

February 17, 2026

**Policy Type:** Ends

**Policy Titles:** E- Global End

The Marquette Food Co-op provides the region it serves with access to food, products, services, and education that foster a thriving, equitable, and resilient community by:

E1: Prioritizing local and organic food systems.

E2: Promoting cooperative growth opportunities.

E3: Supporting an equitable shopping experience.

E4: Focusing on sustainable environmental outcomes.

Last Revised: January 2023

**I report compliance with each policy.**

Signed:



Matt Gougeon, General Manager

Date:

The cooperative business model is harnessed to socioeconomic development and individual wellbeing for all people participating in the model. The characteristics and capital structure of a consumer cooperative create a system of mutual aid for stakeholders that plays out in a grocery store setting. An organization built in this way becomes a community hub that results in virtuous outcomes for co-op members and others.

The Seven Cooperative Principles provide a foundation for conducting business in an equitable manner.

- Voluntary and Open Membership
- Democratic Member Control
- Member Economic Participation
- Autonomy and Independence
- Education and Training
- Cooperation among Cooperatives
- Concern for Community

These principles ensure ample opportunity to deploy bottom-up, non-exploitive business practices. A business built on this principled foundation of community ownership makes the cooperative a resilient people centered model. Consumer ownership, by definition, establishes a reliable, committed, and invested customer base. The financial success of the cooperative ensures that the social goals of the organization are realized.

Through Policy Governance, our social goals are written into our Ends Policies, which articulate our Cooperative's values. Policy Governance recognizes four basic elements critical to the success of an organization governed by a board of directors. These elements, applied to the Marquette Food Co-op, are:

- Linkage with the membership
- Articulation of organizational values
- Assurance of sound operational performance
- Perpetuation of the organization.

Policy Governance addresses these elements and diminishes organizational dysfunction through four categories of policy:

- Ends policies articulate the values of the organization and provide contexts for all operational activities.
- Delegation policies establish duties, responsibilities, and accountability of both the board and the General Manager.
- Governance Process policies establish the role of the Board and the parameters in which board work is done.
- Executive Limitation policies restrict the activities of the General Manager to ensure organizational values are upheld and to achieve the desired operational results.

The role of management is to reasonably interpret all policies and direct operational actions to comply with all policies. Compliance with, and fulfillment of, the Ends Policies primarily indicates organizational success at all other levels of policy.

This report will show how we have fulfilled our Ends. I report compliance with the Ends Policies.

### ***Global Policy:***

*The Marquette Food Co-op provides the region with access to food, products, services, and education that fosters a thriving, equitable, and resilient community.*

### ***Interpretation:***

Utilizing the cooperative business model through the primary activities of operating a grocery store, the Marquette Food Co-op (MFC) positively impacts and serves the community and broader region both socially and economically. It accomplishes this through the type of food and product it sells, the education of both members and non-members about food and healthy eating, and by being a good employer. The MFC reduces barriers to access membership in the cooperative and to the access of food,

goods, and services it provides. The MFC is visible and active in the community and is a reliable institution upon which members and others may depend.

## **Data:**

### **The Cooperative Model**

As a consumer cooperative, the MFC's primary function is that of a grocery store. Members of the MFC largely dictate what is sold in the store. Bottom up, this is accomplished through policy at the Board level, through direct shopper input from customer suggestion/request, and through the store purchasing team. Priority of food and other products purchased for sale in the store is given to those originating from organic certification, locally raised or produced, certified fair trade, from cooperatives, and from underrepresented communities or independents.

Members participate in the MFC through shopping in the store for the food, products, and services they value. Members also participate by voting, running for the Board, and attending classes. Member support of the MFC in this way helps ensure operational profitability. In years of profitability, profit may be allocated to the members. When profit is allocated as such it is called patronage dividend. Profit allocated to the members becomes non-taxable income to the MFC. In such years when a dividend is allocated to the members, a minimum of 20 percent of net profit must be returned as patronage dividend to members in the form of cash. The remaining profit is reinvested into the business but remains in the name of the members for future dividend disbursement.

- After this year, the MFC will have returned \$1 million to owners in patronage dividends. The MFC has allocated 2021 profit of \$367,000 to the members returning \$100,000 in patronage dividend. In 2023, the MFC returned a total of \$128,000 in undistributed allocated income (patronage dividend) to members from the years 2009 and 2010. In 2024 the MFC returned \$116,482 of allocated income to the members for the years 2012, 2013, and 2023. In 2025 we again allocated profit to the members and returned 20%, or \$51,108, to the owners along with the remaining undistributed allocated income from 2021 of \$142,717.

At face value, returning cash to the members has obvious benefits for those who may use the dividend to make more purchases in the store, or take it as a cash payout. However, an additional benefit to the organization is the direct contact made with members. Particularly those who may have had less participation with the MFC in recent days. This direct, personal, and financial contact goes a distance at solidifying relationships with people in the community that otherwise may have been laying "fallow."

