

**Minutes of the
Marquette Food Co-op
Annual Meeting of Owners
Zoom Webinar
March 18, 2021**

Start time: Meeting was called to order by president Phil Britton at 6:30 p.m.

Roll call: M. Augustyn, P. Britton, H. Bush, K. Cantway, A. Cherrette,
Z. Eppensteiner, R. Kochis, M. Linck, C. Noordyk.

Absent: None.

Staff: GM Matt Gougeon, Kat Eaton, Dave Kalishek, Sarah Monte, Kim Sheridan,
Evan Zimmerman.

Public: MFC Owners.

I. Welcome and Tech Check-in (Sarah Monte, Outreach Director): Monte welcomed attendees and introduced IT Director Evan Zimmerman.

II. Raffle Prize Overview: Attendees were invited to sign up for raffle prizes if they had not yet done so.

- a) First Poll: *Which three Global Ends policies are most important to you?*
Attendees were given time to choose multiple choice responses.

III. Introduction of Board Members (Phil Britton, Board President): Phil Britton welcomed attendees and thanked MFC staff for their work throughout the pandemic. Britton announced the results of the recent board elections and introduced new board members Brian Bouton and Kevin Pierfelice and re-elected board member Mary Pat Linck.

IV. Address from the Board (Phil Britton, Board President): Britton introduced himself and noted that this is the last year of his term on the board. He remarked that the MFC has come a long way since he started on the board eight years ago and he thanked MFC owners for being a part of the Co-op.

- a) Book Recommendation (Cori Noordyk, Board Vice President):
Board Vice President Cori Noordyk noted that this is the final year of her term on the board as well. She shared about the work of the board's Owner Linkage Committee and invited owners to participate in a community read of the book *Grocery Story: The Promise of Food Co-ops in the Age of Grocery Giants* by John Steinman. Those that are interested are invited to read the book and participate in a community conversation about it on May 19 at 6:30 p.m.
- b) Second Poll: *If the Co-op were to diversify in the future, which area do you think would be the most helpful to our community?*
Attendees were given time to choose multiple choice responses.

V. Address from the General Manager (M. Gougeon): GM thanked MFC staff for working under difficult circumstances during the pandemic over the past year. GM reported on grocery trends and noted the financial impact the pandemic has had on the grocery industry nationally as shoppers began preparing more meals at home. GM reported on impacts from the pandemic on prepared foods, grocery sales, and webstore sales. GM reviewed a sales comparison growth chart and noted the impact of the lockdown on sales, supply chain, and financial planning. GM reviewed profit and loss comparisons and reported on PPP and FFCRA and how they were used by the MFC. GM reported on financial metrics and key financial indicators. GM thanked MFC staff for all of their work over this past year and thanked owners for continuing to support the MFC.

- a) Third Poll: *What additional service would you most like to see the Co-op offer?*
Attendees were given time to choose multiple choice responses.

VI. Q&A: Meeting attendees were invited to submit questions.

- a) *How do you see the Co-op transforming over the next 50 years?*
Board responded that the grocery industry has changed dramatically in the span of just a few months, so it is hard to know what the future holds, but that co-ops serve to meet community needs, so the Co-op will continue to evolve to meet the needs of its community. GM discussed ideas related to offering financial services.
- b) *Are there ways members can support local farms beyond buying groceries?*
Sarah Monte responded that members can advocate for local food to be available at other establishments and restaurants and purchasing local items when they show up on menus. Individuals can also advocate for local foods in schools and discussed the farm to school fundraising program. Individuals can also support local farms by purchasing local seedlings and flowers and can consider engaging in policy work at the city or federal level. Monte also responded that many farms have volunteer opportunities or could benefit from interested individuals sharing skillsets with them.
- c) *Is there an ATM in the Co-op?*
No.
- d) *Now that several states are removing mask mandates, when is the Co-op considering removing the mask requirement?*
GM responded that the MFC will continue to use State of Michigan, Marquette County, and CDC recommendations as its guideposts. GM has pledged to staff that they will have input when it comes time to make any decisions about mask wearing in the store once one of the aforementioned entities says it is okay to ease off on mask wearing.
- e) *Has the move to the livable wage improved employee turnover at the Co-op?*
GM responded that the livable wage was implemented in October of 2017 and reported that the turnover rate has improved since then. HR Director Dave

Kalishek noted numbers of staff that have worked at the store for more than five and ten years. GM reported that the ratio of full time staff to part time staff has improved as well.

