

Mississippi Market Cooperative, Inc.
Annual Meeting Minutes 2024

Date and Place: Thursday, October 24, 2024; 5:30-7:30 p.m.; St. Paul Union Depot

Members present: There were approximately 165 members in attendance

1. Welcome. At 5:30, member-owners gathered at the Union Depot. Co-op vendors had tables with samples, board members were available to talk, and dinner was served.

2. Call to order. At 7:01, Molly Phipps, Board President, formally called the meeting to order. She welcomed member-owners, thanked staff and vendors for their work. Molly announced that a quorum was present for the meeting.

3. President's report. Molly gave the President's Report and shared highlights from the board's work this past year including volunteering at Coop outreach events, convening with board members from other local coops, and working to strengthen the board and democratic process at Mississippi Market.

4. Approval of minutes. Molly called for a motion to approve the 2023 Annual Meeting minutes. One member-owner made the motion, and another seconded. Board members, along with other member-owners, voted unanimously to approve the minutes as written.

5. CEO report. The past year was productive for Mississippi Market, with notable accomplishments across each store and future plans underway. The Selby location remains the highest-volume store and is preparing for a major remodel to upgrade its outdated equipment, aiming for completion within a year. The West 7th store saw the most significant sales growth, with adjustments to store layout and a shift to prepackaged meats, which has already shown positive results. At East 7th, a new director and expanded conventional and culturally relevant product offerings aim to better serve this LILA (low-income, low-access) neighborhood, where building community trust remains a priority. Additionally, employees recently voted for union representation under UFCW 1189, aligning Mississippi Market with other Twin Cities co-ops as they prepare for their first contract negotiation.

6. Financial report. Daniel Ramos Haaz, Treasurer of Mississippi Market, presented the co-op's audited financial results for fiscal year 2024, ending June 30. The past year saw positive financial trends, including a 6% rise in customer count and steady sales per square foot with a slight 1% increase. Total sales reached \$31.7 million, up 2% from 2023 and on target with budgeted expectations, while the gross margin improved slightly and exceeded budget by 2.1%. Although the average basket size dropped by 4%—notably at the East 7th location—the co-op achieved a small operational profit. This allowed for a staff bonus and patronage dividend, ending with a net loss of only 0.04%.

The co-op's cash position remains strong, reaching \$6 million, partially due to banking covenant requirements and planned expenditures for the Selby location refresh. Key metrics like EBITDAP, which measures cash flow from operations, stood at 3% of sales, slightly below the desired 4%. Overall, Mississippi Market remains on solid financial footing, which supports future goals to strengthen community relationships, upgrade facilities, and continue offering nutritious, affordable food. The board expressed gratitude to the co-op owners for their continued support.

7. Member-owner questions. The floor was open to questions which were addressed by Molly and Catherine.

8. Election of directors. Taylor Mitsch announced the winners of the election, as voted by the member-owners:

- Roy Berger (incumbent) was elected to a three-year term
- Molly Phipps (incumbent) was elected to a three-year term

9. Adjournment. Molly thanked everyone for coming and adjourned the meeting at 7:30 p.m.

Respectfully submitted by _____