### **Members**

Members are the literal lifeblood of the MFC. Per the first Cooperative Principle, membership in the MFC is voluntary and open to all. The value of consumer ownership of a grocery store cannot be overstated. Our members are financially invested in the company, govern it, and may be employed by it or be a vendor to it. All levels of decision making and operating the MFC are populated by members. This results in the fact that 60 percent of MFC shoppers are members but account for 70 percent of store revenue. Per the 2025 financial statements, direct member investment of \$1,269,241 accounts for

23 percent of the value of the assets of the cooperative and 42 percent of total equity. Total community owned assets of the MFC exceed \$5.45 million dollars.

An owner equity share costs \$150. That value may easily be recovered by a new member within a year through Owner Rewards, special pricing and promotions, reduced pricing on classes, and patronage dividend. A new member may utilize the MFC 5/2 Plan, which allows a new member full benefit of membership with a \$5 down payment. A \$2 fee is attached to their purchases every time they shop and is applied to the balance of the equity investment until fully paid. In 2025, 295 new member households purchased equity shares in the MFC. Of those, 39 percent chose to use the 5/2 Plan. Also, 96 5/2 Plan members “graduated” in 2025 from the previous year, fully funding their share. At the end of 2025, the MFC had 5,060 active members. Active status requires them to have made at least one purchase in the store in 2025.

### **The MFC as Employer**

The MFC is a highly functioning, solid employer of 84 (94 last year) people, give or take a few throughout the course of any year. We offer competitive pay, particularly to those employees whose tenure exceeds two years. Opportunities for advancement are frequent and pay raises are merit based or come with promotions or added responsibilities to a current job. While our entry level pay is \$15 (\$14 last year):

- The average wage of hourly staff is \$19.19 (\$17.59 last year).
- The average wage of hourly staff up to two years of tenure is \$15.55 for 29 staff (\$15.77 for 29 staff last year).
- The average wage of hourly staff over two years of tenure is \$19.22 for 46 staff (\$18.85 for 42 staff last year).
- The average wage of salaried staff, excluding the GM, is \$28.66 for 11 staff (\$28.07 for 12 staff last year)
- Numbers of staff per wage scale level:
  - Level II- 44 (42 last year), Level III- 13 (12 last year), Level IV-17 (16 last year), Level V- 6 (6 last year), Level VI-6 (6 last year).

Budgeted pay raises for 2025 were for \$1 per hour which meant, depending on hourly rate, staff received anywhere between a 5%- 7% raise. However, direct compensation of staff increased by only 2.7 percent compared to 2024 and exceeded \$2.8 million dollars for the year. This was balanced against a decrease of taxes and benefits paid on behalf of employees by 2.8 percent year over year, because fewer staff signed up for our health benefits. Total payroll for 2025 exceeded \$3.7 million, an increase of 4.2 percent. The MFC has a generous benefits package that includes health, dental, and vision insurance, plus a 401K with a 2 percent Co-op match. There is a short-term disability policy for qualifying staff, a life insurance policy for all staff, and an FSA program for full time staff. Employees also enjoy a 20 percent store discount and various premiums throughout each year like MFC clothing, occasional credits to their store accounts, food events, and staff raffles. Please see the 2025 L3 Compensation and Benefits monitoring report for more details.

### The MFC as a Local “Multiplier” Company

Whenever possible, the MFC chooses local services and suppliers. According to the American Independent Business Alliance, for every dollar spent locally, 48 cents of that dollar are reinvested locally. The following represents MFC spending on local services and suppliers:

<b>2023</b>	<b>2024</b>	<b>2025</b>	
\$2,755,414	\$2,806,780	\$2,881,209	wages and salaries to employees.
\$435,482	\$482,702	\$525,782	paid out in benefits to employees.
\$601,563	\$591,537	\$637,826	of local food and goods.
\$21,899	\$17,180	\$24,651	for professional services.
\$46,125	\$48,845	\$46,646	of insurance through a local agency.
\$49,778	\$37,525	\$69,593	for cleaning and maintenance.
\$134,421	\$109,217	\$144,089	utilities & garbage removal.
\$44,155	\$45,732	\$47,924	for local property taxes.
\$99,706	\$111,637	\$126,832	on local advertising and media.
\$5,148	\$6,064	\$8,382	in local donations.

Total spent on local services and supplies was \$4,512,934, representing another \$2,166,208 of continued local investment when applying the local multiplier effect.

### Educational Programming

The MFC has provided educational programming dating back to 2006. Our cooking classes are popular, sought after, and typically sell out quickly. The classes are designed to be fun and inform attendees about cooking, health and nutrition, local food, and global cultures. We host guest teachers as well as lead classes ourselves. In 2025 the MFC hosted 872 people at cooking classes in our onsite teaching kitchen. Of those participants, 324 were youth under 18 years of age. We also worked with the MARESA Transitions program, which helps young adults with disabilities prepare for independent living. We had 63 attendees in eight Transitions classes. It is difficult to sort out how many class participants are repeat attendees, though of course we know there are many with programs such as the Transitions classes or Peter White Public Library Tween cooking classes. The benefit of repeat attendees is that we are able to build students’ knowledge over time, developing relationships and sharing a much wider range of skills.

