



**Board Meeting Minutes**  
**February 11, 2026**  
**APPROVED**

**Directors attending:** Evan Archerd, Elizabeth Walsh, Kathryn Kavanagh, Joanna Wnorowski, Ernesto Soto. **Also attending:** Barry Haynes, Interim GM.  
**Attending remotely:** Jen Gibbs, Bob Kaplan, Abby Lazerow. **Absent:** Mark Gibbs.

Facilitator: Elizabeth Walsh    Timekeeper: Evan Archerd    The meeting was called to order at 6:03 p.m. by Elizabeth Walsh.

Item	Agenda Topic	Action
1	<b>Positive Affirmation</b>	<ul style="list-style-type: none"> <li>● Kathryn Kavanagh led the positive affirmation.</li> </ul>
2	<b>Land Acknowledgement</b>	<ul style="list-style-type: none"> <li>● Barry Haynes led the land acknowledgment.</li> </ul>
3	<b>Owners Forum</b>	<ul style="list-style-type: none"> <li>● Owner Kathleen Herring wanted to know if the to-go boxes are coated. She also asked if there could be a walker discount to the biker discount. She also wanted people to know there will be a training happening for 4<sup>th</sup> amendment rights at Peace House.</li> <li>● Owner Zack Klaphaak said he had applied for several open jobs at AFC and thought would come to an owners meeting.</li> <li>● Owners Emile Amarotico, David Duarte and Sandy Thibault also attended the meeting.</li> </ul>
4	<b>Agenda Review</b>	<ul style="list-style-type: none"> <li>● An AFC Gives Committee update was added to the agenda.</li> <li>● Because Mark Gibbs was absent, Kat Kavanagh will lead the discussion about the GM search.</li> </ul>

5	<b>Consent Agenda</b>	<ul style="list-style-type: none"> <li>• The Consent Agenda documents were unanimously approved</li> </ul>
6	<b>Announcements &amp; Opportunities</b>	<ul style="list-style-type: none"> <li>• Applications for Board director candidates will be available online 3-2-26</li> </ul>
7	<b>Marketing Presentation</b>	<ul style="list-style-type: none"> <li>• Marketing Director Tracy Fischer's proposal for Perks, a new AFC owner and employee program with local businesses was discussed. Local businesses would give a discount, free product or coupon for owners/staff who participate, and in exchange AFC would offer free marketing in posters and newsletters. The program is similar to the one run by a Co-op in Boise, Idaho. It creates symbiotic relationships with local businesses to help grow a flourishing local economy.</li> <li>• The AFC website is being updated by an outside consulting group. The Marketing Department has not had enough staff to conduct the updates in-house.</li> </ul>
8	<b>GM Report</b>	<ul style="list-style-type: none"> <li>• Interim GM Barry Haynes reported January sales were flat. There is new competition in the area and the economy is tight.</li> <li>• RoCo sales were up 22% compared to January, putting sales figures at .01% positive. RoCo roasted beans will be certified organic after an upcoming inspection.</li> <li>• 60 additional young peach trees were planted at Rolling Hills Orchard and 40 new trees have been ordered. Tree trimming will be completed by mid-March. Organic certification of the orchard occurred this month. This first certification under AFC Agriculture LLC is more detailed. There are concerns about the warm weather; it is hoped the peach trees will not bud until the danger of heavy frost is gone.</li> <li>• Customer surveys show overall satisfaction is up by 2%, and people likely recommend AFC is up by 1%. Lowest scores are for parking and ease of moving through the store. Managers continually strive to improve customer engagement.</li> <li>• The number of transactions has increased by 3 transactions a day, and the average basket is up by \$1.60/basket.</li> <li>• Managers are being trained in 4<sup>th</sup> amendment protocols, learning what to do if law enforcement arrives.</li> <li>• AFC HR specialist Anna Treadway has been promoted to HR Manager. Employees are looking forward to working with her in her new role.</li> </ul>

