

**Medford Food Co-op
Annual Owner Meeting and Good Food Festival
May 1, 2022, 1:00 p.m.
Medford Food Co-op and The Café**

To view the meeting recording, you may access it here: <https://www.medfordfood.coop/elections>

Welcome & Introductions

Kellie Hill, Medford Food Co-op (MFC) Board of Directors President, opened the meeting by introducing Directors and staff. There were 32 people present including directors and staff members.

Board Report

President Hill thanked the CORE management staff, acknowledging that they, along with General Manager Anne Carter, make everything happen. CORE staff include Jimmy Breedlove, Front End Manager; Jesse Gravelle, Grocery Manager; Halle Riddlebarger, Marketing/Outreach Manager; Steve Swader, Produce/Facilities Manager, and Andrea Warfield, Café Manager.

Special Thanks

President Hill gave special thanks to outgoing Director Barry Robino for his many years of service to the Co-op. In addition to his recent role as Director, Barry served for five years on the Finance Committee.

Kellie thanked Anne for persevering and navigating MFC through another crazy but successful year.

Election Results

A record 467 owners voted electronically in this year's election. Last year 371 owners voted electronically. Eight out of nine Board seats are filled with incumbent Directors Sarah Calhoun and Roger Noyes having been re-elected to represent the ownership.

In addition to the board members elected, the organizations voted in as the 2023 Positive Change recipients include:

- ACCESS Food Share Gardens
- Southern Oregon Land Conservancy
- Maslow Project
- CASA of Jackson County
- The Medford Food Project
- Our Family Farms
- Southern Oregon Humane Society (SoHumane)
- Rogue Farm Corps
- Bee Girl
- Food & Friends
- Center for Nonprofit Legal Services

Cooperative Community Fund

The MFC's Cooperative Community Fund is part of a national campaign to "give where you live." The fund is a permanent endowment with the interest donated annually to a local non-profit. The Board selects one of the organizations from the previous year's Positive Change recipients to receive the interest. This year the Board chose to donate the interest of nearly \$500 to the Children's Advocacy Fund.

Unredeemed Patronage Dividends

After the redemption deadline and reaching out to notify as many owners as possible, the Board voted to donate the remaining \$6,205.36 to MFC's Cooperative Community Fund.

Board Work

In the coming year, the Board will be focusing on these areas:

- Continue to evaluate store expansion options.
- Review MFC's diversity, equity, and inclusion policies.
- Review MFC's Ends policies, which provides long-term direction and helps the Board prioritize its work and stay in alignment with owner's needs.
- Prepare for expansion by taking steps as needed to be ready when the right opportunity is found.
- Shared vision: Seek owner input to drive MFC's direction.

2021 Business Report

Anne Carter, General Manager, gave her report, highlighting Co-op accomplishments from 2021. The full 2021 Annual Report may be viewed at <https://medfordfood.coop/owner-resources>

Anne provided highlights of the Annual Report to address some common questions.

How did the Co-op do financially in 2021?

- Profit & Loss – This was the second year of high sales since the start of the pandemic. Gross profit margin was just over \$2 million with a net operating income of \$164,629, which achieved MFC's goal of 4% of sales.
- Balance Sheet – Total assets at \$2.1 million along with increased retained earnings, decreased liabilities, and no long term debt leaves the Co-op in a strong financial position in preparation for expansion.
- Owner Shares – 241 new owners purchased shares in 2021. The Co-op currently has about 4,600 owners. Recent ownership trends reflect slowed gains in new owners due in part to the pandemic and to the 2020 fires. Now that people are venturing out again, the Co-op is reaching out and highlighting the benefits of ownership. In 2021 MFC owners received \$160,474 in discounts and patronage dividends.
- Staff – 2021 was another challenging year for Co-op staff including supply issues, staff absences, and hiring challenges. The average wage at the Co-op increased 7.3% over 2020. Several openings remain, especially in the Café.

Anne introduced members of the Co-op management team, appreciating them for their commitment and daily work in managing their teams and departments. She noted that Jesse Gravelle, Grocery Manager, will be pursuing another line of work soon. Anne thanked Jesse for his six years of dedicated service and eagerness to solve problems.

How does the Co-op benefit the community?

- Supporting local farms and food producers – In 2021 the Co-op sold \$1.2 million worth of locally grown or produced food. These purchases helped support 131 local vendors and represent an 11% increase over last year.
- Rogue Valley Farm Tour – Last year's tour helped 23 farms and ranches raise awareness by welcoming about 1,500 visitors.
- Positive Change Program – Thanks to the generosity of MFC's customer contributions and \$300 per month from the Co-op, we were able to donate \$31,079 to 12 local organizations whose mission and values align with ours.
- In-kind donations of food to those in need – Over 30,000 pounds of blemished produce and close-to-date grocery items to the Medford Gospel Mission; Quarterly food and water donations to Judy's Midnight Diner; and continued work with the Oregon Food Bank on the Double Up Food Bucks grocery pilot program, which provided over 325 households \$36,984 worth of free fresh vegetables and fruits.

Future Direction – As we consider future grocery business trends, the Co-op is expecting the drastically changed shopping habits of the past two years to continue to change. The cooperative values that created Medford Food Co-op over ten years ago have not changed. MFC will continue to be a cooperative business that is owned and managed by local people who are cooperatively nurturing a healthy community.

Group Discussions Highlights

The Owner Engagement Committee (Co-Chairs Fran Batzer and Sarah Calhoun, and Dan Smith) assembled attendees in two groups to provide input. These are the questions and highlights of all answers.

What do you like about shopping at MFC? Small personal feel – Great service – Produce selection & quality – Trees! – Feels like family – Supporting small farms and nonprofits.

What would you like to see in an expanded store? Similar location – Increased choices (deli, responsibly raised meat, fish, baked goods, pet section) – More community involvement – More ways to feature local farmers/producers. Concerns: Losing what makes the Co-op great – Product dilution – Staffing issues.

How could we increase the number of owners/shoppers at MFC? Age-related discounts – Scholarship program – Increase awareness of MFC's existence, price competitiveness, and benefits of ownership – Incentives for current owners to bring in more owners – Monthly potluck in the Café.

To contact the Board with more ideas, please email Board@medfordfood.coop.

Kellie thanked everyone for their input and adjourned the meeting at 2:05 p.m.

Respectfully Submitted,

Kathy Damas

Kathy Damas, Board Administrative Assistant