

**Official Meeting Minutes**  
**MMFC Annual Meeting**  
**Thursday, October 26, 2017, 6pm**  
**Mabel Tainter Theater**  
**Josh Risler, Becca Kleist, Rick Remington, Astrid Hayden, Emcees**

Headcount: 65 adults and approx. 8 children

1. **Call to order** (6:00) (Josh Risler)
2. **Introduction and welcome** (Josh Risler)
  - a. Approval of October 25<sup>th</sup> meeting minutes (Bill Hogseth, Becca Kleist)
3. **President's report** (Rick Remington)
  - a. Thank you to Board members: Laura Oliver, Mariann Holm, Logan Mather, Gary Johnson, Patrick Pesek-Herriges, and Steve Hanson (absent). It is the last meeting for Laura and Logan- it's been a pleasure working with them over the past three years.
  - b. Thank you to Crystal, our General Manager, and entire MMFC staff.
  - c. Thank you to our almost 2,300 owners! And special thanks to those who came out tonight. Because of us we have the best co-op in Wisconsin- if not the country!
  - d. Board has four main responsibilities:
    - i. Represent the owners- we take that responsibility very seriously, especially looking after co-op's financial condition. We're here to serve you, so please do contact us if you'd like.
    - ii. Supervise the General Manager. Crystal is the Board's only link to store operations- we don't supervise any other employees. We don't tell her what to do, except to build a thriving healthy community.
    - iii. Set policy. We set limits on what we don't want to see in the store. We want healthy finances, happy staff, welcome owners.
    - iv. We look forward, no matter how far in the future. We listen to owners and try to reach out through various events. What is our direction for 5 or 10 years? We have decided to recommit ourselves to advocating for MMFC and the larger community. We want everyone to recognize the co-op difference. If you have ideas for what this might look like, please let us know.
  - e. Thank you all for coming, on behalf of the Board.
4. **General Manager's report** (Halvorson)
  - a. I'm celebrating my 13<sup>th</sup> year here at the co-op! It's exciting to see some new faces here tonight. Thank you for coming, everyone.
  - b. This year is the year we're trying to "turn the ship around." We've spent the last four years building a new store, selling the old store, getting store operations in order. We're finally getting used to running a store this size! Now, we're on to a new chapter of not being focused on expansion.
  - c. We will now be focused on the expansion of our Ends statement and our community.
  - d. We had the second highest sales growth of any co-op in the US in the year 2016. This past year, we have experienced 8.79% growth, which is excellent in the face of the rapidly changing grocery industry. Here in the Chippewa Valley, we've gotten Woodman's in, Gordy's expanded and shrank, Aldi's and Wal\*Mart remodeled, Lammers sold to Dick's after 150 years in family-owned business, Marketplace sold...

everything has changed since we drew those blueprints! So far this year, we're at 3% growth. We're grabbing on to what we can.

