



**AFM Board Meeting
Minutes
April 14, 15, 2015**

Place:

**DFW Marriott
Dallas, Texas**

Participants:

**Adrian Iturbide, Chair
Antonio Villaseñor, Vice Chair
Ed Figueroa, Treasurer
Martin Mendoza, Director
Mike Browne, Director
Ramon Paz, Director
Armando Lopez (ex-officio)
Ron Campbell, Secretary (ex officio)
Alvaro Luque, President AFM
Dolora Sillman, MHAIA**

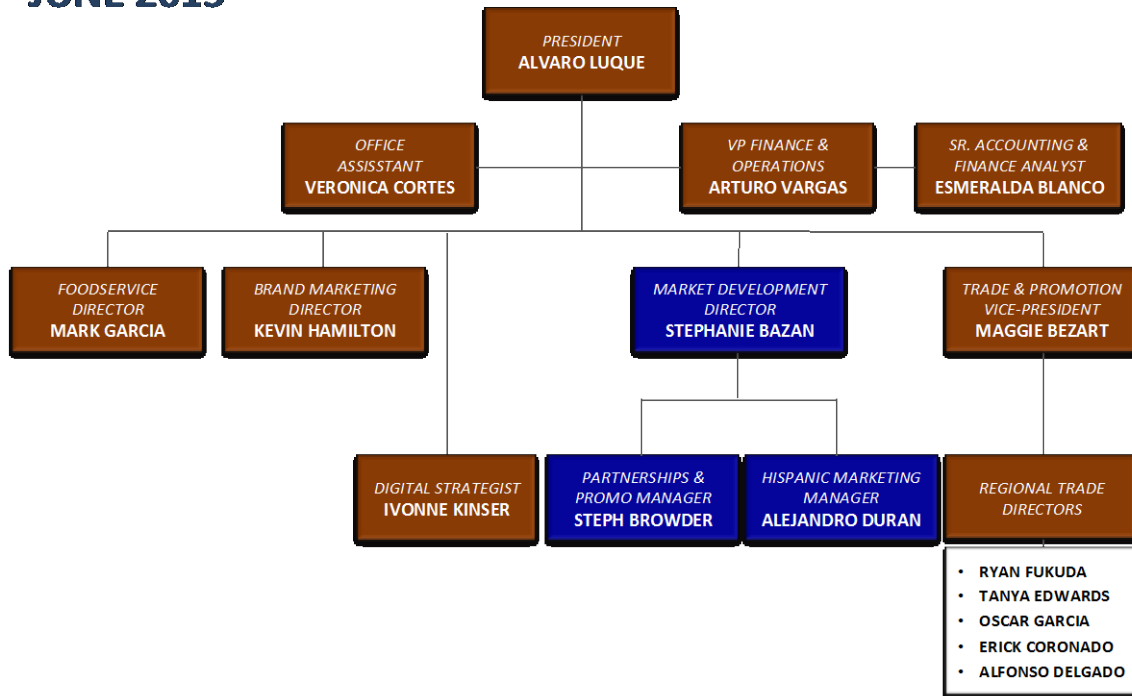
Roll Call and Minutes:

Adrian Iturbide called the meeting to order. Reference was made to the antitrust policy. Ron Campbell took the roll call and established a quorum. Mike Browne motioned to approve the minutes from the February 9, 2015 meeting and Antonio Villaseñor seconded the motion. Unanimous.

- **A new organizational chart was presented, moving Stephanie Bazan to Director of Market Development. Under her will be the Partnerships and Promotions manager and a new position of Hispanic Marketing Manager that will be taken by Alejandro Duran.**

- New organizational chart was proposed to start in June 2015.

