



Annual Meeting 2022

Questions & Answers

Q. Will there be any improvements to the community gathering spaces?

A. The board and the store are currently assessing potential improvements to overall facilities and gathering spaces for the store.

Q. How many people is 1% of owners?

A. 1% of owners can fluctuate from year to year due to the fluctuation of ownership at any given time. For purposes of the proposed Bylaw changes 1% of owners will be determined by the amount of owners in good standing on the date of the Annual Meeting.

Q. Where is info about the candidates for the Board? Will they be speaking anywhere like they normally would have at the annual meeting?

A. The information about the candidates for the Board can be found on our website or the Davis Food Co-op Newsletter. The candidates have the opportunity to speak at the annual meeting if they choose to do so and can also table in front of the store.

Q. When is Patronage distributed usually?

A. The decision to distribute Patronage is a process and can vary depending on certain benchmarks. It first depends on the profitability of the Co-op at the fiscal year end (September). Once the year is closed and our CPA has reviewed the Financial position of the Co-op, the store presents a recommendation to the Finance Committee who then makes a

recommendation to the Board to make a vote for Patronage. Ideally the vote is made at the February board meeting and is distributed the month following the Board vote if it is approved by the Board.

Q. How will the new bylaw proposed affect the patronage dividends?

A. The new Bylaw proposal works to protect Patronage dividends so the impact if any is minimized. The Bylaw will only be relevant if there are Preferred Shares sold to owners which is not a current practice at the Davis Food Co-op.

Q. What will the nominating committee do? Will it result in more candidates?

A. The nominating committee will provide support to the Board on perpetuating a strong, stable, and well-informed Board. The committee will educate candidates for the Board and assisting in recruitment for Board committees. We are hopeful that forming this committee will help attract more candidates that are excited about joining the DFC Board.

Q. What is the PPP loan and the employee retention program mentioned in the annual report?

A. PPP loan is the Payment Protection Program loan. It is a loan that is an SBA-backed loan that essentially helped businesses keep their employees working during the Pandemic. Borrowers had strict guidelines on how to utilize the loan (primarily to help maintain employee salaries) if they were approved for the loan program.

The Employee Retention Credit is a tax credit that businesses can qualify for.