



Moonflower Community Cooperative

New Owner

Guide

2025



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Moonflower Community Cooperative New Owner Guide

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1. Welcome

Welcome to The Moonflower Community Cooperative (MCC) family! This packet is designed to help guide you through what it means to be a co-op owner, and to help you understand the benefits and responsibilities of co-op ownership. MCC welcomes and encourages your input. The decision making power in a co-op belongs to all the owners rather than a minority of corporate shareholders like many businesses. Ultimately, all major decisions about the operation and direction of MCC are made by the ownership; that means you!

2. Key Terms and Working Definitions

Below are some key terms relating to MCC and other co-ops. These are provided to help you understand the language associated with co-ops, clarify how MCC contributes to our community, and to give you the tools you need to play an active role in MCC.

2.1 Mission: The mission expresses in a succinct way the essence, values, activities, and goals of the business. It is typically stated in a sentence or two. The mission is the key reference point for other statements, discussions, and documents, and it should be reviewed periodically to ensure that it is current and has total buy-in from all key stakeholders.

2.2 Vision(ing): This refers to the broad and forward-looking process that helps to guide the business and inspire people to work towards what they would like to see in the future (e.g. 3, 5, or more years). Visioning involves imagination, creativity and the recognition of where a business currently is and what steps it will take to get where the group wants to go. Visioning involves clarifying core values and objectives, using the mission as a touchstone. The vision statement ultimately should motivate staff, board, and member/owners (in the case of a co-op).

2.3 Ends (Objectives/Goals): Most cooperatives have what are called “Ends Policies,” which is essentially a list of key goals or objectives rather than hardline policies. This list expresses how values are put into action and it represents a bridge between the mission and actual policies on governance, organizational climate, employee treatment, community relations, stance towards the environment, etc. Ends are written as lofty but attainable goals.

2.4 Policies and Processes: Policies are the stated and elaborated commitments of the business. Some of these will take the form of legal requirements (**By-Laws**), while others will be expressed in quasi-legal terms: e.g. about record keeping, security, and reporting practices.

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Other policies will be more distinctive to the type of business and cooperative: e.g. expectations about board decision-making procedures, voting and consensus, relationships with owners and customers, and engagement with the community. Some policies will be quite elaborate and require stand-alone documents: e.g. an Employee Manual, a Board of Directors' Manual (**BOD Policies and Processes**), and a General Manager's Manual (**Expectations and Limitations**).

a) By-Laws: These are required per incorporation and they explain in a succinct but fairly complete way how the co-op is structured and governed. The MCC through its by-laws defines what we are as an organization, the nature of an owner, the status and obligations of the board. These are legally binding, and in case of conflict with any other co-op document or policy, the by-laws take precedent.

b) Executive Expectations/Limitations and Board Policies and Processes: These along with the by-laws are the main policy documents of the co-op. The first is addressed primarily to the General Manager (GM) and the other primarily to the Board of Directors (BOD); both are key to the Governance of the co-op. These documents are the means to achieving the Ends (Policies). The policies establish and explain the expectations/ limits/ parameters/procedures for the GM and BOD members respectively. These policies also explain how the GM and the BOD are interconnected and how each relates to other stakeholder groups (e.g. employees, owners, and customers).

2.5 Operating Procedures: Operating procedures refer to the day-to-day management, decision making, coordination, evaluation, and reporting in the business or cooperative. These activities are in the province of the General Manager. Operating procedures explain to employees what is needed to achieve effective and efficient routine business, while at the same time encouraging the input of new ideas for improvement in business practices. Operating Procedures should be consistent with the Mission and Ends Policies of the cooperative.

2.6 Policy Governance: Policy Governance is a governance model designed to empower boards of directors to fulfill their obligation of accountability for the organizations they govern. This model enables the board to focus on the larger issues, to delegate with clarity, to guide management's job without meddling, and to evaluate current accomplishments of the co-op while planning for the future. Policy Governance boards delegate with care. There is no confusion about who is responsible to the board or for what board expectations they are responsible.

Policy Governance is an operating system for the BOD. As with operating systems for computers, the system itself is not the point of the board's work; the system simply provides an underlying framework on which boards can build further agreements and activities. Policy Governance does not mandate specific decisions, but does highlight the kinds of decisions a board should make. These decisions include agreements about how the board will work

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together, how the board will empower and hold accountable the cooperative's management, how the board will articulate the cooperative's purpose and set up the cooperative for movement in that direction, and how the board understands the role of member-owners and others in the governance of the cooperative.

2.7 Patronage Dividend: A patronage dividend is essentially a refund issued to those who purchase goods or services from the co-op. Patronage dividend is based on a proportion of the profit made by the co-op. Once this amount is determined, the dividend is calculated according to how much each member has used the co-op's services. In profitable years, the BOD decides whether to distribute the full amount to the ownership as dividends or to reinvest the profits in the co-op. The co-op thanks owners for their patronage and rewards them by paying a dividend; this in turn benefits the co-op by reducing tax liability.