		<ul style="list-style-type: none"> <li>• AFC has been participating in an Oregon Energy Trust strategic energy program; milestones have been completed with efficiency gains.</li> <li>• Zero waste certification is continuing in 2026, with the goal of 90% landfill diversion. Since 2023 AFC has ceased using disposable utensils, 130,000 single-use plastic utensils are kept out of the landfill each year. Other co-ops are following our lead.</li> </ul>
9	<b>GM Search Update and Formation of GM Search Committee</b>	<ul style="list-style-type: none"> <li>• Directors were asked to give feedback about the draft of the GM job posting by Friday. Evan Archerd suggested adding wording about commitment to communication with staff.</li> <li>• A hiring subcommittee will be formed soon who will work with the HR Manager. Joanna Wnorowski, Elizabeth Walsh and Jen Gibbs may be interested in participating.</li> <li>• The Board agreed to post the job listing internally and with Columinate for two to three weeks; then if there are few strong candidates, the subcommittee will hire a recruiter.</li> <li>• Kat suggested posting with the Rogue Valley Food Systems network.</li> </ul>
10	<b>Board Treasurer's Report; Approval of 2026 Budget</b>	<ul style="list-style-type: none"> <li>• For the year, budgeted sales came in \$57,339 or 0.2% higher with sales higher than budgeted in Meat, Cooler and Prepared Foods. Compared to 2025 Sales were up \$1,520,922 or 4.3% as sales were up in all departments except Beer and Wine, Mercantile and Bakery. Bakery was down \$349 so they were basically the same as last year with \$1.3M in sales.</li> <li>• For the Quarter, sales were \$267,167 or 2.9% over last year and \$234,522 or 2.5% higher than budgeted.</li> <li>• Gross Margin was down from 39.9% in 2024 to 39.1% in Q4, 2025.</li> <li>• Sales were \$3,228,124 in December which is \$54,124 or 1.7 % higher than last year and Gross Margin was 38.4% which is down slightly from 2024 when it was 38.8. For the year, Gross Margin came in at 39.5% which is 0.5% higher than budgeted and 0.1% lower than the 39.6% from last year. Gross Margin Dollars were \$208,317 or 1.4% higher than budgeted as Meat, Cooler,</li> <li>• Prepared Foods, Bulk and Bakery beat expectations while Produce, RoCo, Wellness, Frozen and Grocery missed their numbers.</li> <li>• The average basket was \$41.21 which is a 1.1% or \$0.44 increase over last December and about 36% higher than December 2019.</li> </ul>

		<ul style="list-style-type: none"> <li>• Customer counts fell by 4.3% from November to December as customers shopped less often but pushed their average basket up 6.4% over November. We are still running about 90% of our pre-pandemic customer counts.</li> <li>• Total Labor costs were \$832,130 over 2024 and \$155,187 or 1.5% over the 2025 budget For the year, Non-Labor Expenses were \$368,982 higher than last year but only \$11,859 more than budgeted as higher than expected. The store has higher health insurance costs and higher labor costs because AFC is now fully staffed.</li> <li>• Active owners (those who have shopped in the last 12 months) have increased by 2.4% or 207 since last December. Interestingly we had 591 new accounts in that same time which appears to show that other active owners have decreased over the last year by 384.</li> <li>• The Board Treasurer presented the 2026 AFC Budget. The Board unanimously approved the Board budget.</li> </ul>
	<b>Meeting Break</b>	<ul style="list-style-type: none"> <li>• No meeting break was taken.</li> </ul>
	<b>AFC Gives</b>	<ul style="list-style-type: none"> <li>• AFC Gives Committee Chair Evan Archerd reported the Change for Good information meeting was very successful and attendance was good. The committee has already received a few applications.</li> <li>• The committee is reaching out to indigenous groups in the valley to solicit applications for the November Change for Good program which focuses on honoring Native American organizations.</li> <li>• The January 2026 total for Change for Good, which will go to Opportunities for Housing, Resources &amp; Assistance (OHRA) was \$6,905.03.</li> </ul>
11	<b>BDC</b>	<ul style="list-style-type: none"> <li>• BDC Committee Chair Elizabeth Walsh reported the Board Development Committee (BDC) has updated its Foundations training. The committee is working on the Board candidate election process, updating applications and other materials.</li> <li>• The BDC is updating the Board handbook that clarifies the distinctions between Board committees and Operations committees. Advisory committees are mostly operational and have a narrow scope. The policy will help create clarity when there are hybrid committees. The Board approved the handbook documents.</li> </ul>

		<ul style="list-style-type: none"> <li>• The EDI Committee is winding down as a Board committee. A small group of Board directors and managers are working with Operations to make sure transitioning committee functions to Operations is properly implemented. Managers will ensure the 8th principle is integrated into Operations.</li> <li>• Kat Kavanagh asked if all three of the EDI tri-chairs could be part of the working transition group, as the HR Manager was new. Directors agreed the current working group as originally determined by the Board will decide who will be involved as committee responsibilities are moved to Operations. Decision-making authority cannot be overstepped.</li> </ul>
12	<b>Selection of Board Nominating Committee</b>	<ul style="list-style-type: none"> <li>• The members of the Board nominating committee will be Kat Kavanagh, Joanna Wnorowski, Abby Lazerow and Jen Gibbs. Elizabeth Walsh will assist in reviewing resumes.</li> </ul>
13	<b>Update: Mission and Vision</b>	<ul style="list-style-type: none"> <li>• The Board mission and vision topic was moved to Executive Session.</li> </ul>
14	<b>Action Items</b>	<ul style="list-style-type: none"> <li>• The Board approved the 2026 Board budget.</li> <li>• The Board agreed to post the job listing internally and with Columinate for two to three weeks; then if there are few strong candidates, the subcommittee will hire a recruiter.</li> </ul>