We also hosted groups from the Marquette County Health Department, Marquette Family Medical, various scout troops, Eagle Mine, UPHP, and more in the classroom for cooking classes. We shared recipes, samples, and healthy eating tips at various tabling events throughout the year, chatting with over 2,000 people across various communities in Marquette County. Some of the events included the

Downtown Marquette Farmers Market, Aspen Ridge Family Night in Westwood, the UPHP Community Resource Fair, NMU's Fall Fest, and a tasting at Brookridge Senior Center.

This was the fourth year of bringing samples and recipes to the Feeding America West Michigan mobile food pantry distributions in KI Sawyer and Marquette. In this project, the outreach staff find recipes that match the food to be given at the distribution. This is a particular challenge as the menu for each truck is not known until 24 hours prior to the distribution. Staff then prepare samples of a dish that uses the food distributed and print the recipe. It was important that the samples and recipe match what was arriving on the truck so that the participants would then have most of the ingredients necessary for the recipe.

Neighbors wait for the food in lines of cars, often arriving and waiting for hours because they are nervous about the truck running out of food. MFC staff go car to car while they were parked and waiting, sharing the samples and the recipe, chatting about how to make the food, and answering any questions people have about the preparation. This is only offered three times in the summer at each location due to the difficulty of serving samples in cold weather and capacity with other projects. It remains a favorite event for Outreach staff.

This project was conceived in partnership with Feeding America West Michigan and the NMU Center for Rural Health. We received funding from the Superior Health Foundation for the first two years to launch this program here and in 11 other locations. While funding is no longer available the MFC is committed to continuing the program, which had fantastic evaluation results and feedback from people attending the distributions. Access also continues through a series of videos that demonstrate many of the recipes. The MFC and NMU both contributed to the videos, which are housed at <https://nmu.edu/ruralhealth/recipes>.

In 2025 we launched new programming designed to provide resources about healthy eating to our shoppers. Our Registered Dietitian, Amanda Latvala, first offered monthly themed sampling events. Each event had a handout and recipe (with samples of the recipe) around topics that included fiber, phytochemicals, protein, heart health, and eating for blood sugar control. The handouts offered a basic overview of nutrition needs and considerations for these topics and explained why this recipe was featured. Customers could taste the food and ask any follow-up questions.

This program transitioned to the currently running "Ask our Dietitian" program. The third Tuesday of each month from 3:30-5:30pm, Amanda sets up a healthy snack sample and is available for quick nutrition questions, to provide tips on meal planning, portion sizes, and healthy substitutions, and to help customers understand food labels. As always, there are handouts, recipes, and general nutrition information. For customers that need a little more assistance, Amanda can set up an appointment to cover more detailed questions. About seventy people interacted with Amanda in 2025, with three follow-up meetings. This program began in September of 2025, so we expect to see higher numbers as awareness of the program grows.

2025 was also the first year the MFC was able to offer a summer camp program for youth. From June 23-27 youth age 11-14 met at the Co-op from 9am-12:30pm. Each day began with a short, interactive lesson on topics such as general healthy eating, label reading, food marketing, or the impact on our body when we eat too much sugar. This was followed by a demonstration on the culinary skills needed to make a specific meal. Students broke into groups and made the dish themselves with adult assistance

only as needed. This meal then served as their lunch for the day. In addition to helping them understand basic culinary skills and principles of healthy eating, the classes exposed students to food traditions from all around the world. They created meals with flavors from India, China, the Middle East, and Mexico.

This event had great feedback from the youth and their parents. One parent reported that her son was teaching her things about food labels and asking for different snack options that were healthier. One student's evaluation, when asked how to improve the class, asked we make it seven days a week instead of five. Our next goal is to raise funds to reduce the price for attendees, with the ultimate goal of making it free, if we can. In 2025 we began selling canvas lunch bags and donating the profit to a cooking camp fund, as a start.

### **Partnerships-**

More details about the MFC as a partner organization are contained later in this report. But it is important to note here that our ability and capacity to partner with others contribute significantly to our role as a reliable institution dedicated to making our community more resilient. It is one thing to be a grocery store providing access to the kinds of foods, products, and services we offer, but it is another thing entirely to take the Co-op ethos, the principles of cooperation, and our dedication to improving the lives of others through food and meeting people where they are at -- not just in the store. Taking the Co-op outside of the store contributes to helping others thrive. It is an action in equitable access to the MFC by collaborating with and externally connecting with others. The result of which is increased community resiliency.

### ***Policy: E1- Prioritizing Local and Organic Food Systems***

#### ***Interpretation:***

The MFC develops systems to purchase and market local food that provides support to the local farm or producer and satisfies the needs of the cooperative and its members. The MFC gives preference to purchasing certified organic food and products when availability and cost are not prohibitive. "Member need" means an abundant, affordable, and varied supply of food originating in the UP. "Cooperative need" means a consistent, high-quality supply of food for efficient purchase. The MFC also purchases local services as much as is feasible -- even, at times, in the face of local services costing more than using non-local services.