3. MCC Mission, Vision and Ends

MCC Mission

The Moonflower Community Cooperative provides socially responsible foods, goods and education to promote a healthy, sustainable community.

MCC Vision

Cultivating holistic community wellness, The Moonflower Community Cooperative serves as a hub for the exchange of ideas and inspires prosperity through a culture of inclusion and collaboration that nurtures a healthy mind, body and spirit in harmony with nature.

MCC Ends Policies

LOCAL HEALTHY FOOD: MCC provides the community access to natural food products with an emphasis on healthy, locally grown, organic, and fairly traded goods.

LOCAL ECONOMY: MCC strengthens the local economy by serving as a market place that uses fair buying and selling practices which support regional growers, vendors, and artisans.

COMMUNITY CENTER/ SOCIAL INCLUSIVENESS: MCC is the hub of a vibrant and inclusive community.

EDUCATION/ HEALTH: MCC provides the opportunity for increased knowledge about health, nutrition, lifestyle, and the broader impact of consumer choices.

ENVIRONMENTAL AWARENESS: MCC respects the environment through our actions, and encourages business and lifestyle practices that support a



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healthy environment.

4. History of MCC:

The Ever Evolving History of Moonflower Community Cooperative

You are invited to embark on a journey back in time!

What evolved from its early inception in the mid-1970s to the bright new store you see today are the combined efforts of many devoted individuals providing wholesome natural foods for the community of Moab, Utah.

During the mid-1970s Moab was still recovering from the aftermath of the uranium boom. Tourism was but a glimmer with only a few developed campgrounds, Dead Horse Point State Park, and Arches and Canyonlands National Parks. There were only a handful of river and jeep tour companies and it was years before the mountain bike craze was to hit. This was back in the days when Moab was famous for its peach orchards.

Like many independent food cooperatives, Moab's health food legacy started as a small buying club that members referred to as "The Moab Co-op". It was eventually located on 100 West, operating within a relic of a building constructed from vintage wooden ammo cans. The entrance was shrouded in a thick tunnel of trumpet vine appearing more as an old world sanctuary than a store. Inside, "The Co-op" featured many bulk goods and locally produced products unavailable elsewhere in town.

"The Co-op" was later run under the benevolent tutelage of Conrad Sorensen. Managed by a small devoted work force, it functioned as a gathering place for ideas and social networking, a cultural hub for nurturing a growing interest in healthy lifestyles by providing wholesome foods, literature, educational opportunities, art exhibits, and spontaneous musical concerts. It felt more like a family than a store.

In 1999, Conrad asked four community members, Cathy Bonde, Lisa Horzepa, Dave Steward and d'ahna Chalmers to carry on the natural foods tradition by taking "The Co-op" to the next level.

Cathy, Lisa, David, and d'ahna sought to create a 501-C-3 non-profit with the intent to operate as a charitable organization for the benefit of the community; however, due to all the red tape of the federal non-profit laws, Moab would have had to wait many months for the store to move forward. In order to open the doors as soon as possible, they registered the organization with the federal government as a C-Corporation, and with the state of Utah as a non-profit. Articles of incorporation and by-laws were filed and the newly christened Moonflower Market was born. Moonflower Market opened its doors after only six weeks of downtime from the closing of "The Co-op."



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Cathy, Lisa, David, and d'ahna also functioned as the Board of Directors. Over time the Board of Directors has redefined its role as outlined in the new by-laws. The Board of Directors is responsible for the long term vision of the organization while the management is responsible for carrying out that vision in the day to day operations.

A priority for Moonflower Market was to find a permanent home to better serve its customers, and as serendipity would have it, a piece of commercial property became available for purchase at 39 East 100 North. The Board was able to negotiate with the owner of the property who offered to finance the purchase. The building needed a lot of work but at least the walls were made from real lumber, not ammo cans! The founding foursome and many volunteers rolled up their sleeves setting about converting the old skateboard/ T-shirt shop into the Moonflower Market opening its doors for business in the new location in 2001.

The Moonflower Market prospered in its new location on E. 100 N. Visible from Main Street across from the post office, it served the community as a convenient source for local and imported natural foods and products, deli and baked goods from its small kitchen, and a library filled with esoteric and health related books heralded from the original "Co-op".

Over a decade later, in August 2013, the Moonflower Market underwent another significant change. After many years of research with the help of volunteers on the Co-op steering committee, and the hiring of legal counsel, the Board filed Articles of Restatement as a consumer owned cooperative and became the Moonflower Community Cooperative (MCC). MCC is the first member owned natural foods cooperative in Utah.

But wait, there's more! In 2014, the MCC experienced some new challenges. The vacant lot on the west boundary of the store was sold, causing the Co-op to lose its leased off street delivery access as well as its fire exit easement. At the same time, the use of the kitchen became very limited due to lack of a code compliant fire suppression system for the range hood.