- f) *Will there be future opportunities to invest similar to when relocation happened?*
Board responded that the GM has brought the idea to the board and the board has considered future preferred share offerings. Board commented that it may be time to consider another offering as an opportunity for owners to invest in the MFC.
- g) *There was a question about high pricing and bagging groceries.*
GM responded and discussed grocery bagging and prices. GM explained that larger retailers are able to have lower prices on items due to volume pricing. He asked shoppers to consider all of the workers involved in bringing products to the shelves – from the farmers and delivery workers, to employees that work in the store.
- h) *How has the pandemic impacted the Co-op?*
The impacts of the pandemic were addressed earlier in the meeting.
- i) *Any updates on when staff can expect vaccines to become available?*
GM responded that the store is not requiring staff to get the vaccine but has been encouraging staff to register for vaccination. The MFC is doing its best to keep staff informed and help them along the way to get registered. GM noted that the county did not designate grocery store workers as eligible front-line workers in earlier phases of vaccination efforts.
- j) *What are the biggest challenges we face in 2021?*
GM responded that some of the challenges ahead include increased competition, keeping up with industry trends and technological advancements, and improving webstore efficiency. GM responded that there is pressure to bring pricing down and to increase wages. Board responded that one of its biggest challenges will be addressing what the transition out of the pandemic will look like, not just from a public health standpoint, but being prepared to respond to what the community will want and need during that transitional time and into the future.
- k) *What happens to unsold produce that is past its prime and why can't we buy it?*
GM responded that the MFC has gotten better at buying in its produce department so there is less waste. When produce is nearing its sell-by date, it is transitioned to the kitchen or it is made available to staff to take home. Produce that is unable to be used is composted.
- l) *There is a lot of packaging in the store. Any thoughts on how we can decrease this?*
GM responded that there is a group of employees called the 502 Eco Tribe that takes on issues related to sustainability at the Co-op. GM noted that there are

specific rules from the Department of Agriculture that the store has to follow regarding packaging and reusable containers.

- m) *Is it still an option to attend board meetings now that they are on Zoom?*
Yes. The meetings are still public. Anyone that wants to receive the link each month can email Pamela at pvaldez@marquettefood.coop for more information.
- n) *What can I do to become more involved even if I'm not part of the board?*
Sarah Monte responded that there are many ways to be involved, including attending board meetings, participating in food summits, attending virtual food classes, and submitting suggestions to customer service.
- o) *How many active owners are there and how many are on this call?*
There are 5,907 owners. There are 4,858 active owners that have shopped in the store in the last year. There were about 43 people in attendance at the virtual annual meeting.
- p) *What has been the impact on the Co-op from new competitors like Meijer?*
GM reported that any time a new competitor opens in the area, the MFC anticipates a drop in sales and prepares for increased competition.
- q) *What is the work of the anti-racism committee?*
The board responded that anti-racism is important work in our community. In June the board established an anti-racism committee, which began by focusing on board education and is now working with management to review some of the MFC's practices using assessment tools from NCG. The board hopes that the work of this committee will be reflected in the board's policies and will be reflected in the future of the Co-op.
- r) *Will you consider putting eating tables in the parking lot?*
GM responded that the parking lot will likely not be utilized for additional seating, however the MFC is working on plans to add more outdoor seating as it anticipates that indoor seating will not be returning as it was before the pandemic.
- s) *How is meat sourced at the co-op? What standards are used?*
The MFC sources its meat from UNFI and Cisco and a number of local suppliers. In the past the MFC had mostly local suppliers. The price point on local product is higher. The MFC would like to have more local meat available and plans to consider this further over the coming year.
- t) *Would the Co-op purchasing/operating its own meat packing facility (1) create revenue as a distributor to other co-ops and groceries, and (2) add to the Co-op's revenue?*
GM reported on a feasibility study conducted in the past that explored adding another meat processing facility in the UP. It was noted that results from the study

indicated that it was not feasible at that time, however more recently groups have begun exploring additional options for meat processing in the UP.

- u) *Parking becomes frustrating when people park at the Co-op and walk across the street to other businesses. Also, increased dedicated spaces for things like shopping pick-up have made parking difficult. Is there a need to keep as many as there are?*

GM responded that the store always needs additional parking. He addressed issues related to employees and patrons of other businesses using the MFC's parking lot and explained that the dedicated parking spots for curbside pick-up will likely remain for a while.

- v) *Can we purchase the NY Deli parking lot?*

GM reported that the MFC has talked to the owners of the lot about options. GM explained the current ownership and lease arrangements pertaining to that lot.

VII. Raffle Prizes Announced: Sarah Monte announced the winners of the raffle.

GM thanked the board of directors for their support and care during the pandemic. GM thanked Sarah Monte and Evan Zimmerman for their work in making the annual meeting a virtual event this year.

VIII. Closings: Meeting adjourned at 8:42 p.m.

Emily Weddle
Board Recorder