



Board Meeting Minutes

February 12, 2025

(Approved)

Directors attending: Mark Gibbs, Joanna Wnorowski, Jennifer Gibbs, Bob Kaplan, Ernesto Soto and Kathryn Kavanagh.
Others attending: Nick Hardee, General Manager: Abby Lazerow, Board Administrator; Chris Byrne, Sustainability Manager.
Absent: Erica Thompson.

Facilitator: Ernesto Soto **Timekeeper:** Jen Gibbs

The meeting was called to order at 6:05 pm by Ernesto Soto.

ITEM #	ITEM DESCRIPTION	DISCUSSION
1.	Land Acknowledgement	<ul style="list-style-type: none"> ● Kathryn Kavanagh led the land acknowledgement.
2.	Positive Affirmation	<ul style="list-style-type: none"> ● Mark Gibbs led the positive affirmation.
3.	Owners Forum	<ul style="list-style-type: none"> ● AFC Owners Emile Amarotico, Joseph Kauth, Karen Potts, Shelia Devitt and Kathleen Hering and Employee-Owner Benjamin Kramer attended the meeting. ● Joseph said he has been doing a community support activity with his neighbors who are fire survivors. He suggested increasing funding for small community grants to support more such activities. ● Kathleen said she makes sandwiches for the City’s “night lawn” behind the police department for unsheltered unhoused people. She asked for information about how hens are raised so she could better evaluate the eggs sold at the store.

		<ul style="list-style-type: none"> • Shelia Devitt, a former Ashland resident, joined a board to create a start-up food co-op in rural New Mexico. She wanted to observe how to run board meetings.
4.	Announcements and Opportunities	<ul style="list-style-type: none"> • Kathryn Kavanagh announced AFC will be sponsoring the movie Farming While Black at the Varsity theater on February 20. • Ernesto Soto reported that directors will conduct some tabling at the AFC kiosk on three Sundays to encourage owners to consider serving on the Board. Interested directors should contact him soon.
5.	Agenda Review	<ul style="list-style-type: none"> • Ernesto Soto reviewed the agenda. An EDI update was added.
6.	Consent Agenda:	<p>The following Consent Agenda items were approved:</p> <ul style="list-style-type: none"> • Board Meeting Minutes, 1-8-25 • Board Finance Report, 12-24 • Names of the 2025 Board Nominating Committee
7.	Reminder, Bylaw Review	<ul style="list-style-type: none"> • Abby Lazerow reminded directors to review the AFC bylaws. Any prospective change for a vote by owners this spring would need to be drafted and approved by the Board by the April meeting.
8.	Incumbents	<ul style="list-style-type: none"> • Joanna Wnorowski and Erica Thompson will run again in the 2025 Board elections. Bob Kaplan will not run again.
9.	Interest in CCMA	<ul style="list-style-type: none"> • CCMA will be held in Duluth, Minnesota, May 29-31. Accounts Payable's cutoff date for helping with CCM travel is March 25. • Ernesto Soto was interested in attending.
10.	Board Goals	<ul style="list-style-type: none"> • Board President Joanna Wnorowski reported the Board had two previous work sessions to discuss Board goals for 2025.

		<ul style="list-style-type: none"> • The 2025 Board Goals are: 1) Develop a 5-year strategic plan for the organization. 2) Support local products and small businesses standards, 3) Increase community engagement, 4) Board Harmony and 5) Move Board records from the wiki to the AFC Board Google drive.
11	Meeting Break	<ul style="list-style-type: none"> • A short meeting break was taken.
12.	Eliminating Board Computer Policy	<ul style="list-style-type: none"> • Board Treasurer Mark Gibbs discussed reasons to eliminate the computer policy that was developed last year. Most people have outside activities for which they already have a computer. In a rare circumstance where a director needs a computer, the Board could provide a loaner. • Kathryn made a motion to eliminate the computer policy, leaving an explanatory statement in the Board's policy manual; the motion was seconded by Joanna. The motion was unanimously approved.
13.	AFC Gives Report Community Grants Funding Proposal	<ul style="list-style-type: none"> • AFC Gives Chair Bob Kaplan AFC reported applications for Change for Good partners is live. There will be an information session on February 25 at 5:30 p.m. • In January, \$5,415.21 was raised by shoppers for the Change for Good partner Community Works. • The AFC Gives committee requested an increase in funding for Community Grants. The funding amount has been 0.08% of the previous year's sales. The proposal is to raise the funding to 0.1% of sales by supplementing the 0.08% annual allocation with an annual allocation from the AFC Gives Fund in the amount of 0.02% of the previous year's sales. This would bring the amount distributed to approximately \$35,000 this year. • There are many good organizations that apply for Community Grants that are turned away because there is not enough money to distribute. 43 organizations applied last year and 16 grants were awarded. • Jennifer Gibbs motioned to approve the proposal. The Board unanimously approved the motion to increase funding to 0.1% of yearly sales.