This led the Board to consider the viability of relocating the store. Yet, lo and behold... when the owners of the new hotel to the west began construction on the recently purchased lot, the Board was able to secure a permanent fire easement enabling the MCC to remain in its existing location. The focus then shifted from relocation to remodel. MCC has now expanded the store's retail space, renovated the older infrastructure, built a new larger kitchen, and added a bright new full service eatery. The grand re-opening for the newly remodeled MCC was March 17, 2017.

What you see today is the latest evolution of the Moonflower Community Cooperative. It is the culmination of efforts from over two generations. The MCC continues to cultivate holistic community wellness, provide socially responsible foods, goods, and education to promote a healthy, sustainable community.

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5. What is a Cooperative?

Cooperatives bring tremendous value to people and communities around the world. They are businesses that are owned and controlled by the people who use them and that return profits back to their owners. Cooperatives exist in every industry, every geographic area, in rural and urban areas, serving rich and poor. It is a way of doing business as old as human life.

Cooperative businesses exist to meet their owners' needs and they are focused more on service than investment. Owners elect a board of directors to represent them in the decision making and long term planning for the co-op. The owners are therefore directly involved in the growth and viability of the co-op. This local control maintains the co-op's place within the community. In this business structure, profits return to owners, thus money is kept within a community. Consumers believe co-ops have better products and services at a lower cost.

MCC is a natural foods cooperative formed by and for the benefit of the owner-consumer. Consumer cooperatives are guided by the principle that the process of producing and distributing goods and services shouldn't be controlled by major corporations with the goal of maximizing profit. Instead, they should be owned, controlled and directed by the consumer to supply his or her needs.

Owners benefit by gaining access to quality goods and services, and becoming an important part of a vital local economy. Owners also share in the earnings of the co-op. When the organization generates profits, owners receive earnings (dividends) based on their patronage of the cooperative.

6. The Seven International Cooperative Principles are the guidelines by which MCC puts its values into practice.

1. ***Voluntary and Open Membership/Ownership:*** Anyone is welcome to become a member/owner of the coop; no one will be discriminated against for any reason.
2. ***Democratic Member/Owner Control:*** Owners have the right and responsibility to vote on the co-op's fundamental directions, policies and representatives to the BOD of Directors.
3. ***Member/Owner Economic Participation:*** Owners contribute equitably to the capital of the co-op. Surpluses may be allocated as decided by the BOD of Directors to the capital development of the co-op and/or to the owners based upon patronage.

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4. ***Autonomy and Independence:*** Each cooperative is an autonomous, self-help organization controlled by its owners.

5. ***Education, Training and Information:*** Cooperatives provide education and training for their owners (including staff and volunteers) to enhance their ability to effectively contribute to the development of their co-op and their local community.

6. ***Cooperation Among Cooperatives:*** Cooperatives assist each other through local, regional, national and international structures. Local democratic control is still maintained in this process.

7. ***Concern for Sustainable Communities:*** Cooperatives work for the sustainable development of their communities through social transformation and environmental stewardship.

7. Owner Benefits and Responsibilities:

Benefits:

- Owners receive a 10% discount on one transaction quarterly, every 3 months.

- In store special owner sales, including a 10% discount on supplements every 1st Saturday of the month, and a 15% discount day sale each quarter.

- Owners receive discounts on special orders that meet minimum requirements

- Owners are welcome to attend the Board of Directors monthly meetings.

- Owners are eligible to run for positions on the Board of Directors.

- Owners have the right to vote on co-op affairs and Board of Directors nominees at our annual meeting (one vote per household ownership).

- In profitable years, owners are eligible to receive a portion of the co-op's profits. The amount of the dividend is based on the owner's patronage of MCC. Be sure to give your owner number at the check out.

Responsibilities:



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- **Shop the Co-op:** Making the co-op your primary food store helps to build a strong community business.
- **Stay Informed:** Read the co-op emails and the bulletin board in the store to stay informed about what's happening.
- **Vote:** It is very important for owners to vote in elections and attend the annual meeting. Make your voice heard, your input matters.
- **Participate:** If at all possible, contribute to the strength of the co-op by volunteering to be considered as a board member, committee member or helper in co-op events. It's a great way to meet your fellow co-op owners and become a part of the community.
- **Talk About Us!** Word of mouth is our most cost-effective and genuine form of advertising. Tell your friends and complete strangers about us!

8. Thank You and Welcome:

Thank you for your dedication to MCC and for supporting your local cooperative business. We are proud of our co-op and what it provides the Moab community. MCC embodies the idea that by working together and combining our resources we can provide ourselves and our community with high quality goods and services.

The co-op often hosts events and classes and provides opportunities for you to meet your fellow co-op owners and spend time getting to know people in the community. We hope you will join us for these events. Events are posted in the store, on our website and social media, and sent in our monthly email newsletter to our owners. We would love to have you join in!

Welcome to the Moonflower family. We are excited that you have taken the first step in embracing your co-op, and becoming an important part of a vital local economy.