

**Middlebury Natural Foods Co-op**  
**Notes from the Annual Meeting**  
**June 3, 2021**

**Board Members Present:** Molly Anderson, Nadine Barnicle, Erin Buckwalter, Lynn Dunton, Sophie Esser Calvi, Kate Gridley, Tam Stewart, Esther Thomas, Louise Vojtisek, Amanda Warren.

Absent: Ilaria Brancoli Busdraghi.

**Others present:** Victoria DeWind (staff liaison), Glenn Lower (General Manager) Karin Mott (MEM), Greg Prescott (Store manager) and approximately 60 others.

**Meeting Start:** Glenn opened the meeting at 6:35 pm via the Zoom on-line platform welcoming everyone to the 45<sup>th</sup> MNFC Annual Meeting. Glenn talked about how far the Co-op has come from the early days of a small buying group, meeting at monthly pot lucks to break down bulk orders and place the next month's order. He is proud of how the Co-op has served the community during the pandemic providing healthy food, maintaining 100 staff jobs and providing economic outlet for 400 local producers. The Co-op is stronger together in the cooperative model and a toast to the Co-op was shared. Glenn introduced Tam and thanked him for his outstanding leadership of the Board.

**President's Report:** Tam spoke of the cooperative grace, grit and trust that have, over the 45 years, created what the Co-op is today. He is grateful for the kind, creative and cheerful staff that go above and beyond which made such a difference over the last year. He praised the work by the Board to fill its fiduciary responsibilities and keeping with the core values in the Ends to make decisions. He is proud of the inclusive, transparent and democratic process for all the Board work and the Co-op stands stronger than ever.

**General Manager's Report:** Glenn offered a thank you to member-owners for staying with the Co-op over the last year and he looks forward to meeting in person next time. He thanked the 400 local producers and vendors, some of whom have been a long time with the Co-op and are passing their farms on to the their next generations.

Annual sales were strong through the pandemic totaling \$19.6 million with 10% growth even without the deli in full operation. He is planning zero growth next year to be conservative though April and May look better than that. He expects some departments will have lower growth while the Deli increases.

On March 31 there were 5,456 active member-owners, mostly from Addison County. The Food For All program had 275 members, again mostly from Addison County, and received \$44,589 in discounts.

Local sales were 34% of products sold. This is less than last year because the Deli was closed but in sales dollars it is higher than last year.

The Co-op and member-owners gave \$127,000 in donations to the community through Rally for Change, Empty Bowl, in-kind food and gift cards. \$21,995 of the 2020 patronage dividend checks was also donated by member-owners.

Glenn reviewed Co-op expenses. For each dollar, the biggest expense is 64.5 cents which goes to vendors and distributors. The second biggest is 22.2 cents for personnel

expenses. The rest goes to operations, promotions, physical plant, taxes & interest, administration and governance. Net profit is about 1.6 cents. The discounts paid in the member-only deals were \$60,000.

A new priority this year is the Co-op's work on Justice, Equity, Diversity and Inclusion (JEDI). The Co-op is planning education and professional development programs to make the Co-op more welcoming to all.

Glenn thanked Greg for his tremendous leadership in the last year which was essential to keeping the Co-op going.

**Operations Report:** Greg expressed gratitude for the staff rising to the challenge of the pandemic. He praised their great customer service and keeping a sense of humor while working to support the community. He thanked member-owners for supporting the Co-op and being patient and adapting to changes and the rules on masks and social distancing.

**Treasurer's Report:** Lynn presented a brief report. Thanks to staff and customers, the Co-op financial condition remains sound with strong sales of \$19.6 million and \$306,999 in net profit. The Balance sheet shows \$10.5 million in assets. Liabilities are \$3.8 million and Equity is \$6.7 million. \$4.7 million are current assets available to meet expenses.

Lynn also thanked Steve Koch for his 17 years as finance manager and his amazing work to take care of the Co-ops finances. She wished him all the best in his retirement this June, leaving the co-op strong.

**Cooperative Democracy:** Kate reflected on the democratic values that guide co-ops in a time when national voting rights are being limited. She said democracy is more than the right to cast a vote. It is true participation through expressing opinions, debating, action and an open process to select one's leaders. Member-owner input is important to creating policy. The Board represents as well as reports back to member-owners. There are no political parties, voting goes for 30 days and is open to all member-owners who vote with their minds and hearts, not just dollars.

**Board Elections:** Amanda presented the election results. It was an historic year with 12 candidates for 4 seats while other co-op struggle to get candidates to run. She thanked all who participated. 1,075 member-owners voted, just under 20% of eligible voters. Three seats were won by Nadine Barnicle, Lynn Dunton and Samantha Langevin. The 4<sup>th</sup> seat was a tie and will be decided in a two week, on-line, run-off election later this month. Sophie was thanked for her contributions to the Board work.

#### **Poll Questions:**

- 1: Did the Co-op meet your needs during the pandemic so far? 100% yes.
- 2: Do you do 50% or more of your shopping at the Co-op? 74% yes, 26% no
- 3: Is the Co-op a welcoming place where one can shop. 88% yes, 12% no. (49 responses)

Glenn commented on the results. He is reassured by answers to #1. He is grateful that those who shop less than 50% at the Co-op still came to the meeting. He is glad most feel welcome at the Co-op but not everyone and he says work will be done to learn about and improve on that. He invited people to reach out to him or others on staff.

**Audience questions:**

What percentages of member-owners buy products in the member only deals? That number is not known but 72% of all sales are to member-owners.

Does “Local” mean product comes directly from vendors or through UNFI? The Co-op uses the state definition which requires meeting 2 of 3 criteria – ingredients are from VT, are processed in VT and company headquarters are in VT. Most are bought directly from vendors but some do come through UNFI and Black River.

Where are Board meeting agendas posted before meetings? They used to be posted in the store but no longer. Tam said it’s hard to do as they aren’t available until the weekend before the meeting. He offered to provide them by email to anyone who requests one.

When will the Deli be fully open? Greg said he is not sure but it has to be done in a phased approach so that each step is sustainable and will not have to be shut down again. It depends also on State health rules so it will likely be over the coming year for coffee, smoothies, sandwiches, salad and hot bar, etc.

How many member-owners were active over the last month? Karin responded there are over 12,000 equity holders but only 5,456 are current member-owners included life time partners. This is a number in time and changes every day.

What about the homeless man outside the Co-op? Glenn said he has talked with him and tried to get him assistance. He was asked to move off Co-op property as it does not allow smoking so he has moved across the street. CSAC and The Charter House have been attempting to help him.

Does the Co-op have a power generator? Glenn said no. In the past there has not been room or a strong enough roof to support one big enough to run the refrigeration in the store. With the expansion, one could be done roof top but they are very loud and cost over \$100,000. If outages increase it is possible it might pay for itself. Batteries were suggested.

When will the member-worker program restart? Glenn said he wants to but the store will have to follow State health rules. He hopes sometime this summer.

Glenn thanked everyone for coming and closed the meeting at 7:50 pm

These notes respectfully submitted by Victoria DeWind