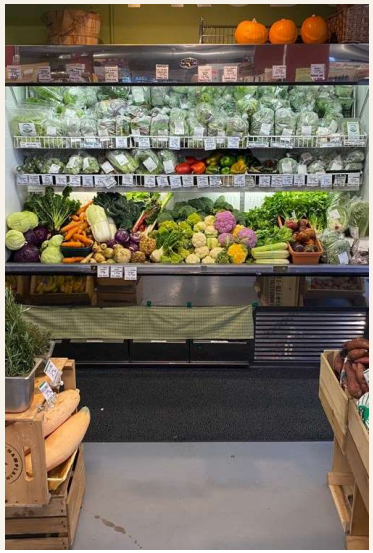
Annual Meeting 2026

Morrisville Food Co-op









Agenda

1. Welcome + agenda
2. Approve 2025 minutes
3. Overview of the year
4. Board candidates
5. Round It Up for Change
6. Presentation & discussion on proposed purchase of 46 Pleasant Street
7. Any other business
8. Close

Store Operations

A year of renovation, expansion & growth

Eric Besecker, General Manager

Year at a Glance

$2.82M
Annual sales

~8%
Sales growth over last year

27
Staff, up from 12 in 2021

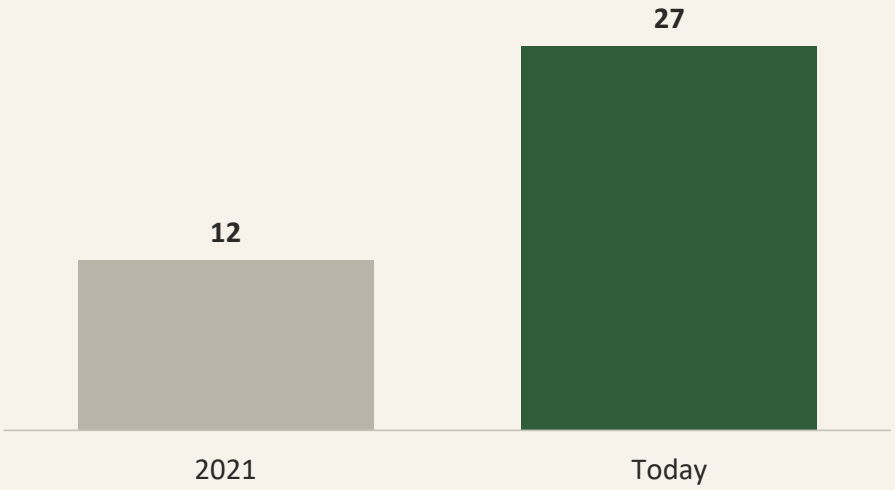
44%
Of purchases spent locally ($806,622)

$11,758
Donated via Round It Up

Renovations are complete and staff as well as member-owner feedback on the new spaces has been overwhelmingly positive.

Staff more than doubled, from 12 in 2021 to 27 today

Store staff.

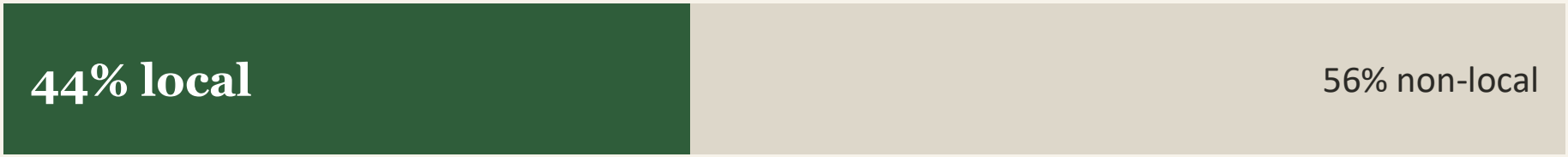


Staff rose to the challenge again

- Took on new responsibilities
- Completed additional training
- Integrated and ran a full range of new National Co+op Grocers (NCG) programs
- Supported growth across the store

The co-op spent $806,622 locally, 44% of all purchases.

Share of annual sales spent locally



$806,622

spent locally this year

Local sourcing stayed strong

Local spending held up through a full year of renovation and expansion.

Member-owners have five ways to save



10 for 10% stamp card



Coupons



Co-op Deals



Inventory sales



Vitamin & supplement discounts

Member-owners gave $11,758 to Round It Up for Change across 27,078 transactions

$11,758
donated to Round It Up for Change

27,078
separate member-owner transactions

Local events we joined

- Corn Roast
- Rocktoberfest
- Festival of Lights

Member-led projects are nearly complete, and bulk sales are forecast to rise 50%

Delivered from the member strategic plan

Set three years ago in a strategic planning session open to all members

- Dedicated staff break room
- Expanded office space
- Expanded storage space
- Larger bulk department

40%

forecast increase in bulk sales this upcoming year

Driven by the expanded bulk section

Thank You

To our staff, our volunteer Board of Directors and our member-owners: this growth is only possible because we build it together.

