



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

**Board Meeting Minutes**

October 11, 2023

APPROVED

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

**Others attending:** Nick Hardee, General Manager. **Absent:** Joanna Wnorowski, Mark Gibbs, Abby Lazerow.

Facilitator: Erica Thompson

Timekeeper: Larry Cooper

The meeting was called to order at 6 p.m. by Erica Thompson.

ITEM #	ITEM DESCRIPTION	DISCUSSION	ACTION
1.	<b>Positive Affirmation</b>	<ul style="list-style-type: none"> <li>Bob Kaplan led the positive affirmation.</li> </ul>	
2.	<b>Land Acknowledgement</b>	<ul style="list-style-type: none"> <li>Larry Cooper led the land acknowledgement. He asked to post the text in our Board minutes.</li> <li>Located in the Bear Creek Watershed in the Rogue River Valley, the Ashland Food Coop is the temporary occupant of a very beautiful and bountiful land. Before the AFC came to occupy this land, this spot was the home of a community swimming facility called the Twin Plunges. Prior to that use, indigenous people lived, hunted, and fished in and around this spot and before that, the deer, elk, salmon, bears, cougars and thousands of other species of large and small animals made their home here. All of the current and prior residents here called this place home. Today, we recognize that this home is becoming fragile, damaged, overused and under cared for. Part of the mission of the AFC is to live more sustainably on this land. In order to fulfill that mission we must look for guidance from previous residents, especially the indigenous people who called this place home. Their wise advice to us was and still is: "If we take care of the earth, the earth will take care of us." Let us take this advice to heart and together with all people, take care of this place so it may sustain animals, plants, and all of us who currently make our home here so that this place may sustain future inhabitants as well.</li> </ul>	

3.	<b>Owners Forum</b>	<ul style="list-style-type: none"> <li>● Owners Gwen Oaks, Miriam Reed, Zack Burrows, Paul Crafft, Jon Griffin, Emile Amarotico, and Amey Broeker attended the meeting.</li> <li>● Paul Crafft expressed appreciation for the co-op. He asked about the decision to close out “Stabilize” protein bars.</li> <li>● Zack Burrows said that he was very uncomfortable working for a company that promotes the name of organizations which support an entity dedicated to the extermination of Jewish people in Israel and worldwide. He suggested that it might be time for the Black Lives Matter poster out front to come down.</li> </ul>	
4.	<b>Announcements and Opportunities</b>	<ul style="list-style-type: none"> <li>● The next Employee Training Day will take place on November 1. Ernesto agreed to attend on behalf of the Board. He will follow up with Human Resources Director Jen Trumm.</li> <li>● The AFC Fall Festival will be held on October 21 from 11 a.m. to 3 p.m.</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>● Erica Thompson reviewed the September 13, 2023 agenda and added the following items: <ul style="list-style-type: none"> <li>○ Finance 101 for board directors</li> <li>○ Sharing the Co-op’s financial information</li> </ul> </li> </ul>	Done.
6.	<b>Consent Agenda:</b>	<ul style="list-style-type: none"> <li>● The following Consent Agenda items were unanimously approved:</li> <li>● Board Meeting Minutes, 9-13-23</li> <li>● Executive Session Minutes, 9-13-23</li> <li>● August 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 \$6,117.14 in Change for Good funds was collected in September for AFC Gives.</li> <li>● \$5,156.72 has been collected for Maui Strong in August and September.</li> <li>● The award dinner for recipients of AFC Community Grants was very successful and a great networking opportunity for our community organizations. The AFC Gives committee collected many good suggestions for the future.</li> <li>● Melissa will bring a proposal in November for a Special Causes Fund.</li> </ul>	
8.	<b>EDI Update</b>	<ul style="list-style-type: none"> <li>● There was no EDI committee meeting in September.</li> <li>● Erica Thompson reported that the committee met earlier in the day on October 11 and elected Melissa Scudder as the new tri-chair, joining Barry Haynes and Sara Huque.</li> <li>● The committee is looking ahead to January, which is Poverty in America Awareness Month. It will be a good opportunity to promote the Co-op’s CAN program.</li> </ul>	Melissa will send an email to all board members for possible decision by email without