The MFC also contracts with suppliers who have product catalogues that primarily include a variety of organic food and products.

- Local food systems mean all the components necessary to bring food grown, raised, or produced in the Upper Peninsula of Michigan to market. This includes farms, value added manufacturing, cold storage, wholesale practices, distribution, and accounting practices.
- Organic food systems mean food certified by the United States Department of Agriculture as organic and made available to MFC purchasers through local, regional, and national supply chains.

## ***Data:***

The MFC has worked for many years to help develop local food systems and provide support for local agriculture. Our efforts are practically legend and include local food awareness campaigns, more than a decade of farm tours, farm market management, hoop house education, wholesale training, good agricultural practices certification, food safety training, food aggregation, food distribution studies, production planning, working with farms on pricing to remain competitive with national product pricing, local food marketing campaigns that include photos and information about farms right in the store near where their product is on the shelf, being the single largest purchaser of local food in the UP.

Initiatives from 2025 include:

### **UPFE Online Marketplace**

Since 2012, the MFC along with partner software development companies has created the Online Marketplace. The Marketplace serves as an aggregator of farm products by which institutional purchasers may go to one place to order local food for pick up at the MFC. The Marketplace is maintained and operated by the MFC and serves purchasers and sellers. In 2025, the decision was made to move towards shuttering the Marketplace as an aggregator for outside businesses due to declining use and supply issues. The MFC intends to continue utilizing the Marketplace for our produce department. Any current purchaser on the Marketplace may continue to use it as we want to support our partners and other local businesses purchasing local. We will not, however, advertise or promote the website for new users.

### **Production Planning**

Each winter, the MFC Produce Department buyers and our Marketplace Manager meet with local farms to review the past year's purchases. From this the MFC plans with the farms for the next growing season as to what each farm may expect to have purchased from them. In this way the farm can prepare and plant, knowing what the MFC wants from them. This makes for an efficient and productive relationship and removes many unknowns for both the farms and the MFC.

### **Local Spotlight**

Each month a different local vendor is featured in our newsletter, on social media, and called out in the store with posters and signage at the product. We offer 10% off their products during that month. The Vendor has the option to contribute to the sale and those savings are passed to our customers. The program focuses on locally produced food outside of produce, where people are more familiar with local and more aware of the producers. We offer an interview and photography to our vendors, so we can tell their story to our shoppers and readers. When vendors actively participate in the process, either through the interview, offering an additional discount, or sampling, there are significant sales lift for their products.

### **Farmers Market Demos**

The Marquette Food Co-op has been a supporter of the Downtown Marquette Farmers Market for over 17 years, helping to source volunteer market managers in the early days and kicking in financial support

the first year the DDA hired a market manager. We are now one of the sponsors of the market and further contribute with educational programming. Using data from the market vendors, the outreach team has identified some of the most impactful educational programming to offer, both in terms of engagement and in sales for the farmers. We host three programs a year: a ramp (wild leek) demo or garlic scape demo, the tomato tasting, and a winter squash tasting. These are incredibly popular, and people mention that they came down to the market because they saw the advertising for the events. Farmers have reported an increase in sales of unusual or very specific tomatoes or squashes during these events. As one farmer said, "When someone comes to my booth and says I'm looking to buy the Cosmonaut Volkov instead of a paste tomato, I know it's because they just sampled it."

### **UPFE Cold Storage Grant Program**

Under the Prescription for Health Program, which is outlined in more detail in E2: Promoting Cooperative Growth Opportunities, the MFC, through the UPFE Collaborative, was able to support local farms with grants to purchase refrigeration units for food storage. Between 2022 and 2023 thirteen farms were awarded \$14,000 to add cold storage facilities to their farm.

The purpose of the grant was to support the growth of the local food system so that there would be more produce available at markets accepting Prescription for Health vouchers. The Prescription for Health program recognized that growth is difficult for small farms and farm debt is a huge problem nationally. To support the economic growth of the farms and increase the volume and seasonal availability of produce, farms needed infrastructure support.

Unfortunately, we were unable to find funding to offer grants in 2025. Work has begun for fundraising to support this program in the future. The first effort was through the Fresh Coast Film Festival. The promotional video for Prescription for Health and the Farmer Grant Program was screened at the festival, introducing visitors and many local residents to the program for the first time. It included a call for donations. You can view the video at <https://www.youtube.com/watch?v=ouqKFslzZHE>. The video was produced by Bennett Media Group.

