



Board Meeting Minutes

May 11, 2022

APPROVED

Directors attending via video conference: Julie O'Dwyer, Ed Claassen, Annie Hoy, Melina Barker, Mark Gibbs, Lisa Beam, Larry Cooper.

Others attending: Emile Amarotico, General Manager; Abby Lazerow, Board Administrator.

Facilitator: Mark Gibbs

Timekeeper: Annie Hoy

ITEM #	ITEM DESCRIPTION	DISCUSSION
1.	Positive Affirmation	<ul style="list-style-type: none"> Julie O'Dwyer led the Positive Affirmation.
2.	Land Acknowledgement	<ul style="list-style-type: none"> Lisa Beam led the Land Acknowledgement.
3.	Owners Forum	<ul style="list-style-type: none"> Owners Judy Beyer, Kyle Fischer, John Strange, Amey Broeker, Anne Marie Caricato, Erica Thompson, Eleanor Hobson, Will Hershman, Brendan Musselman, Bob Kaplan, Sarah Epstein and Betsy De Gress attended the Board meeting. Employee Judy Beyer, a representative of the employee union AFCEA, said many workers are requesting an extension of Hero Pay due to elevated costs of living. The generous support of workers through Hero Pay helped employees get through hard times. Employee Eleanor Hobson said eliminating Hero Pay represented about \$300 per month and would not be good for morale when it is already hard to be a grocery store worker. Employee Kyle Fischer was grateful for the Hero Pay during the pandemic and said an additional \$2/hour makes a big difference, especially when people are paying 50% of their wages towards rent. Employee Betsy De Gress said employees are concerned about rising costs of living and staffing issues. Board President Ed Claassen, said the Board had received 5 or 6 emails about Hero Pay from staff and that the Board is aware of the unusual economic circumstances that employees face. The Board wants to be sure AFC is a supportive and empowered place to

		work. The Board will take employee concerns under advisement. The Board appreciates the work that has been done and the challenges employees are facing.
4.	Announcements and Opportunities	<ul style="list-style-type: none"> • The AFC 50th Anniversary party will be held on June 3 from 5 to 8 p.m. • The AFC Annual Meeting will be held on June 8 at 5 p.m.
5.	Agenda Review	<ul style="list-style-type: none"> • Done
6.	Consent Agenda	<p>The following Consent Agenda documents were approved:</p> <ul style="list-style-type: none"> • Board Meeting Minutes, 4--22 (Unapproved) • Executive Session Minutes, 4-22 (Unapproved, Confidential) • Board Finance Report, 3-22
7.	50th Anniversary Updates and Board Director Participation	<ul style="list-style-type: none"> • Board directors were asked to assist at the AFC 50th Anniversary Party on June 3. Larry, Mark and Melina offered to assist. • The bands Wild & Blue and Eight Dollar Mountain will perform during the party.
8.	Operationalizing the Owner Engagement Committee	<ul style="list-style-type: none"> • Currently there are many Board committees and it would be helpful to reduce that number. In store activities for owners and shoppers have been reduced for several years due to the pandemic. It is a good time to transition Owner Engagement Committee duties to the Marketing Department. The Marketing Department is supportive of this idea. • The Board recommended the OEC change its ownership from the Board to the Marketing Department. A director would represent the Board by attending a monthly meeting and the Board Administrator would also work with the Marketing Department to create a linkage between the Board and Marketing. • The Board approved the recommendation.
9.	Annual Meeting Update	<ul style="list-style-type: none"> • The June 8 Annual Meeting will be held at 5 p.m. Committee members Larry, Ed, Emile and Tracy will be developing the slide deck. The presentations will be designed so that short segments can also be shared with employees at a future time.
11.	Utilizing Upcoming CCMA Presentations as Training	<ul style="list-style-type: none"> • Directors and incoming directors were invited to attend the CCMA online presentations. Annie Hoy will be attending in person. • Annie Hoy recommended the Friday keynote talk about cooperative ecosystems, followed by the Marquette program presentation. There will also be presentations about EDI, owner relations and simplifying board practices.

12.	AFC Gives Update	<ul style="list-style-type: none"> ● The Change for Good (CFG) recipient for April was Options for Homeless of Ashland and \$3634 was raised. ● Rogue Valley Farm to School is the CFG recipient for May. ● 24 CFG applications were received. The committee selected twenty finalist organizations. Owners will vote online for their favorite ten organizations from May 24 to June 6.
13.	Board Finance Report	<ul style="list-style-type: none"> ● In early May the Finance Committee reviewed the monthly and YTD financials. There was much discussion about inflation, shortages, and their impact on financial performance. ● Sales were 4.8% below budget for the 1st quarter, and flat compared to first quarter last year. Total labor expenses were \$75,000 over budget, and benefit expenses were \$67,000 more than budgeted. ● February sales were below targeted levels. Average daily sales were \$82,000, down from \$88,000 last year. Customer counts are 75% of pre-pandemic levels. ● Operating income was down \$38,000 from budget and cash flow was negative for the quarter. There were additional expenses due to quarterly losses and capital expenditures for security and CapX system upgrades. ● Mark Gibbs proposed the Board adopt the Investment Policy revisions discussed in the May Closed Work Session. The Board approved the 2022 Investment Policy. ● Mark Gibbs proposed the Board approve the wording for the 2022 Patronage Dividend message. The Board approved the wording for the 2022 Patronage Dividend message. ● Finance Committee volunteer Bob Kaplan's work on the investment policy was greatly appreciated.
14.	GM Report	<ul style="list-style-type: none"> ● Sales increased slightly in the month of April, but inflation was also 2.7%. ● Emile is now a member of the NCG Board of Directors. He is starting to feel the benefits of this position, which gives him a more global perspective on what is going on in the cooperative food sector. ● Medford Food Co-op is preparing an NCG study to consider expansion. ● A design to improve indoor air quality has been created to pump 8000 cubic feet of air, tempered to room temperature, year round when the hoods are in operation in the kitchen. ● The strategic energy team has been trying to reduce natural gas usage. A gas unit costs \$50,000 per unit plus an estimated \$50,000 more to install. Electric models are twice that cost. ● The store may be ready to invest in solar panels on rooftops on Pioneer Street and the HR building. This would be a 25-year commitment with a 12-year payback. The solar panels would produce 40% more than required and the electricity can be credited towards the main store building.

		<ul style="list-style-type: none">• The installation of steel parking canopies with solar panels over the shopper parking and employee parking areas could cool the heat around cars, the neighborhood around the store and reduce the demand for cooling. Briarpatch Co-op in Grass Valley, CA has a similar parking structure.• There were several Covid cases last week. Close contact tracing is no longer required, but ill employees must stay out of the workplace for five days and cannot return until they have a negative Covid test and there are no symptoms present.

The meeting was adjourned at 7:29 p.m. Minutes were prepared by Abby Lazerow, Board Administrator.