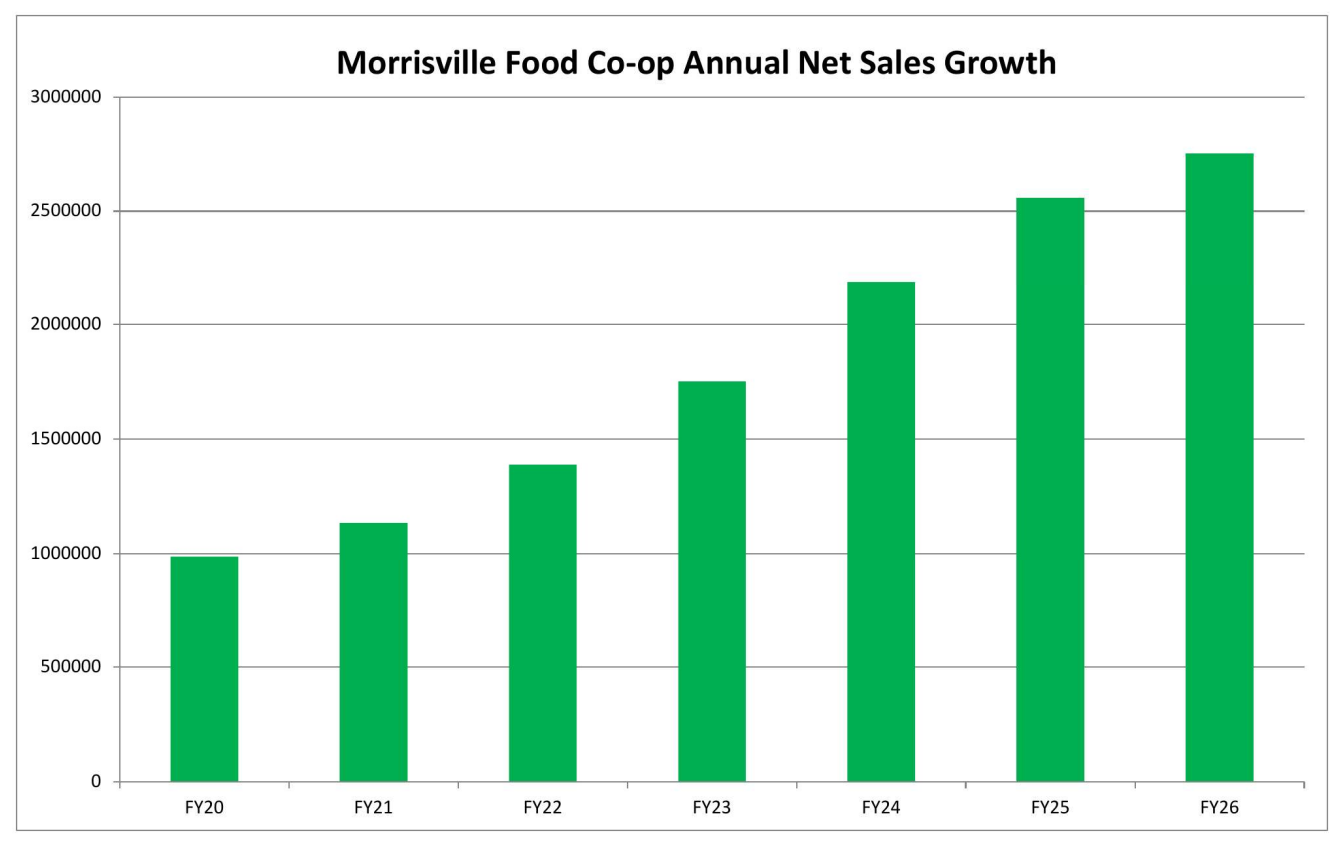
Eric Besecker, General Manager

The bottom line and trajectory

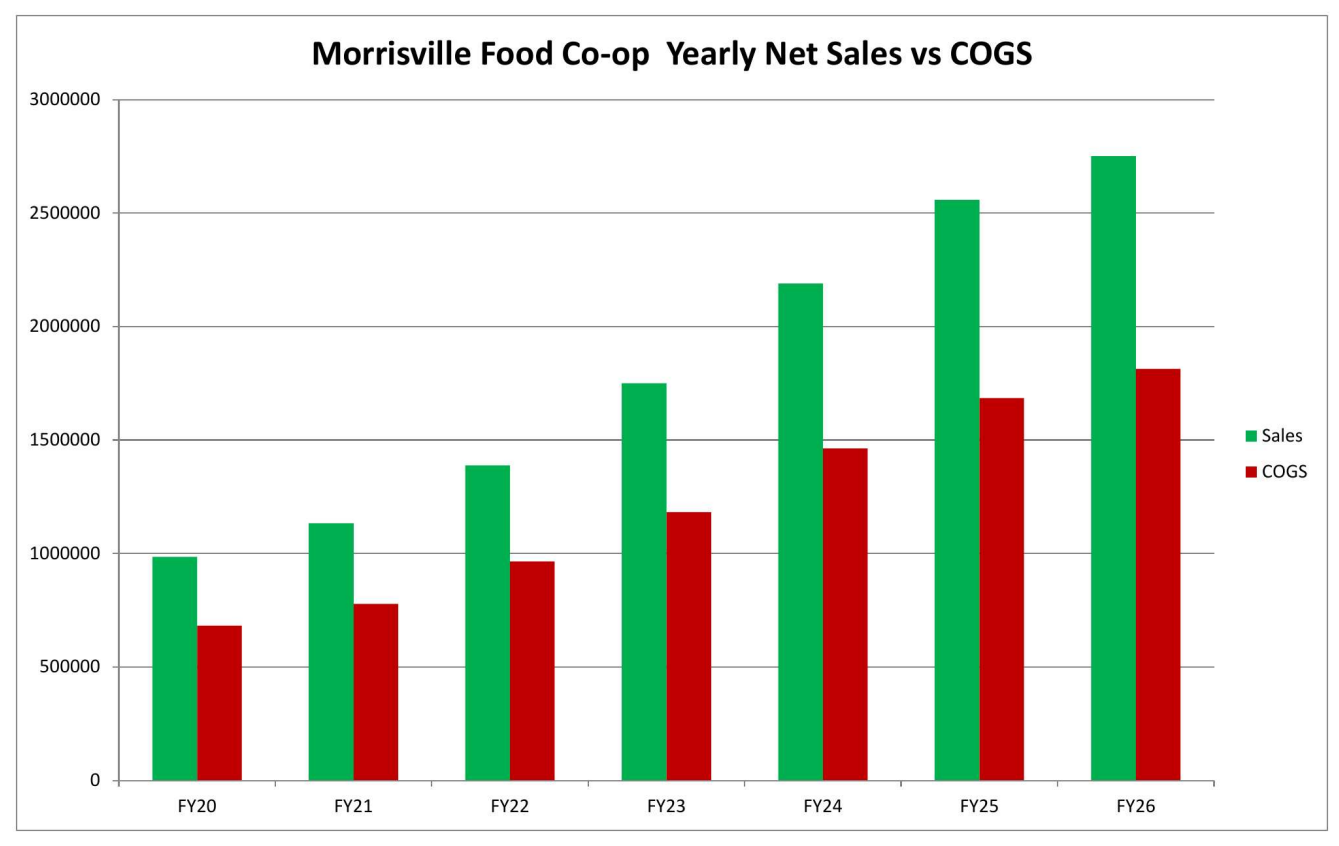
Seven years of sales, margins, liquidity and member equity