### **Supply Contracts**

The MFC is a member of the National Cooperative Grocers (NCG). As part of the NCG, we participate in the benefit of shared Common Supply Contracts with two large distributors of organic and natural products, United Natural Foods International (UNFI) and KeHe. The details of the contracts are confidential, but the UNFI contract stipulates that at minimum, 15 percent of our store's purchases must come through UNFI. The KeHe contract requires a simple \$2,000 minimum order per truck. Fulfilling these requirements is easy as approximately 60 percent of store purchases come from UNFI and a \$2,000 order from KeHe is a small order. KeHe was something of a lifesaver for us when, in mid-July, UNFI suffered a crippling cyber-attack. We were able to utilize KeHe as a major replacement distributor to mitigate the impact of UNFI being down. Additionally, we purchase most of our produce through Co-op Partners (CPW) Warehouse of Minneapolis. CPW is a subsidiary of The Wedge Co-op. CPW contracts only with other cooperatives. The MFC is one of CPW's largest single customers. We purchase only certified organic produce through CPW. Common Supply Contracts through NCG have saved the MFC close to \$500,000 in costs.

## ***Policy: E2- Promoting Cooperative Growth Opportunities***

### ***Interpretation:***

The MFC seeks to expand its reach and influence in our community and region through the effective application of the cooperative business model by serving members and customers and forging productive and impactful partnerships with others in our region. Proper execution of the cooperative business model in full is paramount to our growth. Cooperative growth opportunities and partnerships are strategically chosen with specific business and mission alignment in mind.

### ***Data:***

Each year, the MFC has multiple opportunities to work with other agencies, organizations, or businesses in our community and region. Some of the opportunities are continuing relationships. Others are new. In each instance, the role of the MFC and the anticipated result of our participation receives due attention and vetting per our policies. Use of the MFC resources such as capital and staff time are carefully weighed against the potential outcome and expected benefit to Co-op members and the larger community.

### **Locally Integrated Food Teams in the Upper Peninsula (LIFT-UP)**

In this program, led by the community educator at the MSU U.P. Research & Extension Center in Chatham and a MARESA community educator, students learn about local food systems and how local food can be integrated into schools. They also learn about the barriers to sourcing local food in their school and create proposals for projects that will support local food education, gardening, and/or sourcing. Student groups create a project proposal to address barriers to local food in their school, then work together to select one of the projects (or combine aspects of different projects) for a final grant proposal to the LIFT UP team. In 2025 Outreach Director Sarah Monte visited three high school LIFT-UP classrooms to hear student presentations and ask questions or give suggestions. She also worked with the LIFT-UP team on the final grant proposal feedback and attended the end of year celebration and project updates.

### **Prescription For Health**

Under Prescription for Health, individuals over 18 who are at risk for or diagnosed with a chronic health condition and have a financial barrier to purchasing local food can receive a “prescription” for fresh fruits and vegetables. Qualified participants receive a referral from a participating healthcare provider. All referrals are processed through the 2-1-1 call center at UPCAP and, once the referral is received, potential participants are contacted by a trained call specialist to discuss the program and complete enrollment.

Participants enrolled into the program receive vouchers each month to purchase fruits and vegetables from participating local farm markets. The primary goal of the program is to increase access to fresh affordable local produce for participants and to support participant health as well as the local farm economy. Each voucher participants receive is worth \$1 and they receive a total of \$15 per week during the 20-week season. Once participants are enrolled in the program, they are mailed the vouchers monthly.

UPCAP is the regional leader and fiduciary for the grant that funded this project, which came from the Superior Health Foundation. The Marquette Food Co-op and our partners in UPFE worked on this project in a myriad of ways. The Co-op created and maintains the marketing materials and FAQs for the program. A digital marketing campaign and commercial was created and managed by the Co-op. Outreach Director Sarah Monte and UPCAP Program Manager Ruth Ammons reach out to farmers markets and onboard each new market, offering help in understanding how to set up a voucher system for those markets that had not accepted alternative payment systems before. In 2025, 20 farmers markets across the U.P. participated, though some markets were small enough that only one or two vendors were accepting the vouchers there. About 1,000 people participated in the UCAP led voucher program.

In November and December of 2025 the MFC and UPCAP worked together to run a winter pilot of the program at the store. It launched January 2026 and will run through April. Due to limited funding, not all summer participants were able to be enrolled in the winter pilot, though hundreds of people will be receiving this monthly assistance to purchase food that was grown, raised, and produced within 400 miles of the store.

### **Round Up at the Register & Other Donation Partnerships**

Each year the Marquette Food Co-op hosts two Round-up at the Register campaigns. This is the United Way campaign in late November through December 31 and July round-up for the local food pantries.

The United Way Round-up at the Register is important as United Way supports many organizations that provide essential services to our community. In 2025 \$6,214.74 was raised by shoppers and our customer service staff.

The second round-up for the food pantries is every July, when the donations to food pantries are low but the need is high because children are not receiving a breakfast and lunch at school. This round-up is for all food pantries in Marquette County. Furthermore, it is helpful because the pantry staff let us know which items are most needed. Instead of taking whatever is donated, they can choose how to spend their allotted funds from the round-up on the essentials they are currently lacking. The MFC then purchases the items directly, allowing the funds to stretch further because the items were at wholesale cost. In 2025 generous shoppers contributed \$6,285.24 to this program.