- e. Now that we've built the building, we have to make sure we don't run out of cash before we return to profitability. We took a dive when we expanded, but this year, we've returned to positive EBITDAP. This measures our ability to pay all our bills, except those that come from debt. We are now cash neutral, not spending down our savings. The straight net income graph doesn't look as pretty- but we jumped off this cliff on purpose. This is not an unexpected number! Our income is predicted to keep growing. It will take some time to grow into our building, but our sales will continue to improve. 2020 is the final year for depreciation. In 2021, our NMTC will unwind- this is a very complex part of our financial project- and lots of debt as part of this financing package will go away.
- f. We expected a growth in ownership in 2016. We had almost as big of a step in the second year, which is unexpected and wonderful! It shows there are people who are interested in sticking with us.
- g. We're using a lot more data to figure out what's working, and we'll be trying some new things. We might even ask you for some input.
- h. We're working on expanding what's going well. Our deli has been growing this year. We've been testing out some dinner options and will continue to look at what offerings will be available. Our wellness set has gone well since opening. We expanded it this year- took out the desk and added more products. Beer, wine, and cheese have also expanded. Our classes and in-store events have grown; Becca and Beth have curated some amazing classes. We know what's working and what isn't in the classroom. If you have a great idea for a class or event, please let us know.
- i. Last week, we gave out more than \$8,000 in discounts for Owner Appreciation Days. We loved celebrating you as owners in an era where we won't give out patronage dividends. This year, we had both our busiest week and busiest day ever in the history of MMFC. Thank you for supporting us!
- j. Our community donations have made a giant leap this year. This is a great example of how we have shifted our focus outside the store instead of just trying to be great grocers. A lot of folks donated during our holiday grocery drive, and it was a big part of this total number. Your money was matched by donations from some of our suppliers. One of our drivers even dropped off three pallets of food to Stepping Stones! We're excited about the future of community giving. This year, we've made an initial investment in a community development fund, matched by a few other co-ops such as Equal Exchange. We'll receive some interest earnings back and be able to donate those back to our community. This year will be our first donation.
- k. We're also in the process of applying for a few grants. One would allow EBT users to get double their money for produce at MMFC. I really hope we get this grant and can report a great success to you! We're also hoping to teach some cooking on a budget classes and giving away some copies of the book Good And Cheap.
- l. When we expanded we raised one million dollars from all of you- we were the smallest co-op in the US to do so! We also received a grant which helped the city build the farmers' market pavilion. We were the first business in the US to be both a New Markets Tax Credits recipient and get a loan guarantee. WHEDA helped us push the federal money into our store. Their annual report came out this week, and it had a story about us- one of only four projects featured. We also gave them a tour of the store this week!

- m. One of our sister co-ops, Seward's Friendship Store- one of the most racially diverse stores in the US- suffered a bomb threat recently, with the caller angry about their diversity. Within days, hundreds of co-ops sent in gifts, photos, and messages of support. We did, too- here is a picture of us sending them some love. In everything we do, there really is heart. Everyone welcome means sharing simple kindness. I see that every single day in our store. Co-operation and creativity happens all the time in our store. I love working at the co-op because of this!
- 5. **Closing of ballots** (6:36) (Crystal Halvorson)
- 6. **Door prizes!** (Becca Kleist)
  - a. Owners won chocolate, coffee, a sushi kit, a bottle of wine, and some gift cards.
- 7. **New business** (Astrid Hayden) - none
- 8. **Keynote speaker: Sheila Ongie, Sustainability Manager, NCG**
  - a. This is my first time in Menomonie, and I was so impressed to see your beautiful store and feel the culture of kindness Crystal was talking about. You have something so special here.
  - b. I've been the sustainability manager at NCG for four years. I'm also from the driftless area!
  - c. What is the National Cooperative Grocers (NCG)? Your co-op's cooperative. Before the 1990s, there were a bunch of co-ops, all operating independently. Eventually, they realized that they could be stronger together and started to form regional associations. In 1999, those associations came together to form a co-op: the National Co-op Grocers. NCG helps co-ops get some of the benefits of a chain while retaining the autonomous nature of the co-op. Collectively, we do 2 billion dollars in sales and serve 1.3 million member-owners... including all of you! Serving more people in more communities means that we can have more positive impact in the world.
  - d. NCG is proud to be a certified B Corporation: a movement of people using business as a force for good. This certification shows that a company has been third party verified as a sustainably running business, even if management or ownership changes. Some other B Corps are Seventh Generation, Alter Eco, Ben and Jerry's, and Etsy. Last year, NCG co-ops sold 80 million worth of B Corps products. NCG was honored to be named one of the Best For The World companies in 2017.
  - e. Food production and climate are inextricably linked. Food growing, transport, and storage has a tremendous environmental impact. To help reduce that impact, we started the Co-op Forest project. We chose an area in Peru, where part of the Amazon was deforested due to illegal coca production. We are offsetting our carbon through investment in sustainable, regenerative forestry there. We've planted over 1.4 million trees! I'm very proud of this project.
  - f. NCG is a member of the Climate Collaborative. We have joined with other companies, and have collectively made over 500 pledges to help reduce our ecological footprint.
  - g. NCG supports a growers' cooperative called La Riojana, which produces wine and olive oil. The co-op grew out of a community that had very limited resources- including lack of clean water. La Riojana has since helped to bring clean water and a school to the area. They went on a tour of the US and got immediate support from the co-ops they visited. Because co-ops have a direct relationship with La Riojana, customers get a lower price, and producers get more money back. La Riojana is now certified organic as a result of the support from US co-ops. Cooperation among cooperatives and a fair trade premium has helped improve communities and empower growers. Now the farmers have the tools to build their own future.