Beth Springston, Treasurer

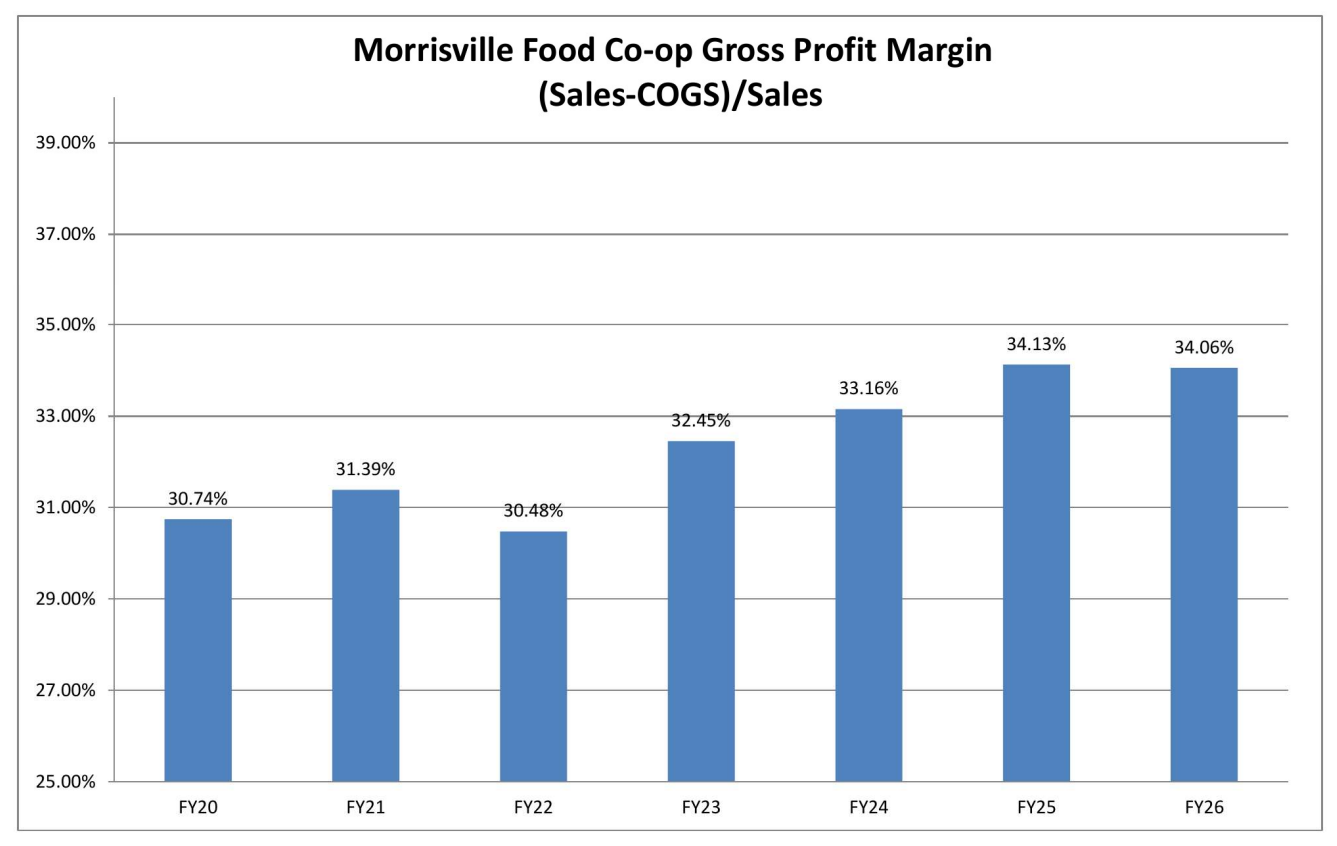
Net sales have grown every year since FY20



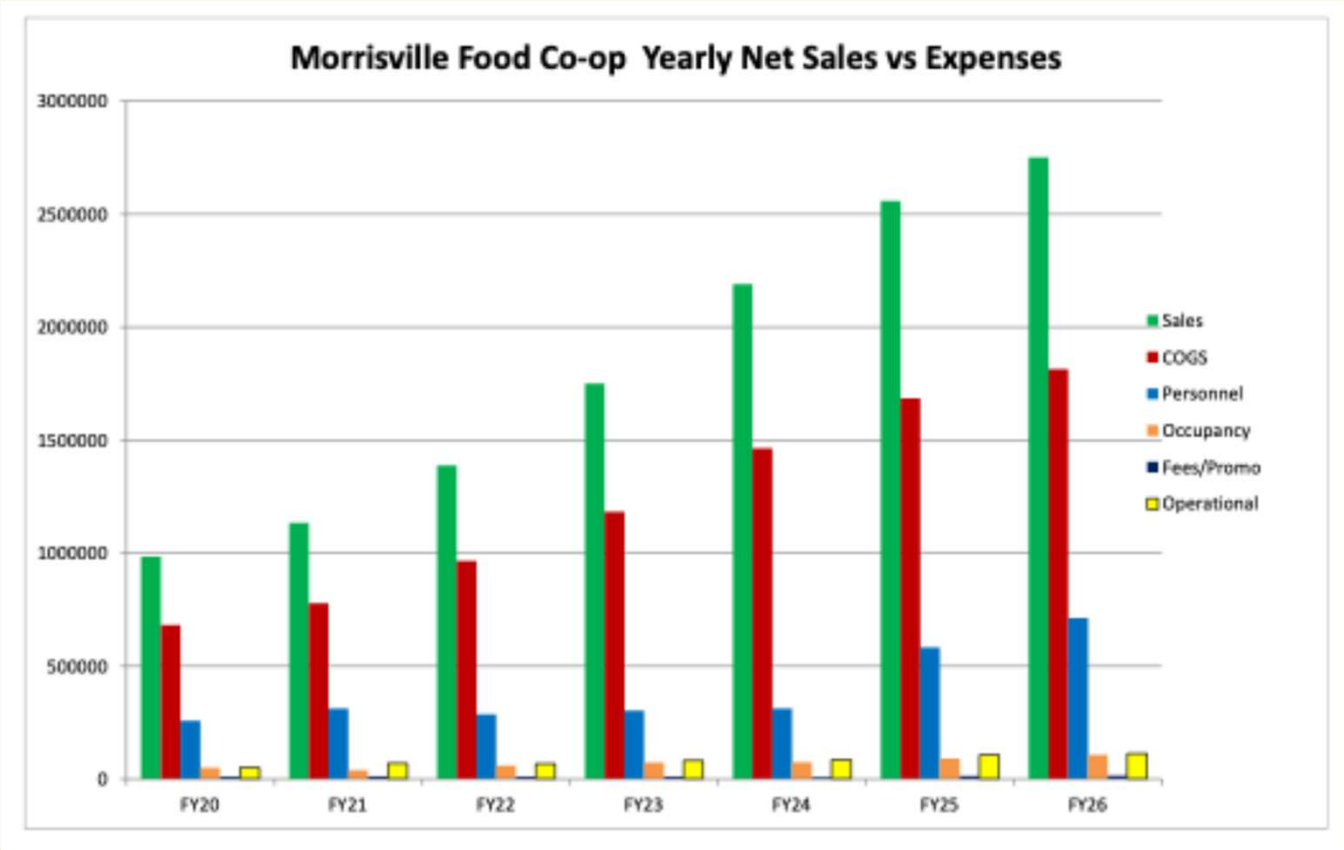
Cost of goods has grown more slowly than sales



