



Board Meeting Minutes

November 13, 2024

APPROVED

Directors attending: Mark Gibbs, Joanna Wnorowski, Erica Thompson, Jennifer Gibbs, Bob Kaplan, Ernesto Soto and Kathryn Kavanagh. **Others expected attending:** Nick Hardee, General Manager, Abby Lazerow, Board Administrator. **Absent:** Kevin Bendaw.

Facilitator: Bob Kaplan **Timekeeper:** Kathryn Kavanagh. The meeting was called to order at 6:01 p.m. by Bob Kaplan.

| ITEM # | ITEM DESCRIPTION | DISCUSSION |
|--------|-----------------------------|--|
| 1. | Land Acknowledgement | <ul style="list-style-type: none"> Ernesto Soto led the land acknowledgement. |
| 2. | Positive Affirmation | <ul style="list-style-type: none"> Joanna Wnorowski led the positive affirmation. |
| 3. | Owners Forum | <ul style="list-style-type: none"> Owner and employee Judy Beyer attended the meeting. She has worked at AFC for 18 years and has served on the AFCEA council for 4 years, which she joined because was concerned about wages. It is difficult to meet rent and basic expenses on current wages. She thought there is something wrong with this country when expenses are so high. Owner Kathleen Hering, a retired healthcare professional, loved the addition of the Pell Grant for the CAN (Community Accessible Nutrition). She suggested reading the book <u>Poverty, by America</u>. She would love for there to be a discount for people who walk to the store. |

| | | |
|----|--|---|
| 4. | Announcements and Opportunities | <ul style="list-style-type: none"> ● Kathryn Kavanaugh will teach class at AFC in January about bread dough making. |
| 5. | Agenda Review | <ul style="list-style-type: none"> ● Agenda item 9, Exit Interviews, was postponed until January. |
| 6. | Consent Agenda: | <p>The following consent agenda items were unanimously approved:</p> <ul style="list-style-type: none"> ● Board Meeting Minutes, 10-9-24 ● Board Finance Report, 9-24 |
| 7. | Number of Board Directors; Term Limits for Officers | <ul style="list-style-type: none"> ● The Board discussed whether there should be 7, 8 or 9 directors. Bylaws allow for up to 9 directors. Comments included: <ul style="list-style-type: none"> - Having 9 people would create more opportunities for committee work and increase diversity of thought. - 7 people seems like a small board. - 9 seemed unwieldy; adding more voices might create longer meetings. - Most boards have an odd number of directors. This is helpful when voting on an issue, so there would not be a split vote. - Having 8 directors was working fine for the moment. ● The Board agreed to keep the number of directors at 8. |
| 8. | Incumbents | <ul style="list-style-type: none"> ● The BDC asked incumbents to let them know if they will run again by the end of February. |
| 9. | EDI Report: CAN Proposal | <ul style="list-style-type: none"> ● EDI Tri-Chair Erica Thompson presented a proposal from the EDI committee to add Pell Grant and Oregon Opportunity grant recipients to the CAN program. ● Students must be an AFC owner to receive the benefit. The student must have their own membership and reapply each year. ● The Board agreed to add Pell Grant and Oregon Opportunity grants to the CAN program. |

| | | |
|-----|-------------------------------|--|
| | | <ul style="list-style-type: none"> ● Kathryn Kavanagh asked if there could be a general student discount in the future. Some co-ops have one day a week where they offer a student discount. Others give discounts for produce, bulk items and prepared foods. Since the CAN program originated in the Strategic Planning Steering Committee, the Board asked the GM to add the topic to a future Strategic Planning Steering Committee meeting. ● The Dia de los Muertos event was recently held and included a poetry reading, Loteria games, tamales and music. The event also raised money for Unete, a local advocacy and social service organization serving farmworkers and Latino immigrants. ● The committee reviewed their rubric, assessing how well they are meeting key markers and to help prioritize goal setting. |
| 10. | <p>AFC Give Report</p> | <ul style="list-style-type: none"> ● Committee Chair Bob Kaplan reported the awards ceremony for Community Grants and Change for Good recipients was successful and well-attended. ● The Board appreciated Bob's work as MC at the grants event. ● The AFC Gives Special Fund was the recipient of October Change for Good funds. \$5642.09 was raised. ● The AFC Gives Special Fund has a strong balance. ● NCG (National Cooperative Grocers) was raising money for recovery of co-ops in the southeast due to the hurricane. AFC Gives donated \$5000, matched by \$5000 from NCG. ● The November CFG partner is the Indian Education fund. ● The committee recently sent a letter of appreciation to the Front-End staff for their work promoting the CFG organizations at the register. |
| 11. | <p>Meeting Break</p> | <ul style="list-style-type: none"> ● A ten-minute break was taken. |