In addition to Round up at the Register, we have partnered with other organizations as a collection center for donations. For five years we collected items for the Women's Shelter in December, including in 2025. In 2025 we partnered with the Office of Opportunity, Empowerment, and People twice. Once to collect donations for the Warming Center and for the Indigenous Perspectives Symposium that focused on food. In addition to helping promote the event, we hosted an Indigenous Chef who visited our community classroom to host a class, share some history of food injustices in Indigenous communities, discuss the importance of food sovereignty.

### **Annual Earth Day Clean-up**

While this event has been held annually since 2022, 2025 was a year of growth for this event. Thanks to the work of our board members, the event was held in partnership with the League of Women Voters and NMU. All partners helped promote Earth Day events, and board members attended an Earth Day tabling event at NMU. The League of Women voters brought new members to the clean-up team and

NMU hosted a separate group to clean up around the campus neighborhoods. The Bothwell Junior National Honor Society also participated and one team of cleaners were all middle school age.

### **Private Cooking Class Sponsorships**

The MFC offers private cooking classes to groups looking to celebrate a birthday or wedding, a company holiday party, or just groups of friends looking for something fun to do. In addition to these bookings, the MFC aims to provide cooking classes for children and for populations usually unable to participate due to economic barriers. As a business, the MFC is not often eligible for many grants that would fund this work as the direct fiduciary. To this end, we have cultivated partnerships with organizations who can seek those grants and allow more participation in our classes. Some organizations we work with offer cooking classes with the MFC not through grants but simply by budgeting for them. Partnerships in 2025 that were able to offer the classes free to the participants included:

- Michigan Youth Opportunities Initiative (MYOI): MYOI's goal is to ensure that young people in foster care have successful outcomes in housing, education, employment, community engagement and health. A series was held at the co-op to demo simple and tasty food the youth could make on their own.
- Peter White Tween Class: Middle school age children are welcome to sign up for these classes through the library and then cook together at MFC.
- MARESA Transitions Rooms: This program helps students with disabilities transition from school to a life outside of school. Activities are designed to help students gain skills that will help them move with independence at a level accordant with their needs. Some students will learn cooking skills from the program that they can utilize themselves while others will be introduced to new flavors and learn to try and enjoy new and/or healthy foods.
- McNair Scholars: This is a federal program designed to prepare undergraduate students for doctoral studies through involvement in research and other scholarly activities. McNair participants are either first-generation college students with financial need, or members of a group that is traditionally underrepresented in graduate education and have demonstrated strong academic potential. The goal of the McNair Scholars Program is to increase graduate degree awards for students from underrepresented segments of society. Students receive support at NMU in this program that includes food preparation to support a healthy lifestyle.
- Powell School: The school guidance counselor found funds to bring 3-5 graders from their school in Big Bay to the Co-op's classroom to make spring rolls together.
- Marquette County Health Department: Found funds to support families attending a cooking class together to learn healthy recipes that children will enjoy too.
- Community Action Alger & Marquette- Headstart: Received a grant to support a five class series that provides both nutrition information and has hands-on cooking lessons to make healthy budget friendly meals that the whole family will enjoy. The bulk of these classes will be in 2026 but the program began in 2025.

## **Growth of Membership and Revenue**

As important as careful review of external opportunities for expansion and tending beneficial relationships, the continued growth in cooperative membership, customers, and store revenue portends coming physical operational expansion. As reported earlier in this document, 295 new member households joined the MFC in the last year. Increased members resulted in increased customer count and revenue. Revenue growth in 2025 was 5.6 percent. Revenue, customer count, and numbers of items purchased were all single year records. While we already feel the growing pains of potentially reaching the capacity of the store, eventually we will be forced to act to alleviate pressure and continue to serve at a high level of efficiency and value. This means planning for and dealing with increasing space constraints through remodel, reorganization, use of technology, and potential physical expansion of the store. Architects are under contract to explore such an expansion. Negotiations are underway for total real estate expansion as well.

## ***Policy: E3- Supporting an Equitable Shopping Experience***

### ***Interpretation:***

*Barriers are removed from the MFC for any individual seeking quality food and high value. Most Food and products purchased for resale by the MFC emphasize systems and companies that ensure, promote, and highlight organic, fair trade, and humane practices. There are multiple price points for products in any category for individual shopper budget needs. The MFC has systems in place for independent vendors to sell to the co-op. The MFC provides promotions, pricing, labeling, selection, and varietal payment methods to ensure that everyone may get what they need from the store.*

### ***Data:***

#### **Hours of Operation and Method of Payment**

*The store is open 13 hours per day, 362 days per year. We transact in cash, check, credit, debit, and EBT. We also allow owners to front load their member accounts with cash to use for future purchases.*

#### **Percentage of Organic Food on the Shelf**

Members and customers seeking organic food are assured that most of the products on the shelf are organic or partially organic. In 2025, approximately 53 percent of food and products on the shelf store sales were identified as such across all categories of food and products. These figures are drawn from multiple databases (SPINS, ChefTec, and Catapult). The MFC carries only certified organic produce or verified local produce grown without chemicals or herbicides.

