been very effective. There are two employees out in quarantine pending testing who were exposed to people testing positive outside the workplace. Neither employee had close contact with other employees. The team has done an amazing job.</li> <li>• The Pioneer Conference room and classroom have been available to employees during breaks. Tables are set up for distancing.</li> <li>• OSHA is expected to issue new regulations this week.</li> </ul>	

12.	<b>GM Report</b>	<ul style="list-style-type: none"> <li>• Sales trends were better in September than August. October sales have been variable.</li> <li>• ED&amp;I training for all employees will continue after the right curriculum is selected. The GM is asking the EDI Committee to give feedback about sample curriculums. In November, the EDI Committee will discuss what they would like to accomplish through messaging and education.</li> <li>• Employees are participating in a ten week long Virtual Fall Assembly using Beekeeper. The training was divided into ten different sections and topics including AFC Gives, finance, DEI and strategic initiatives.</li> <li>• Progress has been made to pressurize the air in the store to bring fresh air in but pressurization is not yet completed. To help determine next steps, a device will be installed to continuously measure and log air pressure in the store to identify any trends and determine their causes.</li> <li>• The cost for a microgrid, including a battery array, hardware and installation, would be \$400,000 and would only supply a day's electrical use. Additionally it would cost \$150,000 for a generator that would allow the store to function at a basic level for six days.</li> <li>• Grocery Manager Lynn Scionti will be resigning at the end of the year and the Store Manager is recruiting for her replacement. The Board would like to find a way to formally acknowledge her many years of service.</li> <li>• Chessley Sexton, Rianna Koppel, David Wong, and Judy Beyer are current members of AFCEA. There is still one seat open. AFCEA will be negotiating for a higher starting wage.</li> </ul>	
13.	<b>Board Holiday Online Party</b>	<ul style="list-style-type: none"> <li>• The Board agreed to meet online for their holiday party with a meal and a bottle of wine supplied by AFC. The time will be spent acknowledging each other and introducing significant others to the group.</li> <li>• Larry, Abby and Trine will assist Emile with holiday party planning including a Secret Santa and a Board music playlist.</li> </ul>	
		The meeting was adjourned at 7:48 p.m. Minutes were prepared by Abby Lazerow, Board Administrator.	