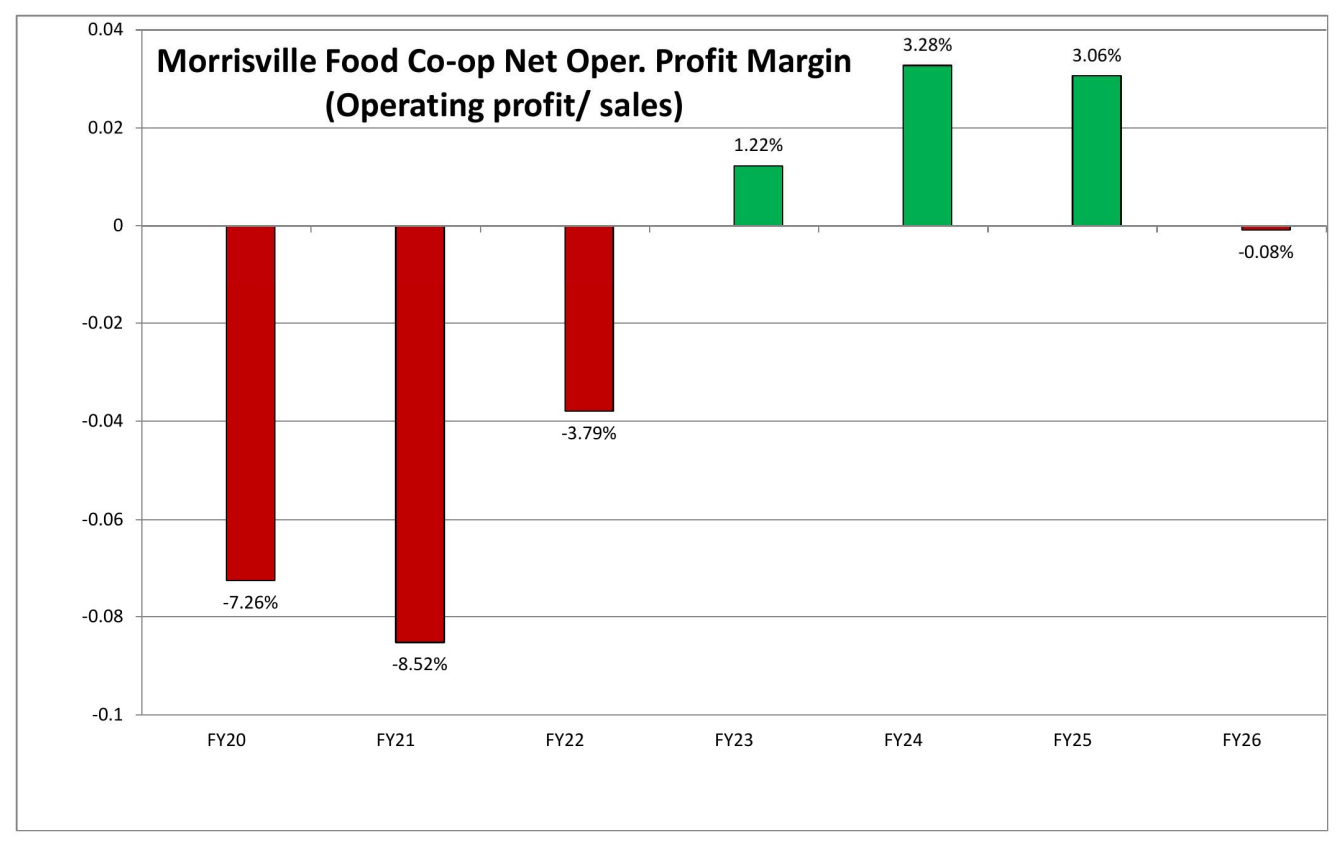
Gross margin rose from 30.7% in FY20 to 34.1% in FY26



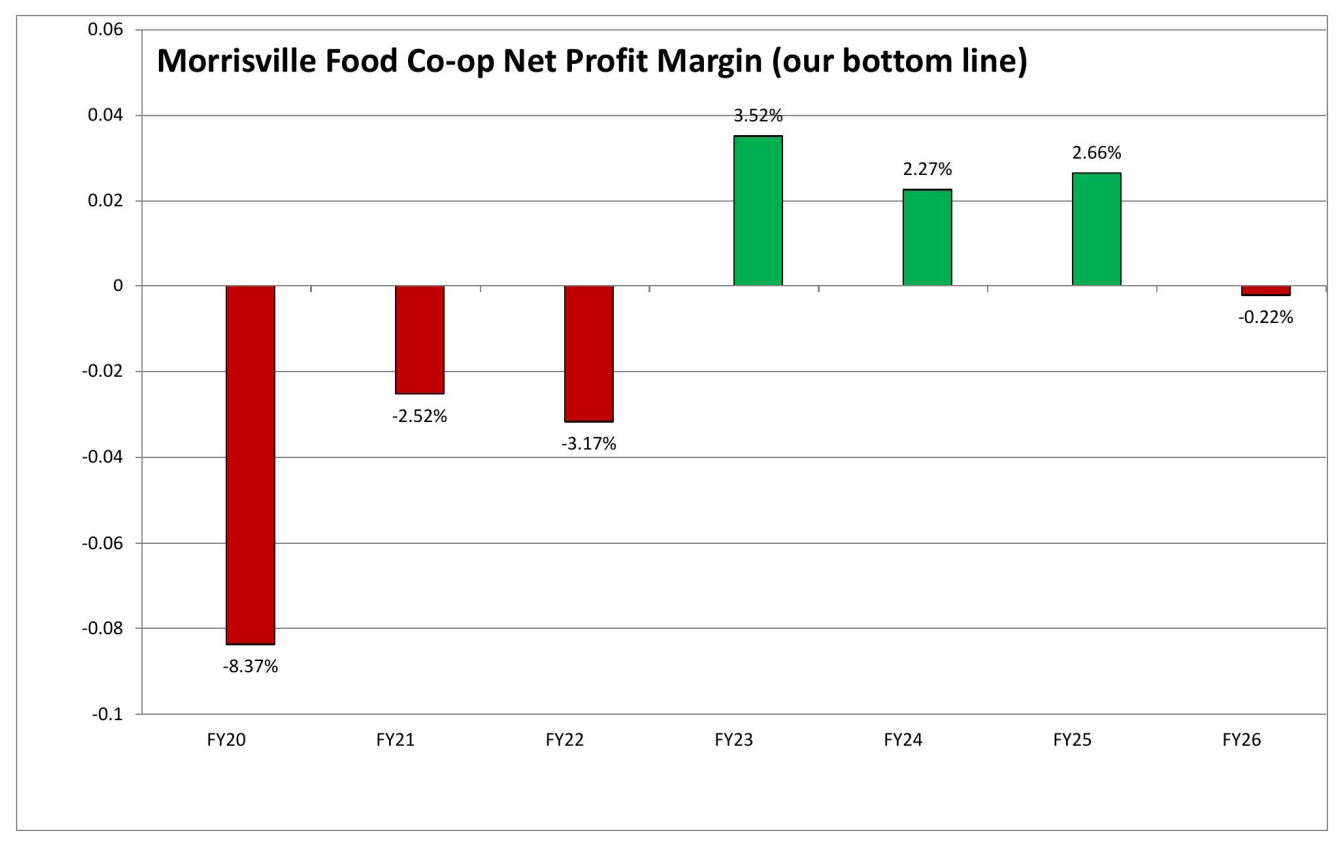
Personnel costs stepped up in FY25 and FY26 as staff grew