- h. The biggest part of my job is helping co-ops measure, improve, and share their sustainability efforts. Nationwide results are only possible because you all support your cooperative!
    - i. You help create a robust local economy, empowering local, small businesses. The average food co-op works with 185 local farmers and producers.
    - ii. 1 of 3 products sold at co-ops nationwide is organic. The national average is just 5%.
    - iii. Co-op shoppers love eating fresh- fresh products make up 35% of sales. With all of that goodness in the store, food spoilage is a challenge. Co-ops do more composting and donations to food pantries than other stores. 24,100 pounds of food are donated per co-op on average- about twice what a standard grocery store gives.
    - iv. You help nurture community. Co-ops donate 44% more to community organizations than conventional grocers. Co-ops provide an average of 92 outreach events per co-op, per year.
    - v. You are the co-op difference!
9. **Public comments** (facilitated by Rick Remington):
- a. Thanks to Deli and Marketing for setting up a great event.
  - b. Concerned about new legislation being proposed in Wisconsin where businesses can become voting members in cooperatives. (Sally Coy)
  - c. Stout has a big packaging department and they love developing new products. They have a big sustainability push going on- could Sheila pass this on to NCG? (Margee Steinecker)
  - d. I work with someone who uses crutches to walk and I'm so grateful that she doesn't have to struggle walking into the store! (Margo Hecker)
  - e. I've been a co-op member for 30 years. I want to say thank you to the co-op: the other members, the staff, everyone. I work at home and don't get a lot of human interaction. But when I go to the co-op, it is a long trip filled with socializing. You are my community. Thank you! (Leslie Norris)
  - f. Several times, I've approached staff about an issue. In the bulk section, we have lovely jars of herbs with great, big lids. These are hard to open. I mentioned this, and two days later, there were little rubber grabbers there to help open them! Where else would do this? Thank you! (Ellen Ochs)
  - g. Thanks to the staff for providing such amazing customer service all the time, especially nights, weekends, and holidays. They never let stress show on the floor. What a great team! I appreciate your hard work. (Laura Oliver)
  - h. The staff knows that one of my "bugaboos" is how infrastructure relates to sustainability. Transportation of goods is huge. Most of our cut bread comes from the West Coast - why that is the case? How much national effort is given to having cut bread created regionally? (Don Roberts)
  - i. Suggestion on bread: Talk to some of the bread bakers at the farmers market. Maybe they can supply some? (Sally Coy)
  - j. Thanks to Marketing for our beautiful Annual Report. (Josh Risler)
10. **Election results** (Josh Risler): Chris Hayden, Wendy MacDougall, and Rick Remington are our new (and returning) Board members!
11. **Forgotten door prize** (Becca Kleist) Alter Eco truffles- a B Corporation!
12. **Announcements** (Becca Kleist):

- a. Board member Mariann Holm is presenting a workshop for women who farm. Get resources and information, whether you are a current or future farmer. Free! November 2<sup>nd</sup> at the classroom at MMFC.
  - b. Lucie Amundsen, co-owner of Locally Laid eggs, will be doing a presentation on connecting to your consumer. November 9<sup>th</sup>. Co-sponsored by Just Local Food, Wisconsin Farmer's Union, and UW-Stout.
13. **Wrap up**- thank you all! (Josh Risler)
  14. **Motion carried to adjourn** (Reb Kilde, Jackie Kujak) (7:27)