#### **Fair Trade Products**

In 2025, 3% of food products on the shelf were certified fair trade. These are primarily from sales of coffee, chocolate, tea, some produce, but also other products throughout the store spanning many categories. These products come from over 100 different fair trade certified suppliers/vendors.

### **Local Vendors**

We purchased \$637,826.00 of food and products from 48 local vendors. All these vendors use MFC built infrastructure to sell to the store. From application and vetting to ordering and invoicing, our local vendors receive MFC assistance from the receiving bay to check out.

### **Decolonizing Scavenger Hunt/Native Signs on Food**

In 2019 the MFC partnered with NAS 102 Anishinaabe Language, Culture, and Community class to create the Anishinaabe Language Scavenger Hunt. Foods that were present in the Americas prior to European colonization are marked with signage that features their name in Anishinaabe and QR code that brings users to a site where they can hear how the word is pronounced. It was decided to keep the signs up year-round in 2023 and we continued to maintain the signage in 2025.

### **NATIFS Field Day Promotion**

Every November, the National Cooperative Grocers negotiates a sale on Field Day products. A percentage of all the products sold from the participating Co-ops is donated to NATIFS (North American Traditional Indigenous Food Systems). To support this sale, we offer food demonstrations, a raffle, and other marketing support. While the marketing in 2025 focused on Field Day products, we included a food demonstration that used only foods available in the US prior to the European colonization and gave away recipe books from our classes that feature Indigenous meals or ingredients. Our raffle prize is a cookbook from Indigenous authors.

### **SNAP**

Supplemental Nutritional Assistance Program (SNAP) is a federally funded food assistance program helping lower income individuals and families purchase food. The MFC accepts SNAP benefits from customers. In 2025, 1.7% of all customer purchases, or about \$250K, are supported through SNAP. This is a 1% drop from previous years.

### **Double Up Food Bucks**

We offer Double Up Food Bucks (DUFb), a voucher system, funded through grants, donations, and federal funding to provide EBT users with twice the value on fresh produce purchases. DUFb is a year-round offering limited only by availability of awarded funding from the NPO Fair Food Network. The history of total voucher value and redemption follows:

Voucher Value Distributed	Vouchers Redeemed
2016 \$1,496.00	\$1,334.00 (89%)
2017 \$5,229.00	\$3,903.00 (75%)
2018 \$12,936.00	\$10,997.00 (85%)
2019 \$12,830.00	\$9,741.00 (76%)
2020 \$42,629.00	\$31,695.00 (74%)*
2021 \$57,591.00	\$43,181.00 (75%)*

2022	\$26,739.00*	\$35,472.00 (132%) *
2023	\$22,474.00	\$19,168.00 (85%)
2024	\$21,571.00	\$16,856.00 (78%)
2025	\$20,386.00	\$18,581.00 (91%)

\*DUFB program had expanded funding during the pandemic but then was suspended between August of 2022 and January of 2023 because funding was used up from pandemic need.

## Promotions

- Every Day Low Price  
Every Day Low Price (EDLP) is a permanent promotion in the store largely identified by the Field Day brand. It is a high-quality organic option at a reduced price point from similar name brand products. This is a UNFI produced line of product that NCG has negotiated low pricing on and is a specific program to NCG cooperatives. The Field Day label is prevalent in the store.
- Co-op Deals  
Bi-weekly sales program that offers deals on national and regional products, primarily in grocery and wellness. This program is made possible through National Co-op Grocers, a cooperative for food co-ops.
- Fresh Deals  
Fresh Deals is an MFC administered program that gives customers discounts on items from the fresh departments, such as produce, meat, and prepared foods. Fresh Deals change every week and include items for holidays and events such as the Super Bowl, Valentine's Day, St. Patrick's Day, Easter, Memorial Day, 4<sup>th</sup> of July, Labor Day, Thanksgiving, and Christmas. It should be noted that many of these discounts, outside of some produce items, are offered directly from the MFC and not from suppliers.
- Thanksgiving Sale  
In 2025 we did not have the turkey giveaway and instead had a tiered system of gift card giveaway, which makes the promotion accessible to all shoppers, regardless of dietary preferences/needs.
- Wellness Weekend  
A popular sale offered twice a year, in January and September offers 25 percent off all vitamins, supplements, and body care items.
- Cheese Madness  
A highly participated in and fun promotion based on college basketball's March Madness. It features a bracket where customers predict which cheese will win as best tasting through voting at sampling events. Each cheese going head-to-head in that week's bracket is also on sale.
- Bulk Sale  
Bulk items are tied to the history of our co-op and twice a year (April and October) we celebrate this part of the store by offering 25 percent off all items in the department other

than bulk coffee.

