



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

**Board Meeting Minutes**

September 13, 2023

**Directors attending:** Mark Gibbs, Joanna Wnorowski, Kevin Bendaw, Bob Kaplan, Melissa Scudder, Erica Thompson, Larry Cooper and Ernesto Soto.

**Others attending:** Nick Hardee, General Manager; Abby Lazerow, Board Administrator.

Facilitator: Bob Kaplan

Timekeeper: Mark Gibbs

The meeting was called to order at 6 p.m. by Bob Kaplan.

ITEM #	ITEM DESCRIPTION	DISCUSSION	ACTION
1.	<b>Positive Affirmation</b>	<ul style="list-style-type: none"> <li>Larry Cooper led the positive affirmation.</li> </ul>	
2.	<b>Land Acknowledgement</b>	<ul style="list-style-type: none"> <li>Mark Gibbs led the land acknowledgement</li> </ul>	
3.	<b>Owners Forum</b>	<ul style="list-style-type: none"> <li>Owners Jenn Trumm, new AFC HR Director and owner Karen Potts attended the meeting. Karen Potts appreciated the collaboration and work of the Board on many different projects.</li> <li>Joe Carroll suggested adding small rubber pads to shopping carts to reduce noise in the store</li> </ul>	
4.	<b>Announcements and Opportunities</b>	<ul style="list-style-type: none"> <li>The AFC Gives Awards Celebration will be held on September 28 from 5-8 p.m.</li> <li>The AFC Fall Festival will be held on October 21 from 11 a.m. to 3 p.m.</li> <li>A director who attended the City's Climate and Environmental Policy Advisory Committee reported the State of Oregon is implementing grants and subsidies for the electrification for rental and business properties.</li> <li>AFC will be a major supporter of the 15<sup>th</sup> annual Monster Dash held on October 28, from 9-1 p.m.</li> </ul>	
5.	<b>Agenda Review</b>	<ul style="list-style-type: none"> <li>Bob Kaplan reviewed the September 13, 2023 agenda.</li> </ul>	Done.
6.	<b>Consent Agenda:</b>	<p>The following Consent Agenda items were unanimously approved:</p> <ul style="list-style-type: none"> <li>Board Meeting Minutes, 8-9-23</li> <li>Executive Session Minutes, 8-9-23</li> <li>July Finance Report</li> </ul>	The Consent Agenda items were unanimously approved.
7.	<b>AFC Gives Update</b>	<ul style="list-style-type: none"> <li>AFC Gives Chair Melissa Scudder reported that \$7,697.67 in Change for Good</li> </ul>	The Board

		<p>funds was collected in August for Access.</p> <ul style="list-style-type: none"> <li>• The committee received 30 Community Grants applications this year. 17 applications were approved by the AFC Gives Committee.</li> <li>• Melissa requested \$4370 in additional funds to be drawn from the Special Causes Fund to fund the Community Grants shortfall. The Board approved the request.</li> <li>• The AFC will develop guidelines for the Special Causes Fund to bring to the Board at a future meeting.</li> <li>• Melissa worked with the GM and the Marketing Department to identify an organization to support in Lahaina, Maui. Owners can donate to the Maui Strong fund at the register.</li> </ul>	<p>approved the request to draw additional funds from the Special Causes fund to add to the Community Grants requests.</p>
8.	<b>EDI Update</b>	<ul style="list-style-type: none"> <li>• EDI Committee member Erica Thompson reported that AFC Gives has identified an indigenous organization for the November Change for Good (CFG) program. Rogue Food Unites (RFU) is collaborating with the Klamath Tribal Health Diabetes program. Quality produce to qualifying families and education. RFU will facilitate the coordination of weekly food boxes with fresh produce from local farms to qualifying families who are part of the Tribal Diabetes Program. The goal is to raise \$10,000 for Klamath Tribal Health; if that amount is not collected through the CFG program, RFU will donate the difference.</li> </ul>	
9.	<b>Bylaw Changes Document and Process for 2024</b>	<ul style="list-style-type: none"> <li>• The Executive Committee will review the AFC bylaws and come back to the Board with recommendations for any changes for owners to consider in the 2024 election.</li> <li>• The Board Development Committee will review the bylaw that describes voting eligibility.</li> </ul>	
10.	<b>Board Retreat Update</b>	<ul style="list-style-type: none"> <li>• Board Co-President Joanna Wnorowski reported the Board retreat will be held on December 2 from 9 a.m. to 1:30 p.m. The focus will be team building.</li> </ul>	
11.	<b>Board Finance Report</b>	<ul style="list-style-type: none"> <li>• Board Treasurer Larry Cooper reported sales are up significantly, up 8% compared to July 2022 and 3.9% over previous year to budget, more than double the increase expected. Customer count was 2546 in July, compared to 2399 in June 2022. The average basket was \$36, similar to the beginning of the pandemic.</li> <li>• There may be an impact on sales from smoke in August.</li> <li>• Labor costs were lower than July 2022 but may increase soon because of the pay increase approved in September and because the store is now fully staffed.</li> <li>• The productivity bonus was 22% of sales, under the labor cap of 23.5%.</li> <li>• Short-term working capital is \$7.7 million.</li> </ul>	

		<ul style="list-style-type: none"> <li>● 92% of patronage dividend dollars were used at the register.</li> <li>● Preliminary staff discussions about the 2024 budget will be held in November.</li> <li>● The Finance Committee is identifying items and projects that will require a significant outlay of cash in the next 1-3 years that are not construction or replacement of equipment. These may include back up power, customer discounts, and contributions to community non-profits.</li> <li>● The Board would like to involve staff, managers and owners in planning for the Co-op's future.</li> </ul>	
12.	<b>GM Report</b>	<ul style="list-style-type: none"> <li>● General Manager Nick Hardee reported August sales were up 10.8% compared to the previous year. Some of the increase could be attributed to the new 10% discount for owners, which gave a lift to sales compared to previous year. There was a 22% increase in Wellness and Meat Department sales during the coupon period. The cost for the discounts were similar to the \$5 off coupons previously offered to owners but sales increased by 10%.</li> <li>● National Cooperative Grocers (NCG) published an Impact report comparing sales to volumes of different co-ops in 2022. Owners can request a copy of the report.</li> <li>● On August 23, 2023, the Bargaining Unit Agreement (BUA) passed, 62 in favor and 0 against. There are 125 members of the BU at AFC. This contract is effective as of September 1, and will be in place for 3 years.</li> <li>● Nick will attend the NCG fall meeting and the Provender Conference. Wellness Manager Bryan Crane will also attend the Provender meeting.</li> <li>● Nick is learning about our Co-op's history. He is determining what needs to be addressed at the store first. He is also learning about the Rogue Valley community.</li> </ul>	
13.	<b>Board Holiday Dinner</b>	<ul style="list-style-type: none"> <li>● Abby, Larry and Erica will plan the Board holiday dinner.</li> </ul>	
14.	<b>Action Items</b>	<ul style="list-style-type: none"> <li>● The AFC Gives Chair requested \$4370 in additional funds to be drawn from the Special Causes Fund to fund the 2023 Community Grants shortfall. The Board approved the request.</li> <li>● The Board Development Committee will review the bylaw that identifies voting eligibility.</li> <li>● The Executive Committee will review the bylaws and come back to board with recommendations for any changes for the 2024 election.</li> </ul>	

*The meeting was adjourned at 7:34 p.m. Minutes were prepared by Abby Lazerow, Board Administrator.*