

**Middlebury Natural Foods Co-op**  
**Notes from the Annual Meeting**  
**September 7, 2022**

**Board Members Present:** Erin Buckwalter, Ilaria Brancoli Busdraghi, Esther Charlestin, Gabriel Cole, Ollie Cultrara, Samantha Langevin, Amanda Warren.

**Absent:** Molly Anderson, Nadine Barnicle, Lynn Dunton, Kate Gridley.

**Others present:** Victoria DeWind (staff liaison), Karin Mott (MEM), Greg Prescott (General Manager) and approximately 90-100 others.

**Meeting Start:** Greg opened the meeting at 6:30pm welcoming all being together again in person and introducing Amanda for the President's report.

**President's Report:** Amanda welcomed everyone to a meeting that makes the Co-op unique in being together once a year to celebrate our Co-op community. Glenn was acknowledged for his 25 years of leading the Co-op to the success it is. Given all the choices MNFC customers have for their food purchases, they choose the Co-op and it thrives. Their choice to spend their dollars at MNFC means that money keeps circulating in the community instead of being extracted from it. We all own our Co-op together.

Amanda also talked about what the Board's work is: To hire and oversee the GM, to provide financial oversight and to create and monitor policies that guide this work. As she said, they do not decide what products are on the shelves.

Amanda reviewed the six month interview process by the search committee that led to hiring Greg as the new General Manager.

**Treasurer's Report:** As Lynn was unable to be at the meeting Amanda presented the draft income statement and balance sheet from the new auditors Wegner CPA who specialize in working with co-ops. Net income was \$1,031,641 including the 2021 PPP loan. Without the PPP loan the net income was \$376,341. As the PPP loan was then forgiven, that money was used to pay down the expansion bank loan early which saved the Co-op \$130,000 in interest payments.

On the Balance Sheet the assets far exceed the liabilities and more than cover the daily expenses and debt. This strong ratio comes from member-owners and the staff that show up and the strong leadership of the last 46 years.

**Board Elections:** Erin reviewed the results of the elections in May. Erin and Amanda were re-elected and Gabriel Cole won the third seat. Tam was acknowledged for his years on the Board and his leadership through the expansion years. Erin encouraged people to consider running for the Board next spring when there will be four seats open. The commitment is one meeting a month, 1-2 retreats/year and writing a newsletter article. Erin explained she works for NOFA which works to grow a better food farm system and said the Co-op is essential in this work and keeps our dollars local.

**Communications:** Samantha talked about the Board contributions to the newsletter and their new focus on the Board work in food, climate and JEDI and welcomed readers to give feedback on the articles.

**JEDI:** Esther talked about the Board priority to learn together in their work with Tabitha Moore on JEDI, creating a safe space to share and explore how to look at Board policies through a JEDI lens. They are committed to doing this challenging work fully and well.

**GM Report:** Greg thanked member-owners and staff who have shown up, been flexible and adapted to the challenges of Covid, supply chain issues and short staffing at the Co-op. Greg introduced himself and said he came to the Co-op in 2016 as Store Operations Manager at the time of the expansion. He reported that the member loans for expansion will be paid off by 2024. Sales are now \$21,000,000. Greg reviewed costs: of each collar, 65 cents goes to suppliers, 21 cents go to staff and, with other expenses, 2 cents is left as net profit. Patronage dividend returned to member-owners was \$261,454, the 7<sup>th</sup> year MNFC has paid a dividend which some other dividend paying co-ops have not been able to do.

Greg attributed the Co-op's success to its Ends and his job is to meet them. The buying criteria have created trust in the Co-op and the staff works hard to meet them. Food for All gives access to healthy food to those in need along with a discount and free classes. Last year these member-owners received \$45,000 in discounts.

The Co-op supports a local vibrant economy with 35% of sales going to local vendors. While sales went up 8%, local sales increased by 12%. Staff wages have been increased to \$15.50 starting wage this year along with increases in wage caps.

Environmental sustainability and energy efficient practices continue at the Co-op. As well as supporting local products, a great impact comes through the recycling programs. Recycling of plastic film, food waste, cardboard along with cardboard reuse, has led to receiving the Casella Waste Sustainability Award. The store continues its work to reduce plastic packaging and increase bulk bins, paper deli sandwich wrap and reusable salad bar containers and single serve drinks in glass or metal.

Democratic ownership is evident in the 1344 member-owner voters (23%) in the elections and Board meetings are open to all on the third Wednesday of each month.

Education about the End values come to the member-owners in the newsletter, social media, classes and workshops and even through the weekly sales and demos to help all understand what a co-op is and why it exists.

Greg ended his talk with his most important point about the Co-op which is it strives to create a safe and respectful space where all are welcome. It is an on-going effort to make this happen through the training and workshops. His message: people care.

**Audience questions:** Ross Conrad asked how the Co-op is reducing its fossil fuel use. Greg said the electric HVAC systems are being looked into to see if they are feasible. Ross also asked if the member worker program will come back. Greg said it may return but might be in a different form and discount structure.

John Ball urged the Co-op to buy more value priced local. Greg said inflation pressures are affecting local producers and the Co-op is trying not to raise prices for their products while also not trying to under value their products and keep them priced artificially low. John Ball also suggested that glyphosate (Round Up) be added to the buying criteria. Greg said, as producers do not have to list it on the labels, the best way to avoid it is to buy organic.

Jono Chapin questioned how the Co-op discovered that a producer's eggs were not cage free.

Greg explained that it was because of our close relations with local producers we were able to receive information and conduct an investigation.

**Adjournment:** Greg thanked everyone for coming and closed the meeting at 7:38 pm.

These notes respectfully submitted by Victoria DeWind