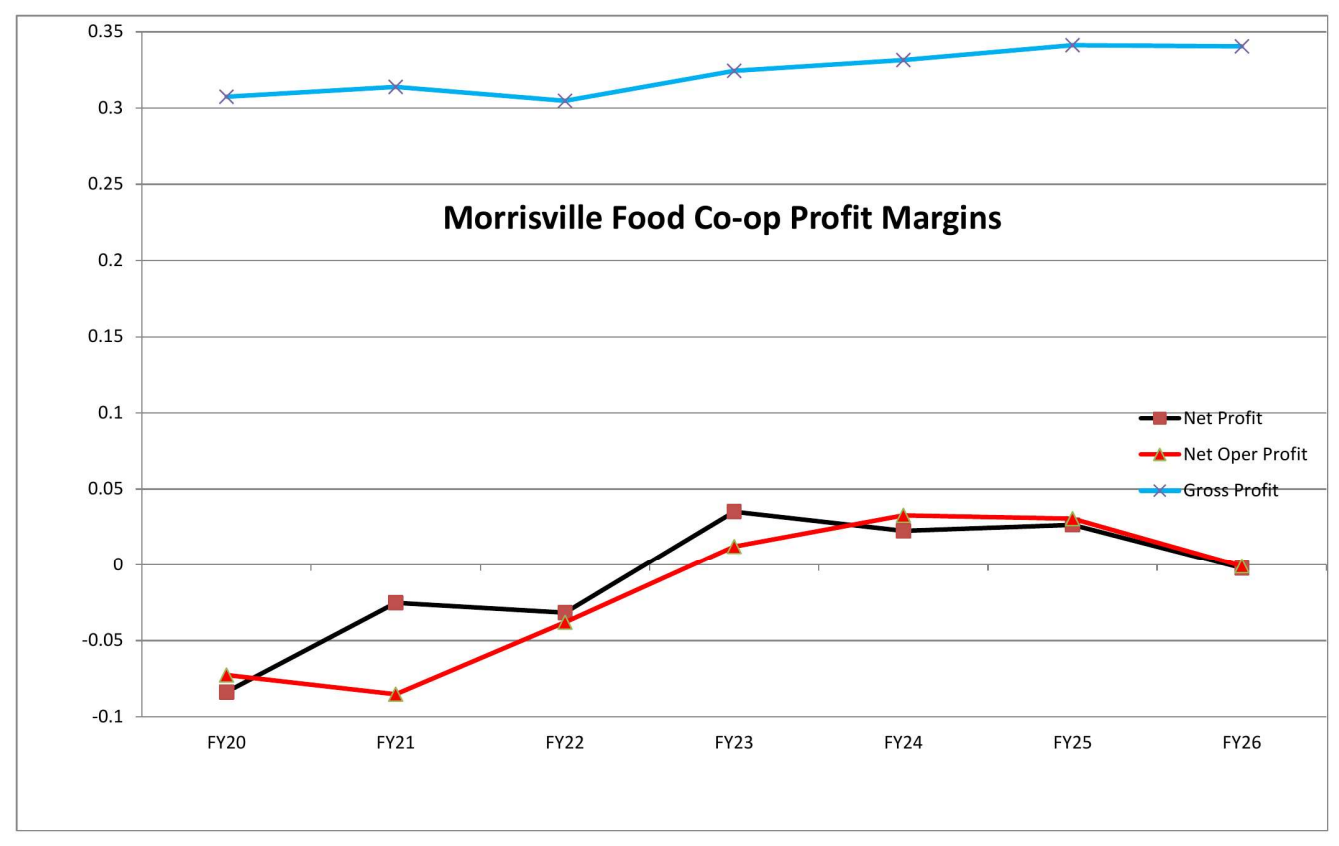
Operating margin moved from negative 7.3% in FY20 to profit in FY23



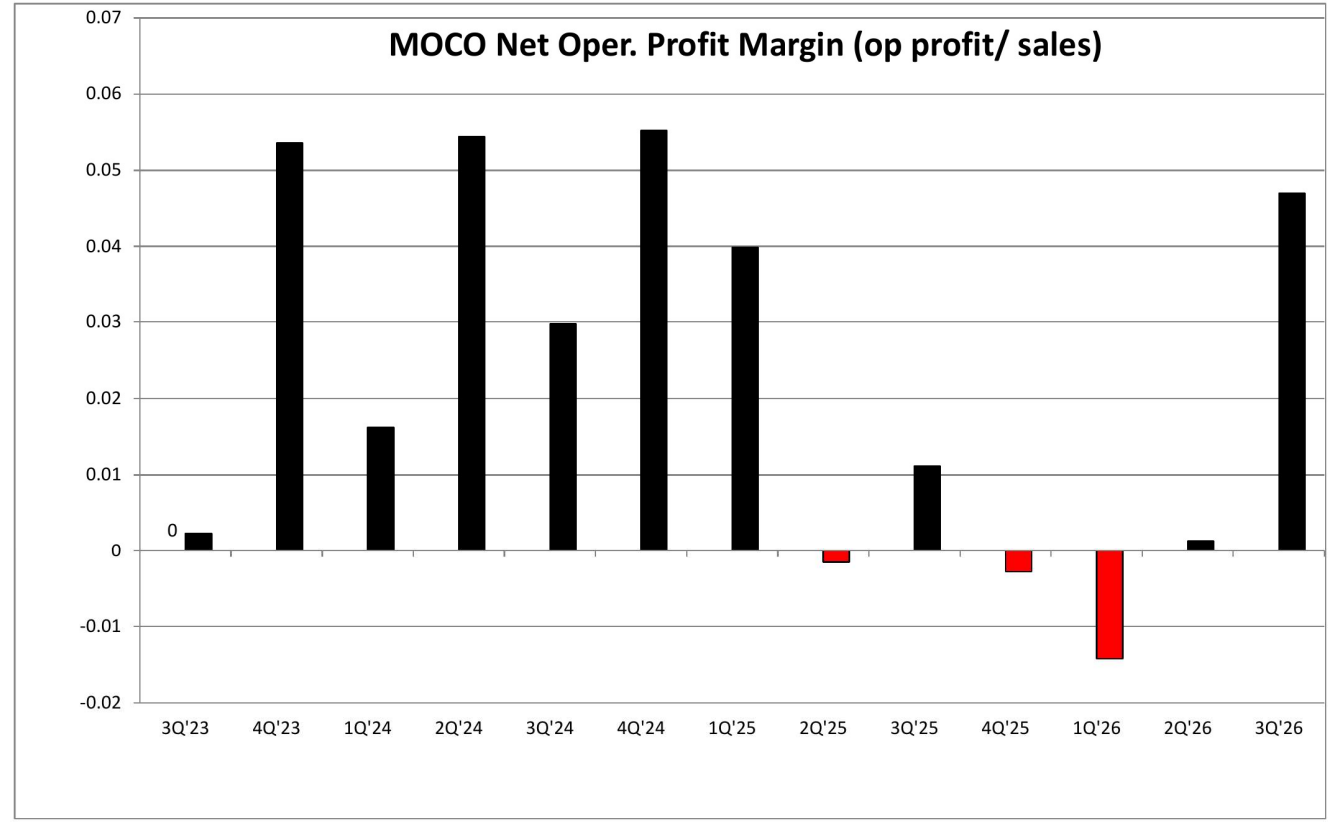
The bottom line – achieving profitability