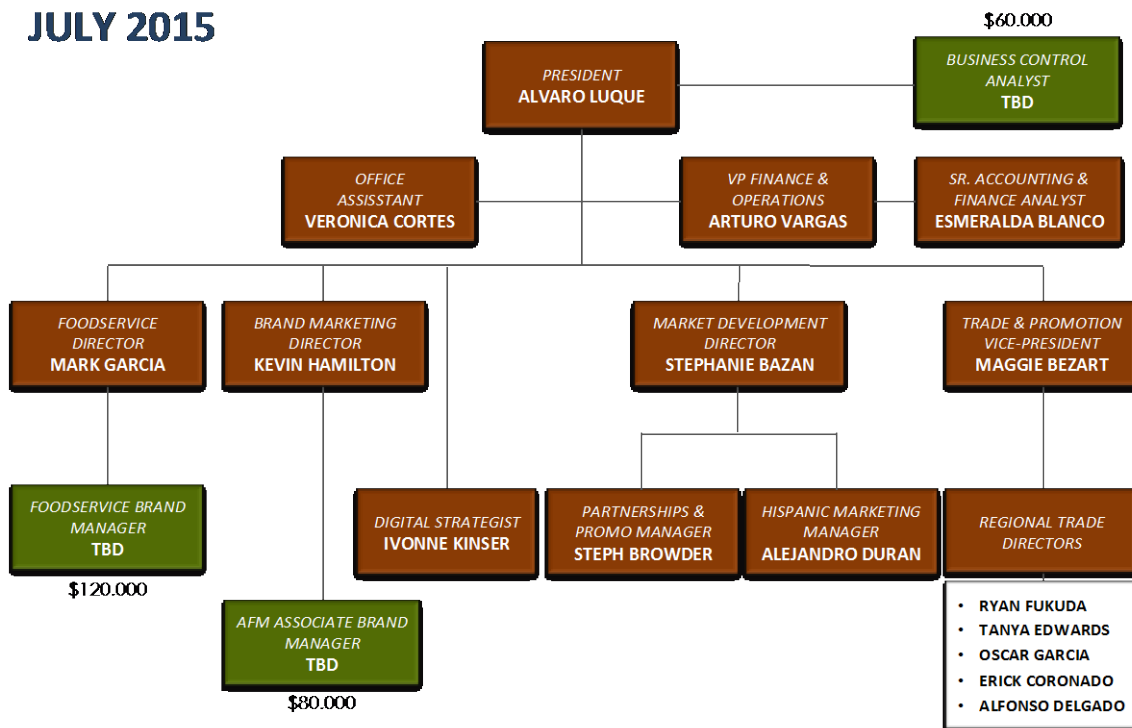
PROPOSED AFM TEAM JUNE 2015



- Alvaro mentioned that this position will now have a more Total Market approach for promotions and will work hand in hand with Maggie Bezart in Trade.
- Alvaro presented team salaries based on five levels of compensation. He pointed out that certain employees were under paid and some changes need to be implemented to account for cost of living adjustments.
- Alvaro presented the compensation chart for AFM's Regional Directors including a cost of living analysis based on their location compared to our corporate base in Dallas. He proposed a COLA (Cost of Living Allowance) that will include a performance review every June. COLA Increases will fluctuate between 0% and 3% and will be effective July 1st of every fiscal year.

- **Alvaro will present the following to the Board for approval:**
 - o **Performance Review Process (May 2015)**
 - o **Performance Review Results and COLA increases proposal (June 2015)**
- **Alvaro proposed on the new team for the new fiscal year including three new positions: Foodservice Marketing Manager, Brand Associate, Brand Manager and a Business Control Analyst. This last position will be in charge of two key control areas for AFM: Budget and AMS approval process and controls. All three positions will start after July 1st 2015 to be included in the new fiscal year budget.**

