



**AFM Board Meeting
Minutes
September 18, 2018**

Place:

AFM Headquarters
Culinary Center
Las Colinas, Texas

Board of Directors:

Ramon Paz, Chair (p)
Adrian Iturbide, Vice Chair (a)
Mike Browne, Treasurer (a)
Carlos Genel, Director (p)
Ygnacio Valerio, Director (a)
Gary Caloroso, Director (p)
Armando Lopez (ex-officio) (p)
Ron Campbell, Secretary (ex officio) (p)

AMS:

Hakim Fobia

Officially Present:

Alvaro Luque	Dolora Sillman	Michael Lemos
Kevin Brosch	Miguel Molina	Becky Estrada
Kevin Hamilton	Stephanie Bazan	
Maggie Bezart Hall		

APEAM and MHAIA Members and Guests:

Gabriel Villaseñor	Luke Sears
Fernando Torres	Jon Ullrich
David Ruiz Vega	Aaron Acosta
Rigo Perez	Jose Luis Gallardo
Jorge Vallero Esquivel	Mauricio Gonzalez
Fernando Torres	Jorge Hernandez
Dave Billings	Gustavo Rivas
Jose Alfredo Hernandez	Bob Lucy

Roll Call and Minutes:

Ramon Paz called the meeting to order, took the roll call and established a quorum. After introductions, Ramon requested a motion to approve the minutes of the May 15 meeting. Ron Campbell will fix a typo and add Carlos Genel the list of Directors.

Gary Calaroso motioned to approve the minutes and Jorge Hernandez seconded the motion. Unanimous.

Kevin Brosch counseled the board on the antitrust policy.

Treasurers Report:

- Miguel Molina presented AFM's treasure report for September 2018.
- On September 16, 2018 the combined cash balance on AFM accounts were \$7.06 million dollars
 - Miguel also presented a year to date August 2018 financial statements, including an Income Statement, Balance Sheet, MHAIA-APEAM funding allocation, and a Statement of Cash Flow.
 - AFM has received contributions in the amount of \$4.87 Million and Expenses in the amount of \$2.87 million, resulting in a Change of Assets (Net Income) of \$2 million.
 - AFM spend rate is lower than last's year spend by \$335K. The lower rate spend is mainly explained by a Shopper Experiential \$275K College Tour investment incurred in early 2017 that AFM will be incurred later in the new fiscal.

Administrative Review:

Miguel provided an update on the main administrative projects.

- A new Purchase Order system has been implemented. New PO program will help the company to better control its budget by accounting for approve, not yet billed, activities.
- AFM implemented a new Customer Relationship Management (CRM) solution for the Food Service department and keep track on the progress on each Food Service customer promotion activity.
- AFM is working with MHAIA to complete the implementation of the new Budget tool. Implementation is expected to be completed by the end of October 2018. Next steps will be to train and roll out the tool with the Marketing Group.

- AFM has made a positive progress implementing its new Travel Management tool (Concur). The new tool will be fully implemented by the end of November 2018.
- AFM completed a new semimonthly report to report to keep track on each marketing and admin contract. Report is sent automatically by SAP to each AFM user.
- Alvaro introduced Michael Lemos to provide an update on HR and new Processes including:
- Status on our Performance Review process for 2017- 2018:

Performance Review Process

Began: July 9th

Completed: August 30th

Components Measured: Competencies (20%),
Current Projects/Goals (75%), and Individual Goals (5%)



- Status on training plan for 2018- 2019 including our 360 Leadership coaching programs for Top Executive team that will be completed at the end of 2018.
- The launch of our new Culture Committee led by 10 non-executive level employees. Committee already started working and is divided in six areas: Community Involvement, Fun Times, Employee Recognition, Health Program, Internal Marketing, and Measurement.
- Company health program with Coopers Clinic will start October 2018.
- HR still working on three new approved hires for 2018- 2019:
 - Foodservice Director (replacing Mark Garcia)
 - PR Associate Director
 - RD & Nutrition Manager

Alvaro Presented an update on the Culinary / Food Service Director position which could take a number of months to find the right person.

In addition, Alvaro provided an update on our Ad-Tracker and the Key Performance Indicators. In short, more light users are getting into the category and heavy consumers are increasing. Mexico ranks highest in brand awareness and brand preference.

Ramon explained that the AFM will adjourn on the 18th and re-adjourn the following day to seat new board members.

There being no new business, Gary Calaroso motioned to adjourn which was seconded by Carlos Genel. All were in favor.

Respectfully Submitted

Ron Campbell
Secretary, AFM

September 19

AFM Board re-adjourns to seat new Board Members.

Chairman Ramon Paz called the meeting to order, took the Roll Call and established a quorum.

Board of Directors:

Ramon Paz, Chair (p)
Adrian Iturbide, Vice Chair (p)
Mike Browne, Treasurer (p)
Carlos Genel, Director (p)
Ygnacio Valerio, Director (a)
Gary Caloroso, Director (p)
Armando Lopez (ex-officio) (p)
Ron Campbell, Secretary (ex officio) (p)

Ramon welcomed Gabriel Villasenor (Chairman APEAM) and Jose Luis Gallardo (Treasurer APEAM) to serve as AFM /JEC Directors on the AFM Board. Adrian Iturbide as former APEAM Chair stepped down from the Vice Chairmanship leaving that executive position open. Therefore, Gary Calaroso nominated Gabriel Villasenor to assume that seat and the motion was seconded by Mike Browne. All were in favor.

Therefore, the new 2018 -19 AFM Board is as follows:

Board of Directors:

Ramon Paz, Chair
Gabriel Villasenor, Vice Chair
Mike Browne, Treasurer
Carlos Genel, Director
Jose Luis Gallardo, Director
Gary Caloroso, Director
Armando Lopez (ex-officio)
Ron Campbell, Secretary (ex officio)

There being no additional business, Mike Browne motioned to adjourn which was seconded by Gabriel Villasenor. All were in favor.

Respectfully Submitted

Ron Campbell
Secretary, AFM