

Middlebury Natural Foods Co-op
Notes from the Annual Meeting
June 5, 2019

Board Members Present: R.J. Adler, Molly Anderson, Nadine Barnicle, Erin Buckwalter, Ilaria Brancoli Busdraghi, Lynn Dunton, Sophie Esser Calvi, Kate Gridley, Tam Stewart, Louise Vojtisek, Amanda Warren..

Others present: Victoria DeWind (staff liaison), Glenn Lower (General Manager) and approximately 175 people in attendance including several staff.

Meeting Start: Glenn opened the meeting at 6:30 pm at American Flatbread in Middlebury, welcoming everyone to the 43rd MNFC Annual Meeting. Before turning the meeting over to Tam, Glenn presented The Future of Vermont Farming, a new short film about farming in Vermont produced by two high school students.

President's Report: Tam said that the Annual Report gives the full picture of the last year at the Co-op. He instead kept his remarks to celebrating Glenn in his 25th year of work for MNFC. The Board has a special relationship with Glenn with a rewarding and successful collaboration and partnership. Glenn is everywhere present in the store with patience, care and faith in the Co-op and the community as he has when fishing in Montana. He stays with it until "all is right with the world". Glenn received a gift of a wooden box of flies etched with the Co-op sun from the Board to remind him of what he means to the Board and Co-op when he stands in the river.

Kate presented a poster of words from current and past Board directors about Glenn – thoughtful, kind, humble, leader, calm, honest, listener and compassionate among many.

Glenn said that, as happens in fishing, he sometimes gets in over his head and it is staff that rescues him!

General Manager's Report: Glenn used Co-op Ends as the framework for his report. They are the mission and reasons why the Co-op exists.

Healthy Foods – The first year of a successful expansion is done. The deli has started the hot bar for lunch which will, in time, expand to dinner and weekends. Co-op Basics provides basic whole foods, some locally produced, which are all organic and offer lower competitive prices. The weekly sales are planned to match the Co-op's mission. Another way to measure Co-op success is the growth in membership, now over 5,000. Food For All, a program for those in need, has grown to 220 households, a 35% increase over last year.

Vibrant Local Economy – Glenn said it is staff that make this happen. Local products now represent 34% of sales. The Co-op continues to make donations to the community through the Empty Bowl dinner, \$96,000 worth of food donated to the Food Shelf, Share the Harvest donation to NOFA, Rally For Change round-up on checkout with thanks to cashiers and other miscellaneous donations all help the local economy.

Environmentally Sustainable Practices – As shown in the Under the Sun newsletter, the Co-op cleans and stores a large amount materials to be reused by producers. The Co-

op has started recycling plastic wrappers and film. Separate bins have been set up in the store to sort recyclable packaging to reduce contamination. Unsold produce goes first to people, second to animals, third to composting. Cardboard is baled and sold back into the market. And the bulk department is promoting bring-your-own containers and the new refrigerated bulk bins and olive bar have been successful.

Cooperative Democratic Ownership – As a community owned business, member-owners participate by voting for directors and this year, a revision of the bylaws. Patronage dividends share profits back to member-owners and will again this year.

Education About These Values – Glenn recognized all that Emily and Karin do for this. Sustainability classes through the Hannaford Career Center, the monthly e-newsletter, printed quarterly newsletter, daily blogs, local producer demos in the store and staff training all help the community learn about the Co-op's mission.

Glenn presented some capital improvement projects that will be coming soon. With a new lease for The Cave which provides essential back stock storage, renovations can now take place. The old store building with offices, storage and staff room will be renovated. The whole parking lot will be upgraded. Vermont Integrated Architecture is assisting on these projects.

Treasurer's Report: Lynn presented a brief report. Being so well managed fiscally and good sales growth will allow for \$115,000 of patronage dividends to be returned to member-owners. Liquid assets are \$2.3 million and overall equity is \$5.4 million. Net profit after patronage is 1% at \$155,349. The co-op is in a solid position to complete capital improvements and start repayment of the member loans next year.

Member Communications: Nadine expressed thanks for the support from Karin, Emily and Shannon for Board communications with member-owners. The Board articles in the newsletter have touched on wellness, diversity and inclusion, plastics and use of gift cards among other topics. 6,000 people receive the monthly e-news. Many follow the Co-op on Facebook and Instagram.

Board Elections: Kate presented the elections results. She welcomed R.J. and Amanda back to the Board along with new director Erin Buckwalter. The Bylaw revisions were approved with 97% voting yes. Tam thanked Ann LaFiandra for her cheerful, resourceful and steadfast work for the Co-op.

Audience questions: George Marcus asked if credit card cost had been reduced with the promotion of using gift cards. With higher sales the past year costs had increased. George encouraged more propaganda and an ATM installation was suggested. Glenn said this has been considered.

Elizabeth Frank asked what happens to the reusable deli containers. They are washed and sanitized for reuse. She also asked if meat is included in the vegetable compost. It is not added to the animal food but is in the produce sent to be composted.

Ross Conrad asked many people had voted without reading the Annual Report. Only a few raised hands. He felt that many had not had enough information, education or opportunity to debate the changes to some fundamental principles of the Co-op. He asked the Board to consider a vote next year to return language to the bylaws for the healthy

food as the lowest possible price and the member-worker program that were removed. He suggested the debate could take place in the newsletter and in-store opportunities. Glenn said that the bylaws had not been updated for many years and the changes brought them more in line with peer co-ops. Bylaws define how the Co-operative should be governed. The Ends are not in the bylaws. He pointed out that if something is not in the bylaws it does not mean it does not matter. Price is a very important issue but needs to include and balance fair return for producers and good wages for staff. Glenn said the Co-op is committed to the member worker program and may even expand it.

There was a comment in support of a revote with better education about exact bylaw changes.

Dana Severson asked about a 5 cent off incentive to bring your own bag. Glenn said that could be considered.

There was a question about medical consultation for wellness products. It was explained that the Board does not directly manage operational matters. This would be delegated to Glenn who leaves it to the wellness manager.

Spence Putnam asked if the Co-op is involved in discussions and planning for the impacts of the downtown street closure next year. Are there marketing and other ways to support the downtown merchants? Karin explained the Co-op Connection program with downtown businesses. John Barstow suggested the Co-op should consider some creative efforts to do more.

The meeting wrapped up at about 7:40. These notes respectfully submitted by Victoria DeWind