PROPOSED AFM TEAM JULY 2015

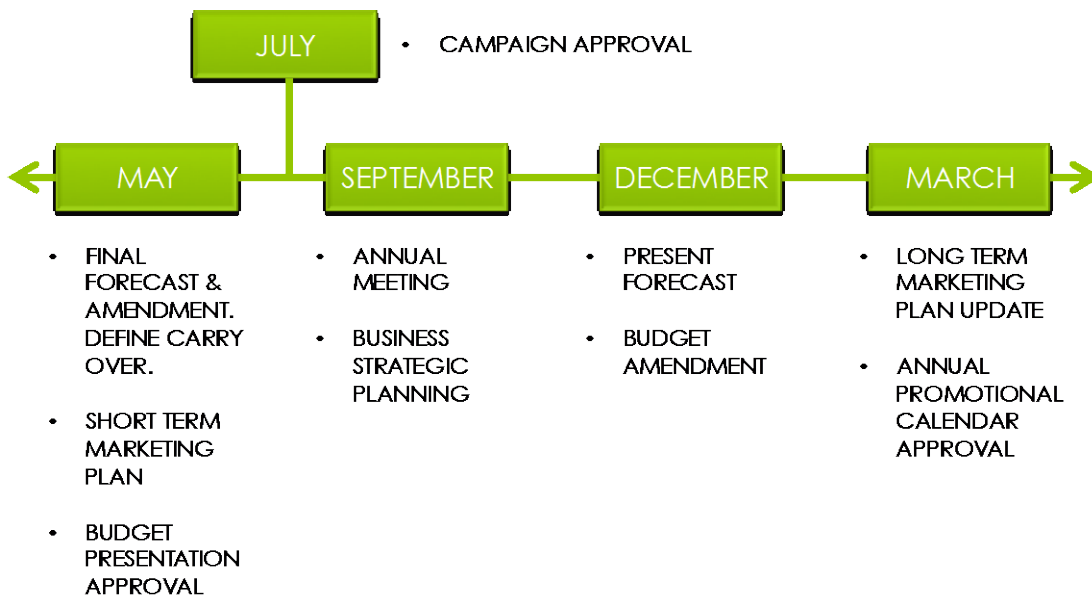


- **Alvaro presented the new office CAD with the team placement including the three new positions. New AFM offices will be delivered May 1st 2015.**
- **Alvaro's recommendation on furniture based on a detailed email sent to the Board members was proposed. AFM will move forward with FSN proposal of \$37,503 including installation. The quote includes a combination of used and new furniture. The amount projected and presented to the Board in September 2014 was \$35,000.**

Due to time constraints the meeting adjourned at 8:30 AM on April 14 and then reconvened the following morning at 7:30 AM

- **Alvaro presented a proposal for an executive incentive program including a Training Program and an Executive Health Program with Coopers Clinic. The program would include the training program in next fiscal year budget and will be available for the top-level executives of the company. Each employee should present to the company and Board the education certificate for each completed program. The Executive Health Program was not well received by the board.**
- **Alvaro presented a proposed JEC meeting calendar for the upcoming 12 months. Members of the Board expressed their interest in having a more formal meeting process. The board agreed to include a formal JEC Board meeting one day prior to each MHAIA Board meeting. Alvaro will re-work the calendar and send it to the Board for final approval.**
- **Alvaro presented a meeting cycle proposal for the company including the following:**

MEETING CYCLE



- **The meeting cycle made sense except the December meeting should be moved to January to coincide with the crop report. Alvaro will send final meeting cycle proposal for approval.**
- **Alvaro discussed approaching the former AFM financial director to discuss the terms of a possible re-hiring to help with the finances under certain considerations:**
 - **Position Name: COO (Chief Operating Officer).**
 - **Salary would be similar to his previous compensation for the first year with a raise the second year based on agreement from the AFM President and Board approval.**
 - **A 24 month no severance clause.**
- **The Board expressed their concern that the master administrator profile for AFM digital platforms was recently interrupted without the consent of the president or the board. MHAIA as a parent company of AFM should have a permanent master administrator profile for each of these platforms. The board determined that in the matter of securing AFM's historical information and processes, the Executive Directors of MHAIA, Ron Campbell, and APEAM, Armando Lopez, will be the only master administrators of these digital platforms including Microsoft 365, Quickbooks and DocuSign and they will grant access to the AFM collaborators needed to perform the company's day to day business operations.**
- **In closed session, there was detailed discussion on personnel issues, wages and the organizational scheme where board recommendations were provided moving forward.**

Adrian Iturbide made a motion to accept the team changes, salary and compensation changes, new positions, AFM Dallas office plans, and the JEC meeting calendar. Mike Browne seconded the motion, which passed unanimously.

There being no other new business, motioned to adjourn which was seconded by Mr. Paz. All were in favor.

Respectfully Submitted

**Ron Campbell
Secretary AFM**