- **Owner Coupons**  
Electronic coupons are offered to owners only. Some months they were for a suite of products and other times a percentage off a shopping trip.
- **Owner Rewards**  
Owner Rewards is a program unique to members of the MFC. It is a rebate loyalty program that members automatically earn each time they shop and purchase from the store. One percent of all purchases get credited to a member's owner account to be used for more store purchases upon another visit. In 2025, Owner Rewards brought \$81,882.00 of value to MFC members.

### **Physical Barrier Free Store**

The store is free of physical barriers for customers and was built specifically with Universal Design. There is also an electric shopping cart to assist people with mobility issues to navigate the store. Often, staff members will regularly shop with members and customers who are visually impaired or who have mobility constraints or who are simply elderly and need a little help.

### ***Policy: E4- Focusing on Sustainable Environmental Outcomes***

#### ***Interpretation:***

*The MFC is conscious of its environmental impact. We develop and improve systems and activities to lessen our negative environmental impact.*

*Note: Data points within this policy have been reported on for multiple years without much addition. It is recognized that while reporting compliance with this policy is accurate, it requires additional or further action on behalf of management to fully realize the intent of the policy. Improvement to systems like refrigeration, electrical, water usage, and waste are all areas where focus may be improved.*

#### ***Data:***

#### **Compost Food Waste**

All food waste from our Produce department and kitchen is placed in bins behind the store to be retrieved by farmers and gardeners for use in their home or farm compost efforts. This diverts thousands of pounds of food waste from the waste stream and turns it into compost. Further, the MFC has contracted with Partridge Creek Compost's compost pick up program. This means that food waste other than just vegetables get composted. This includes paper towels, soiled cardboard, industrial compostable food packaging, meat dairy, and cooked foods. A rough estimate based on a typical bin weight and numbers of bins picked up demonstrates a conservative additional 13,000 lbs of waste being composted.

In addition to participating in Patridge Creek Compost's pick-up program, we host them in the store to promote curbside pickup to customers. The most sign-ups they had in one day was from a tabling day here in the store.

### **Grey Water Systems**

The store continues to have two different functioning grey water systems. Roof top water is drained and stored in an underground 4,000 gallon concrete tank. It is then pumped out and used to irrigate green space on the store property. Additionally, all refrigerated cases and cooler condensation drains into a common tank in the basement and is pumped out and used to supplement the flushing of all four toilets.

### **LED and Timer Lights**

All store lighting is LED and is mostly on a timer system or motion detector system. This means that light usage is optimized and not overused thereby using far less energy.

### **Recycled Heat from Refrigeration**

Heat generated from the five refrigeration compressors in the mechanical mezzanine is captured and used to heat all the water for use throughout the store.

### **Parking Lot and Swale**

The green space in the middle of the parking lot is designed to absorb parking lot run off to divert it from the city wastewater system. In 2024 we contracted with landscaper Plant Theory, LLC to completely redo our green spaces that were being choked by invasive species. All green spaces have now been replaced with native plants and grass again. We have contracted with Plant Theory LLC for continued maintenance. The swale in the middle functions far better, absorbing more storm runoff than in previous years from being choked out. In 2025 we were awarded the Marquette Beautification Committee's Green Spirit Award for our greenspace remodel.

### **Wax Box Recycling Program**

The MFC has been running a wax box reuse program available to any interested farmer for many years. Clean wax boxes in good condition received by the MFC are stored in a shed outside the store. The Co-op orders produce liner bags in bulk, securing a low price due to the volume ordered. Farmers can then purchase the boxes at cost in the amount they need and have the capacity to store them on their farm. These liners are used in all wax box deliveries from the farms. Any farm that can demonstrate they are purchasing liners on their own or are participating in the MFC box liner program may freely take the wax boxes from the shed. This helps the farm save money, reduces the agricultural waste stream, and ensures food is delivered safely by having a clean box liner for every purchase.

## **Partnerships & Donations to Environmental Organizations**

Supporting the work of environmental organizations has long been part of the MFC donation program. For many years we have helped promote the Marquette County Conservation Districts annual native tree and plant sale and the Queen City Seed Library seed swap. In 2025 we added to our Annual Earth Day Clean-up event by inviting organizations with environmental messages to set up informational tables in the store. This included Recycling 906, the Upper Peninsula Environmental Coalition, Partridge Creek Compost, and the Superior Watershed Partnership, who passed out trees to plant. We host a native tree giveaway with Superior Watershed Partnership 2-3 times in the spring through fall. We have also begun to have separate garbage and compost collection containers at as many of our external events as possible, bringing compostable items back for pick up by Partridge Creek Compost. This also gives us the opportunity to share information about composting and the PCC program at events that were not specifically on that topic.

## **In Summation**

The totality of the content of this report demonstrates the effectiveness of the cooperative business model applied to a grocery store. When stated community values are applied from the outset to store operations the results are impressive and impactful. All stakeholders in this cooperative are the beneficiaries of actions taken in the guidance of the cooperative principles and within the constraints of values-based policies. We have much to be proud of.