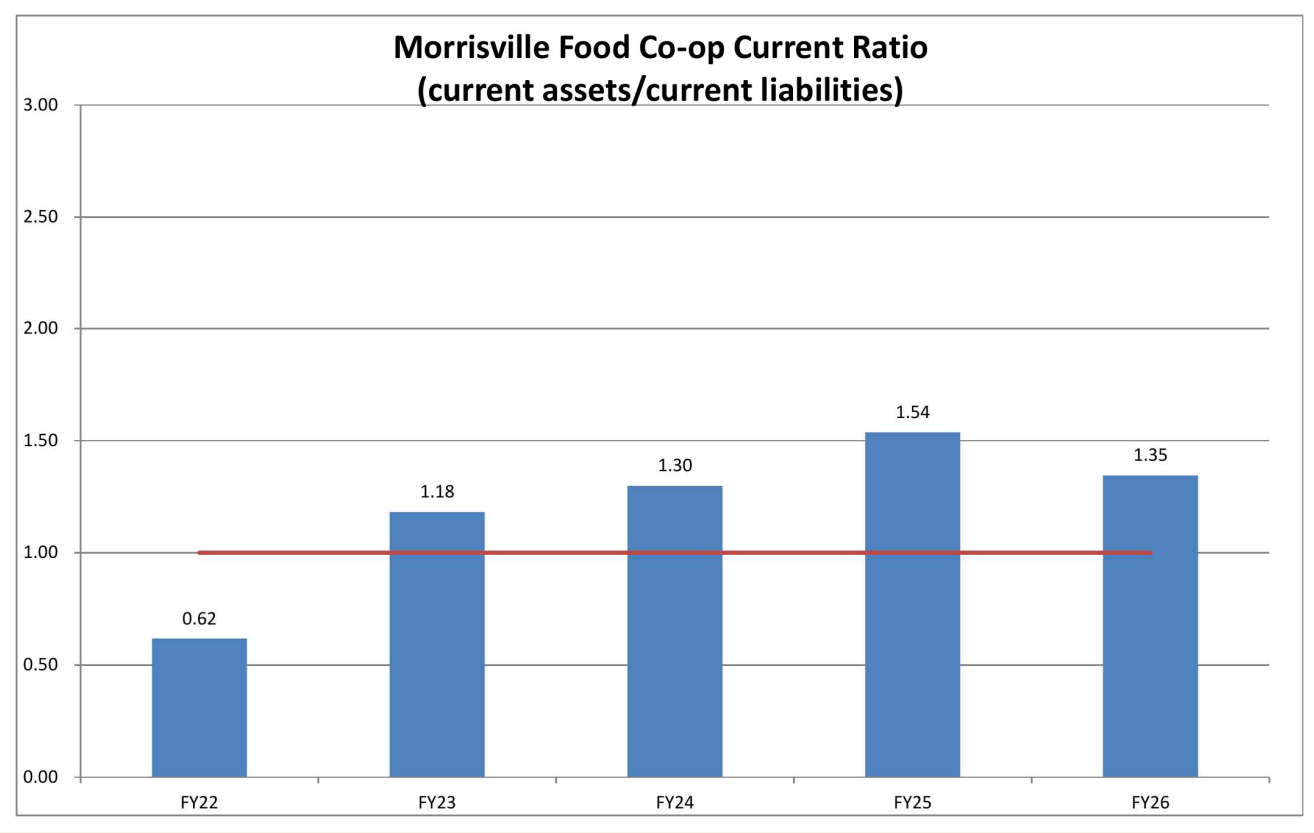
Gross, operating and net margins together, FY20–FY26



Quarterly operating margin rebounded to about 4.7% in our last quarter

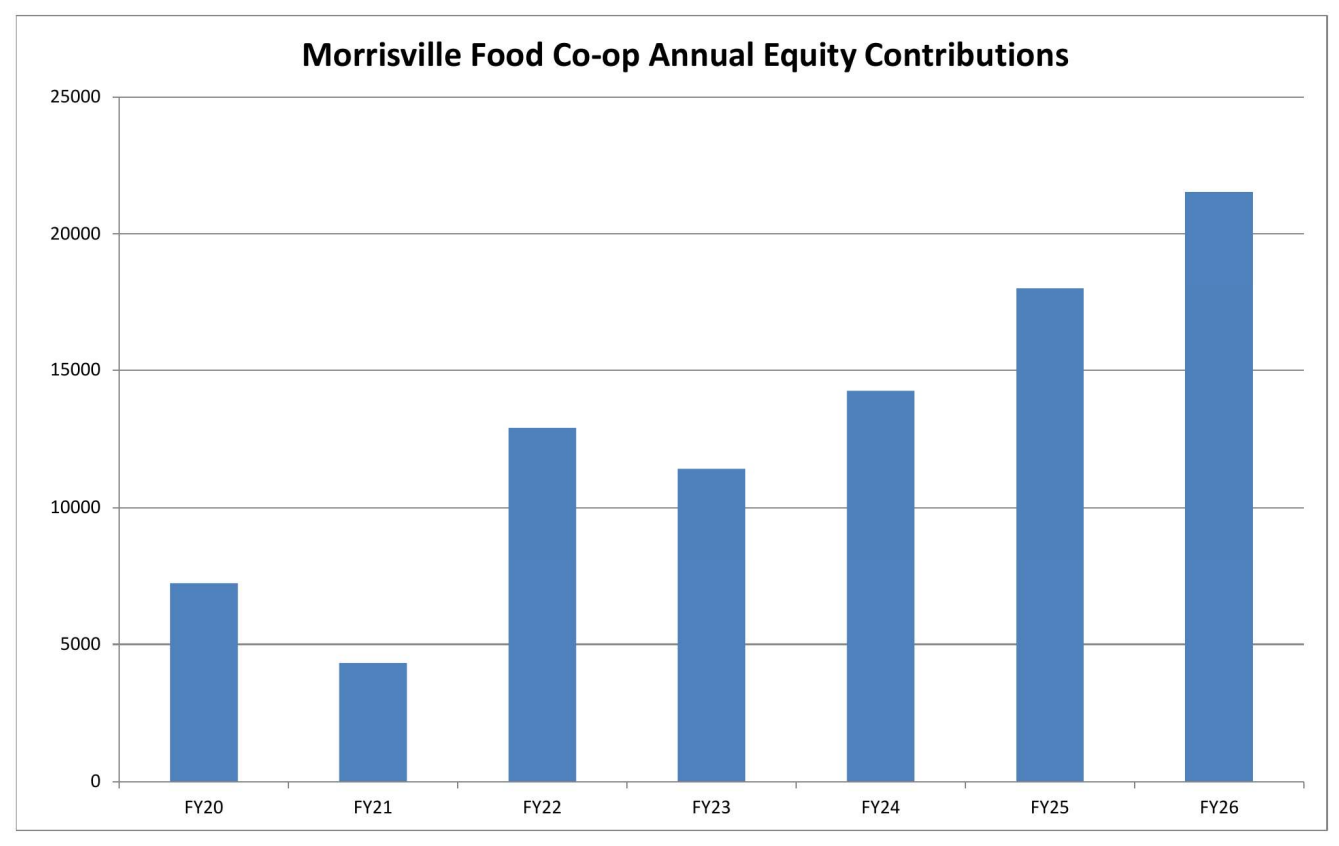


Current ratio of 1.35 in FY26, up from 0.62 in FY22



Current ratio = current assets / current liabilities; red line marks 1.0

Member equity contributions reached a seven-year high in FY26



Questions about 2026?