	EDI Committee Update	<ul style="list-style-type: none"> • EDI Committee member Kathryn Kavanagh reported the EDI Committee and AFC are sponsoring the movie <i>Farming While Black</i>. • De-escalation training for staff is being planned. The EDI committee can also be helpful if employees have concerns about bias and discrimination. Outside threats to DEI programs are not impacting the EDI committee. • The committee discussed ways to use the AFC classroom to hold more events about the intersection of food, arts and film and to encourage discussion among community members.
14.	Board Finance Report: 2025 RoCo Budget	<ul style="list-style-type: none"> • Mark Gibbs reported 2024 was a successful year in the business. AFC's financial metrics and ratios stack up well and are strong relative to other co-ops. End of year expectations were close to forecasts. AFC has cash saved for large investments. • AFC took over RoCo in May. There was much deferred maintenance to carry out and benefits for RoCo employees were brought into alignment with AFC's employees. There will be new food offerings in the café, including soups, sandwiches, muffins, and breakfast foods. • The GM expected to exceed the RoCo budget predictions this year. • Auditors now look at RoCo as part of AFC business. • Bob moved to approve the RoCo budget for 2025. Joanna seconded. The Board unanimously approved the 2025 RoCo budget. • Nick noted he has locked in a good price for Guatemalan green coffee beans in advance of nationally rising prices. His goal is to operate at a level where we can weather price fluctuations for bread, milk, coffee and eggs so the customer does not have to take it on.
15.	GM Report and 2025 Sustainability Goals	<ul style="list-style-type: none"> • The AFC website will be refreshed in two phases, starting in June and completed in October. This is a delay from previous expectations. • IT is building out a report for shrink from year to year. • GM recently visited PCC in Seattle. They have a program where shoppers can preorder and buy full cases and get a 10% discount. Nick is considering a similar program at AFC.

		<ul style="list-style-type: none"> ● Sustainability manager Chris Byrne discussed AFC's 2030 sustainability goals, which were initially developed in 2007. One goal was to achieve carbon neutrality by 2030. We are on the leading edge of those goals in the industry. ● AFC's commitment to carbon neutrality means eliminating Scope 1 and 2 greenhouse gas emissions – that is, direct emissions associated directly with our operations, including energy consumption. Over the last year, we've begun to calculate and track Scope 3 emissions – emissions by others along the supply chain to produce and deliver to us the products we sell, including employee commuting. Currently the upstream and downstream energy required to harvest, process, transport, and ultimately dispose of the products we sell is roughly equal to the energy needed to run 1100 homes for a year. (The store and campus uses roughly 43 homes worth of energy consumption.) AFC is one of the only grocers in the nation looking at scope 3 emissions. (Others are large businesses e.g. Whole Foods, Sprouts, etc.) ● Chris has examined Scope 3 emissions by departments and vendors. Some of the highest emissions are from organic raw almond butter, 2-ply bath tissue, mint yerba mate and beef. Dairy and butter make up 25.5% of emissions in the coolers. ● The carbon footprint of all the hummus we sell is about 5 acres of farmland. ● Chris will be proposing ways to invest upstream in our supply chain to offset emissions. ● Board directors appreciated Chris's presentation and the work he is doing at the Co-op. Abby will forward Chris' PowerPoint presentation with the Board.
16.	Action Items	<ul style="list-style-type: none"> ● The Consent Agenda items were unanimously approved. ● The Board developed 2025 goals. They were 1) Board Harmony, Development and Continuity; 2) Creating a Five-year Strategic Plan with the General Manager; 3) Community Engagement; 4) Supporting Local Producers and Small Businesses and 5) Transitioning the Board Wiki to the AFC Google Drive. ● The Board agreed to eliminate the 2024 computer policy. Abby will develop a statement about the computer policy for the Board's records.

		<ul style="list-style-type: none">• The Board approved increasing the annual funding for Community Grants from 0.08% to 0.10% of the previous year's sales, with the incremental 0.02% allocated from the AFC Gives Fund.• The Board approved the 2025 RoCo budget.
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The meeting was adjourned at 7:35 p.m. Minutes were prepared by Abby Lazerow, Board Administrator.