		<ul style="list-style-type: none"> <li>• The EDI talked about NCG’s recommendation to adopt an eighth cooperative principle on diversity, equity, and inclusion. The committee will discuss this in November and bring a recommendation to the Board.</li> <li>• Erica and Melissa will write an article on EDI work for the January newsletter.</li> <li>• The EDI Committee discussed the letter on the bulletin board at the front door that explains the Co-op’s embrace of the words “Black Lives Matter.” The letter was written a few years ago and was signed by Board officers and the General Manager who are no longer in those positions. The committee discussed updating the letter with a new statement to be developed collaboratively by the EDI Committee, the Board, and management.</li> <li>• The EDI committee discussed the Black Lives Matter sign in the front of the store. It is aging, and the Marketing Manager suggested other ways to use that space to draw attention to the cooperative principles and the Co-op’s commitment to being an inclusive space. After some discussion, including a suggestion to update the sign with one that says “At the Ashland Food Co-op, we believe that Black Lives Matter” (correct capitalization to be determined), Melissa agreed to send an email to all Board members for a possible decision via email without a Board meeting. Nick will get reactions from Tracy and Zack as well.</li> </ul>	a meeting on a sign to update the Black Lives Matter sign outside by the parking lot.
9.	<b>BDC Report</b>	<ul style="list-style-type: none"> <li>• The BDC committee discussed changing the month of the annual meeting in order to increase participation and recommended considering February, April, or October instead of June. The committee recommended consulting with Abby when she returns and will also collect input from Board members before preparing a plan to make the change.</li> </ul>	BDC will resume work on this matter next month.
10.	<b>Finance 101 for Board Directors</b>	<ul style="list-style-type: none"> <li>• Several Board members are interested in a “Finance 101” session with Mel Gedde, AFC’s Finance Manager. Larry will coordinate with Mel Gedde to determine a date and time.</li> </ul>	
11.	<b>Sharing AFC Financial Information</b>	<ul style="list-style-type: none"> <li>• At the last annual meeting, an owner asked for the Co-op to share financial information with owners. She recently followed up that request by asking for the Co-op’s tax returns for the last 10 years. Nick has answered her saying that we are working on a protocol that would be generally applicable and consistently applied. As the Co-op’s Treasurer, Larry offered to share with owners the amount of cash the Co-op has invested.</li> <li>• After some discussion about general considerations related to sharing sensitive information that could be used by a competitor, the Board decided to establish a working group to look into the matter and make a recommendation to the Board.</li> <li>• Larry and Bob asked to be part of the working group, which should also include</li> </ul>	A working group will be developed to discuss protocols for sharing sensitive financial information.

		Nick and Mel. We noted that Mark may also wish to be part of the working group.	
13.	<b>Board Finance Report</b>	<ul style="list-style-type: none"> <li>• Board Treasurer Larry Cooper reported that the Co-op has a large amount of cash and virtually no debt, the result of several years of intentional effort to be prepared for an expansion or other opportunities. He said we have about \$7.5m cash on the balance sheet that isn't otherwise spoken for. It is mostly invested in certificates of deposit.</li> <li>• Reviewing the August financial report from our Finance Manager, Larry said sales were up in August by 1.5% compared to budget. Gross margin was also up, so those two factors together increased profit and a productivity bonus for our employees. There has been a trend since the pandemic in the daily customer count, which is down about 20% compared to pre-pandemic numbers. Those fewer customers are buying substantially much more on average, which has a side benefit in terms of reduced congestion in our parking lot. The average basket was \$37 in August, which is about 40% higher than August 2019.</li> <li>• Labor costs have been lower since the beginning of the year because of the delay in approving a new collective bargaining agreement that will increase wages. That is now concluded and is expected to increase costs more in line with the budget by the end of the year.</li> <li>• Consultant costs are up by about \$100,000 compared to last year due to budgeted spending to support a planning team supporting facility upgrades.</li> <li>• The Finance Committee reviewed the investment policy, as well as how we are investing our cash.</li> </ul>	
14.	<b>GM Report</b>	<ul style="list-style-type: none"> <li>• General Manager Nick Hardee reported September sales were up 5% compared to the previous year and 4.6% year to date.</li> <li>• The collective bargaining agreement has been approved and signed and will be in effect for the next three years.</li> <li>• AFCEA membership elected Ben Kramer as the new representative and chair replacing Chessley Sexton. There will be another election soon to elect a representative to replace David Wong.</li> <li>• The Sustainability Report is being reviewed and should be released soon. It sets a road map for achieving our 2030 goals.</li> <li>• From now forward moving into 2024, management will be tightening up inventory reporting using the perpetual inventory control system, enabling tracking of products coming in, moving out and remaining on the shelves.</li> </ul>	

15.	<b>Action Items</b>	<ul style="list-style-type: none"> <li>● Melissa will send an email to all Board members for a possible action without a meeting about a sign to update the Black Lives Matter sign outside by the parking lot.</li> <li>● The BDC will consult with Abby and resume work on timing of the annual meeting and Board elections next month.</li> <li>● Larry will coordinate with Mel to find a time for a Finance 101 session for Board directors.</li> <li>● A working group will be developed to discuss protocols for sharing sensitive financial information.</li> </ul>	
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*The meeting was adjourned at 7:42 p.m. Minutes were prepared by Bob Kaplan, Board Secretary.*