Introducing board candidates

Four 3-year seats (vote for four) · **One 1-year seat** (vote for one)



Jessica Seddon

1-year term · incumbent

Board member since 2022, chair since 2023. Led strategy update, NCG membership and expansion.



Amanda Singh

3-year term

Hyde Park. Raised among farmers and educators; strategic leadership, operations and finance.



Dave Meyer

3-year term

Johnson. Retired NASA and USGS atmospheric scientist; former Sioux Falls Food Co-op board member.



Ed Loewenton

3-year term

Morrisville since 1981. Psychotherapist and longtime small-business founder; keen on food science.



Emmy Auld

3-year term

Morrisville. Community organizer and home baker; rural organizing with farmers in Montana.



Karen Nash

3-year term

Member since 2023. 45 years in banking and insurance; strategic planning and operations.

Round It Up for Change: 2027 applicants

Wildwood Forest Academy
Forest Friday outdoor learning, scholarships

The DREAM Program
Youth mentoring at Lamoille Union High School

Green Mountain Birth Center
Building Vermont's first free-standing birth center

Downstreet Housing
Permanently affordable housing in Lamoille County

Vermont Association for Mental Health & Addiction Recovery
Recovery Friendly Workplace Initiative

North Country Animal League
Care and housing for homeless animals

Clubhouse Kids
Local, nutritious meals for childcare + preschool

Salvation Farms*
Gleaning surplus produce from area farms

Lamoille Home Health & Hospice
Home health and hospice patient care

Clarina Howard Nichols Center*
Shelter for survivors of domestic violence

River Arts*
Free arts programs for young kids and seniors

UnBound Afterschool*
Free summer program for students in grades 5 to 12

* Recipient of RIUFC in 2025

Building purchase

Resolutions

1. The formation of the subsidiary LLC, with the Cooperative as its sole member, is authorized, approved, and ratified.

2. The subsidiary LLC is authorized to acquire the property at 46 Pleasant Street and to finance the acquisition through a loan from the seller in the amount of up to $605,000.

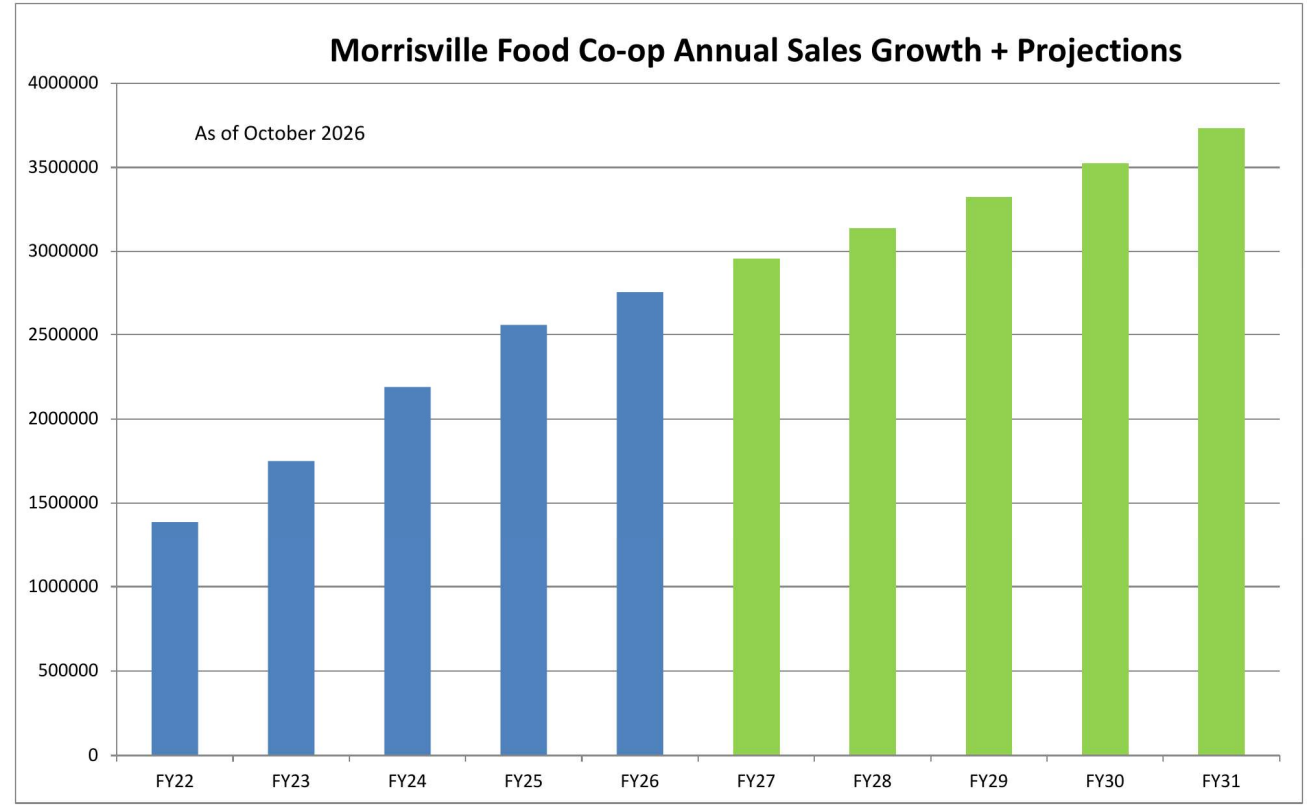
Thank you to Susan and Bob Titterton!



