

**Minutes of the
Marquette Food Co-op
Annual Meeting of Owners
NMU Northern Center
March 11, 2022**

Start time: Meeting was called to order by president Michelle Augustyn at 5:47 p.m.

Roll call: M. Augustyn, H. Bush, K. Cantway, A. Cherrette, Z. Eppensteiner, R. Kochis, K. Pierfelice, M. Linck.

Absent: None.

Staff: GM Matt Gougeon, Sarah Monte, Mary Moe.

Public: MFC Owners and Staff.

I. Welcome (Sarah Monte, Outreach Director): S. Monte thanked everyone for attending. She recognized Kids Club and thanked them for providing complimentary childcare for the event. S. Monte acknowledged a donation made to the MFC for Spread Goodness Day in support of the MFC's gardening programs.

II. Report from the Board of Directors (Michelle Augustyn, Board President): M. Augustyn thanked everyone for their support throughout the pandemic and thanked everyone that ran for the board this year. The results of the board election were announced. Incumbent board members R. Kochis and M. Augustyn were reelected and Nate Frischkorn and Tom Rulseh will be joining the board. Augustyn also thanked A. Cherrette for her service on the board and noted that she will be leaving the board this year. M. Augustyn reported about the work undertaken by the board over the past year including work on the Annual Ends Policies. M. Augustyn thanked the employees of the MFC for all that they do.

III. Report from the General Manager (Matt Gougeon, GM): GM recognized the work of the board over the course of the pandemic. GM reported that the MFC saw an increase in assets and decrease in liabilities as the Co-op continues to pay down debt. GM also reported on staffing and noted that the MFC increased pay and benefits for employees. GM reported that things are going well at the MFC and noted the purchase of the Marquette Baking Company and potential plans for expansion.

IV. Q&A: GM welcomed questions from attendees.

a) *How does the MFC compare to other co-ops across the country during the pandemic?*

GM reported that the MFC is a member of National Cooperative Grocers (NCG). He reported that some co-ops have succeeded while some have struggled during the pandemic. GM reported that the MFC is in the top 20% of co-ops for financial performance.

b) *How has the increase in revenue benefited our farmers?*

GM reported that the increase in revenue has enabled the MFC to be able to purchase more from local farmers and producers. GM explained that local farmers have also been able to sell more product directly into the market during the past year.

c) *With the end of the pandemic how do you see growth moving forward?*

GM commented that during the pandemic consumer habits changed as more people began preparing meals at home. He noted that it may take time for things to change again, and commented that the trend of people eating more meals at home may likely be a more permanent change.

d) *How have changes in the local community, including the need for affordable housing and the growth of the tourism industry, impacted the MFC?*

GM shared that the MFC often gets applications from individuals wanting to move to Marquette. He noted that affordable housing is an issue and trends seem to show people seeking more affordable options for housing west of Marquette. GM reported that tourism and remote working have been increasing over the past few years.

e) *How are the Annual Ends Policies being reevaluated and revised?*

GM reported that changes in our community and changes in the market are what spurred the board to consider reevaluating the Ends Policies. GM discussed that the MFC is considering how to expand community owned assets and prepare for future competition. M. Augustyn commented that the MFC strives to remain relevant in the Marquette community and noted that the Ends are written to reflect the values of our community. M. Augustyn also explained that the Ends are being reevaluated to better fit under policy governance. Resiliency and how the MFC will survive challenges and competition in the future were discussed.

f) *How has the purchase of the bakery impacted the MFC in regard to staffing, revenue, and plans for the future?*

GM provided background information on the purchase of the Marquette Baking Company. GM reported that the bakery currently has high labor costs, however it is anticipated that when the bakery's retail space begins operations it will see increased profits. Mary Moe shared about an upcoming celebration at the Children's Museum and reported about the Marquette Baking Company's participation.

g) *With the increase in revenue, is the board considering a patronage dividend?*
Yes.

h) *Can you talk more about the potential store on Third Street?*

GM reported about the potential for the Third Street location. The board has charged the GM with negotiating an acceptable lease. GM discussed debt restructuring and financing proposal. GM also reported on anticipated delays for construction and vendors due to the pandemic.

h) *In light of increasing prices, how does the MFC plan so that the it doesn't get left out?*

GM commented on increases in costs and reported that so far the MFC has been able to work with its suppliers. Potential impacts of increasing fuel prices were discussed. GM acknowledged that the Upper Peninsula is at the end of the line for suppliers. GM also discussed current events and noted that a lot of grain is grown in Ukraine. GM noted that most of the wheat products sold at the MFC are made with wheat grown in Canada, however it is currently unknown exactly how the war in Europe will impact things in our area.

V. Third Street Expansion:

Motion: To accept the debt restructuring from the financing plan from Range Bank as presented (*motion by Z. Eppensteiner, second K. Cantway*).

Action: *Motion passed unanimously.*

Motion: To permit the GM of the MFC to sign the lease with South Park LLC at an appropriate time (*motion by K. Pierfelice, second M. Linck*)

Action: *Motion passed unanimously.*

VI. Closings:

Sarah Monte thanked the band for playing and introduced NMU's executive chef who shared about the menu for the event.

Meeting adjourned at 6:45 p.m.

Emily Weddle
Board Recorder