| | | |
|-----|--|---|
| 12. | <p>Board Finance Report: Board Budget and Temporary Employee Profit Sharing Calculation Adjustment Proposal</p> | <ul style="list-style-type: none"> ● Treasurer Mark Gibbs reported AFC's balance sheet is strong. The store continues to be under budget on the labor expense side because hours worked have been less than forecasted. ● The Board and AFC's budget for 2025 are in process. If there are no issues, the Board will approve their final budget by email. ● Mark Gibbs presented the Temporary Employee Profit Sharing Calculation Adjustment Proposal. By removing the cap for the 2024 bonus, we can share 50% of profits over 1.5% directly with our team. This would provide eligible full-time staff with about a \$5,000 profit sharing bonus this year, supporting their hard work. If we don't remove the cap, full-time staff would see about \$1,700 in the profit-sharing bonus this year. By removing the profit-sharing cap, a larger portion of AFC's earnings is distributed to our staff, while still having a very large dividend pool. It is within our values to give back to the employees if we are doing well. ● The profit-sharing bonus would be distributed in April. ● Employees will still be eligible for the productivity bonus for the 4th quarter. ● The Board unanimously approved the one-time Temporary Employee Profit-Sharing Calculation Adjustment Proposal for the year 2024.. ● The GM and Finance Manager will discuss the timeline and process for the profit-sharing distribution. |
| 14. | <p>GM Report</p> | <ul style="list-style-type: none"> ● The RoCo website has been updated. A director thought it should be clearer that RoCo is part of the Co-op. ● The co-op registered over \$3 million in sales in May, June, July, August and October. ● Eight people attended the recent North Mountain Park clean up. The cleanups are an opportunity for building community, and for owners, directors and staff to get together. There will be a volunteer program for cleaning the trails in addition to cleaning North Mountain Park. ● Bike benefits are live at RoCo and will be announced January 1. |

| | | |
|-----|------------------------------------|---|
| | | <ul style="list-style-type: none"> • NCG will match the \$99,775 collected for hurricane relief. • The next Foundations training will be held in January. There will be a GM segment for all training for new hires. • The harassment and discrimination policy is being updated, allowing for staff to disclose information when they want to, in a time frame they are comfortable with. HR represents the entire staff; managers represent non-managerial staff, and AFCEA represents employees. • Nick is looking into avenues to sell our cardboard back for recycling. A bailer for cardboard costs \$30,000, which would pay for itself in half a year. The estimated return is \$60,000 per year. |
| 14. | Board Holiday Party | <ul style="list-style-type: none"> • The Board holiday party will be a dinner on December 7. Directors will meet at 4 pm. Abby and Erica will send out the details. |
| 15 | Preparing for GM Evaluation | <ul style="list-style-type: none"> • Joanna Wnorowski and Abby Lazerow discussed the timeline for the GM Evaluation. |
| 16. | Team for Annual meeting | <ul style="list-style-type: none"> • Erica, Kat, Nick and Tracy will meet to brainstorm ideas for the Annual Meeting. |
| 17. | Action Items | <ul style="list-style-type: none"> • The consent agenda items were unanimously approved. • The Board agreed to keep the number of directors at 8. • The Board agreed to add Pell Grant and Oregon Opportunity grants to the CAN program. • The Board asked the GM to add the topic of student discounts to a future Strategic Planning Steering Committee meeting • The Board agreed to allow a one-time removal of the profit-sharing cap for the 2024 bonus, in order to distribute a larger portion of our earnings to our staff while still having a very large dividend pool. • The Board will finalize and approve the Board budget by email. |

| | | |
|--|--|---|
| | | <ul style="list-style-type: none">• Erica and Kat will work with Tracy and Nick on planning the budget for the 2025 annual meeting. |
| | | The meeting was adjourned at 8:16 p.m. Minutes were prepared by Abby Lazerow, Board Administrator. |