Overview of Due Diligence

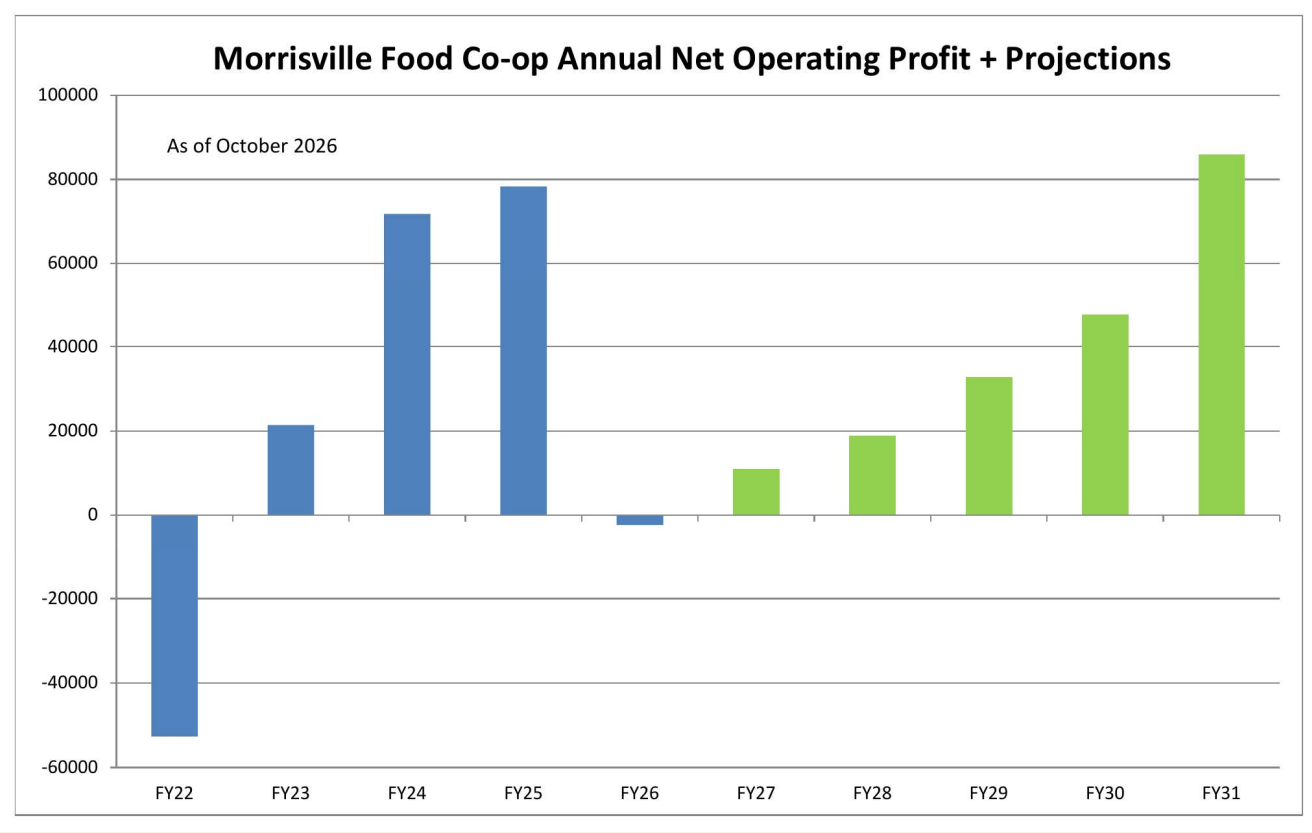
- Pros and cons of owning versus renting.
- Review of suitable and affordable retail space in the Morrisville area
- Financial modeling of occupancy costs, given
  - Co-op specific business plan, debt burden, and repayment options.
  - Benchmarking against grocery and co-op industry standards for earnings per sq. ft, occupancy costs as a percentage of revenues
  - Consideration for condition and residential tenants of 46 Pleasant St.
- Legal structures to protect the Co-op
- Management structures to protect Co-op operations.
- Standard real estate due diligence: independent valuation, building inspection, environmental review, title review.

Sales are projected to keep growing, to about $3.7M by FY31



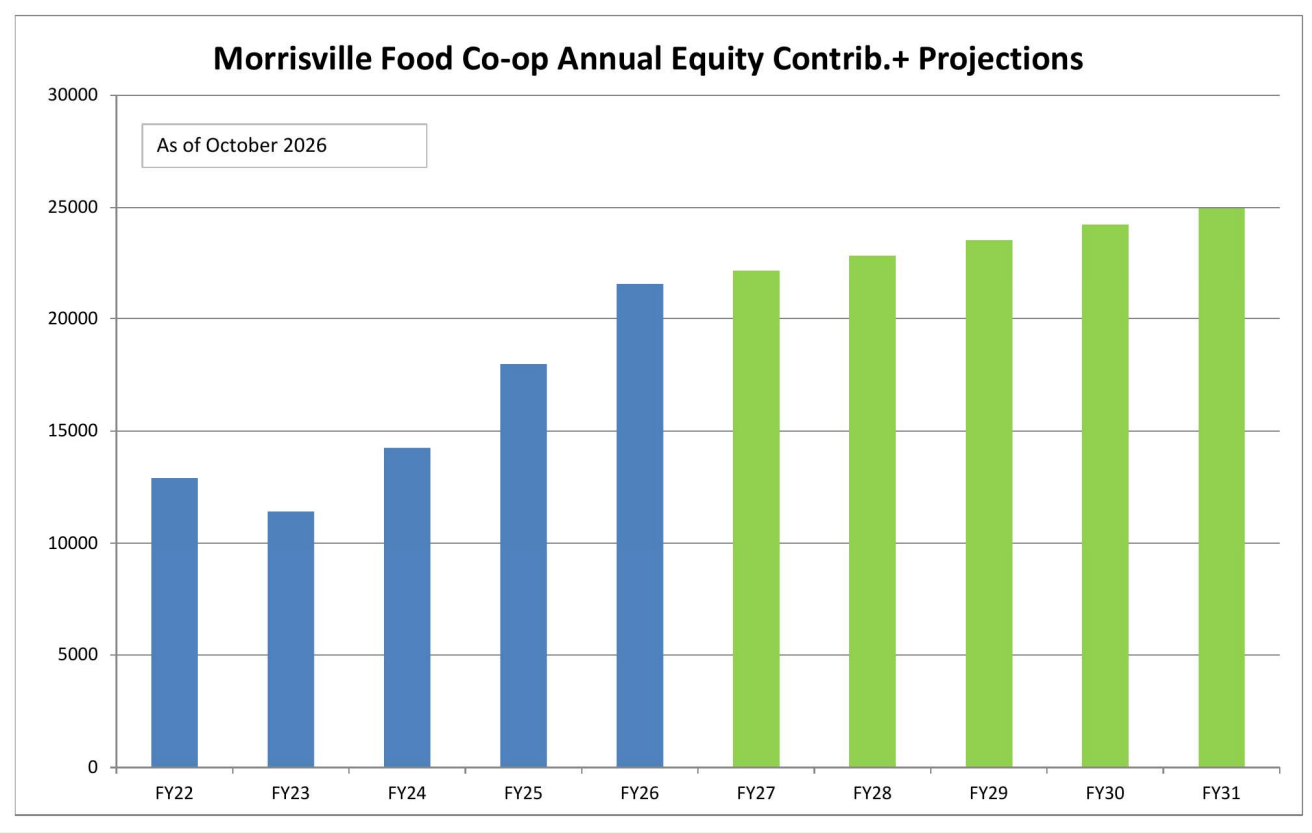
Blue = actual · Green = projected (as of October 2026)

Net operating profit is projected to turn positive again from FY27



Blue = actual · Green = projected (as of October 2026)

Member equity contributions are projected to keep rising through FY31



Blue = actual · Green = projected (as of October 2026)

Questions?

Thank you

Thank you for being part of the Morrisville Food Co-op.

Annual Meeting 2026