

Presented to UNFI Board
Wednesday, December 18, 2013
Timothy Brown

1. My name is Tim Brown, representing Graphic Communication Benevolent Trust Fund, owning 209 shares. My question is for Director Bates, presuming that she will soon fill a vacancy on the Audit Committee, based on her experience and Director Burton's retirement.
2. First, I would like to welcome UNFI to the Valley Central Community. I am also the president of the Valley Central Teachers' Association in Orange County, New York.
3. Second, I would like to thank UNFI for its commitment to communities as expressed on its website with regard to:
 - Its "Core Value [and] Caring About our Communities and our Environment" and
 - Its "Commitment to Society [and] Community Giving"
4. Recently, UNFI reached a tax-abatement deal with an IDA that presumptuously claimed to represent our community—one of the many reasons there is a call for IDA reform throughout the country. In truth, UNFI bargained within the rules available to it and cannot be blamed for working within these established rules.
5. SO LET ME MAKE IT VERY CLEAR BEFORE I ASK MY QUESTION: UNFI IS NOT RESPONSIBLE FOR THE VCSD'S CURRENT FISCAL CRISIS. HOWEVER, IT IS HOPED THAT YOU WILL CHOOSE TO BE A PART OF THE SOLUTION IN LIEU OF THE ABOVE UNFI CORE VALUES AND THE CURRENT STATE OF THE VCSD'S FINANCIAL CONSTRAINTS.
6. My specific question is: What is UNFI's current policy with regard to evaluating the impact that a PILOT agreement has upon a local community, particularly with regard to education funding? And...if you would permit, I would like to share with you why this is such an important question at this particular time.
7. The IDA reached this tax-abatement deal with UNFI despite the following:
 - The VCSD has lost \$24 million in state aid over the past 5 years.
 - The Maybrook Elementary school was closed due to these budget constraints.
 - During these 5 years, 107 teaching positions have been cut.

- As a consequence of these cuts, Art, Music and Library were completely eliminated for elementary children this year and kindergarten was cut in half—moving from a full to half day program.
 - JROTC and sports were cut from the budget and salvaged due to community actions and fund-raising activities.
 - \$93,000 was raised by parents and small businesses to save most of JV and modified sports. To achieve this goal, coaches also gave up \$50,000 in their supply and equipment funds—money that will not be available to draw from in the future.
 - Parents and small businesses also raised \$40,000 via ADAM (All District Arts & Music—a parent/community fund raising organization) to save elementary art and music. They were unsuccessful, but the funds raised are being utilized for smaller initiatives that will provide some level of exposure to the fine arts for our elementary students via assembly formats.
 - And to top this off—the Town of Montgomery has voted to raise its taxes by 16.58%—making any proposed school budget increase an overwhelming if not insurmountable barrier.
8. With regard to UNFI:
- UNFI is a \$6 billion per year company;
 - The Montgomery UNFI facility is receiving approximately \$18 million in state and local tax-abatements;
 - UNFI will pay no school taxes for five (5) years and then continue to pay limited school taxes until the year 2029;
9. Based on all the educational funding concerns I have mentioned, I ask if UNFI will reevaluate its current negotiated tax-abatement deal with the IDA or, preferably and more specifically, open direct communication with the VCSD to inquire as to how UNFI could demonstrate its sincerity with regard to its Core Values and Commitment to Society.