

menomonie market food co-op 2019-2020 ANNUAL REPORT

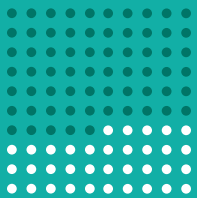
Learn how we're working towards being central to a thriving, healthy community



STRONGER CO-OP

\$4.5M

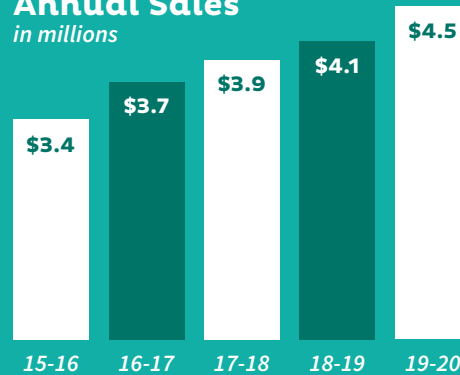
dollars in total revenue



68%
of sales come from
OWNERS

32%
of sales come from
NON-OWNERS

Annual Sales in millions



2,876

active owners
in 19-20

210

new owners
in 19-20

\$10,044 owner days
DISCOUNTS

\$12,840 total owner
DISCOUNTS

CENTRAL TO A THRIVING, HEALTHY COMMUNITY

President's Report • Rick Remington, Board of Directors President



The last year was anything but normal. In what seemed like a very short time, our lives were turned upside down as we anticipated the inevitable.

We all have our own personal stories to share. Stories of changed plans, helpful neighbors, stir-crazy kids, and impacted livelihoods are a common denominator. From the perspective of the board of your food cooperative, our stories include those of heroism, pride, and community.

After a routine start to the year, the board settled into our groove of monitoring, planning, and governance. At our February board meeting, we made a long list of strengths in a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis of our co-op, followed by a short list of threats which included COVID-19, almost as an afterthought. February 26th was the last time our board met in person. Since then, our board has met virtually.

I must say, we all felt a bit helpless as we watched stay-at-home orders go into place, wondering what we could do to help our community and our co-op. In short order, we watched in awe as Crystal and her superhero-like team transformed Menomonie Market into the safest shopping experience in the Chippewa Valley. When things were seemingly at their darkest, our owners stepped up, friends pitched in, and local producers kept our food supply chain running. After 47 years in business, one thing we have learned is that we are resilient and scrappy.

On brighter horizons, over the last year, the board charged our

General Manager to explore increasing our partnerships with other cooperatives in the Chippewa Valley. An obvious candidate was Just Local Food in Eau Claire, where we have a long history of sharing owners, patrons, and local producers. In April, staff changes at Just Local Food led to Crystal serving as interim General Manager—serving double duty during a global pandemic. Had I told her about this a year ago, she would have said I was crazy.

In June we held a virtual board retreat with Just Local Food along with the Management Team of both cooperatives. As we enter into fall, our two boards will continue exploring how we might formalize our collaboration to the benefit of our owners. Like us, Just Local Food has a dedicated board, talented staff, passionate owners, and values similar to our own. Our board is excited about where this collaboration might lead us, knowing we are truly stronger together.

Lastly, we say goodbye to Wendy MacDougall who finished up her term on our board. Wendy brought her keen attention to detail to each meeting and never shied away from asking tough questions. She will be missed. Thank you Wendy for your service.

There is uncertainty in the year ahead, and definitely changes and challenges to which we will need to adapt. Even so, I am confident our cooperative is up for the challenge. Even under adversity, we remain central to a thriving, healthy community. On behalf of the board of directors, thank you Menomonie Market Owners for your patronage, your confidence, and your friendship.

A NEW TYPE OF OUTREACH

Becca Schoenborn, Outreach & Education Coordinator



In the first half of the year, we attended Meet Menomonie, The Great Community Cookout, and The Cooperative Breakfast. We brought our catering to the Menomonie Wedding Fair for the first time and dreamed about all of the connections we would build through food in 2020. Plans for community outreach included the development of a corporate wellness program for local businesses and extending our reach to the greater Chippewa Valley.

All of that changed when the COVID-19 pandemic began. In the second half of the year, connecting with our community took on a new meaning as we turned our focus inward to develop ways to safely get food into the community and best serve our customers and owners.



STRONGER COMMUNITY

Local Giving	\$9,865
Food Donated	28,000 lbs
Beans Collected	10,200

\$17,580
total amount
**ROUNDED UP AT
THE REGISTER**
in 19-20

52

unique **learning**
opportunities

9

community
events attended

~430 lbs of fruit given to
CO+OP EXPLORERS

506 Co+op Explorer
PARTICIPANTS

\$2,680 total Double Dollars
DISTRIBUTED

EDUCATING OUR COMMUNITY

Becca Schoenborn, Outreach & Education Coordinator



Cooperative Principle Five is Education, Training, and Information. We use this principle to provide education to owners, community members, staff, and board members.

This year our class program got a refresh with new web pages and a redesigned print calendar. We welcomed new instructors and explored different ways to teach classes in our space.

The future is unknown for our class program at the co-op due to COVID-19, but we look forward to inviting you back into the classroom when it is safe again. In the meantime, education is focused on the food system, telling our local vendor stories, and developing lasting resources for our community.

A RESILIENT STAFF

Astrid Hayden, Administrative Services Manager



Midway through the year, we looked forward to reporting out on all the great work that staff were doing, as well as the things we were doing to make work more efficient, safe, informative, and fun. We planned to report on our newly-formed Sustainability

Team, a cross-departmental group working toward making Menomonie Market a more environmentally-friendly place to shop. We had hoped to devote space to tell you all about our brand new product training program, a monthly class to help staff past their first 90 days of employment continue to learn about the items we carry. We wanted to share details about all the big projects we had finished, the events we'd planned, the owner voting record we'd smashed.

Then COVID-19 came to Dunn County and turned our world upside down.

Our amazing staff worked through the two busiest weeks in our history as uncertainty about the future drove record numbers of shoppers through the door. During this time, staff adjusted to different hours, followed enhanced safety rules, repacked everything from rice to produce, and adopted a curbside pickup program. Our deli staff learned to cashier, to be personal shoppers, to stock produce. Our admin staff unloaded trucks and helped repack the bulk department. Everyone worked tirelessly to ensure that our community would remain safe and get the food they needed.

We had hoped it would be a flash in the pan, but we continue to adjust as the coronavirus marches on. But though the fiscal year ended by giving us nothing but lemons, our staff has consistently made lemonade. Since March, we have accomplished some big, long-term goals; we've launched a new eCommerce website, won a grant to help promote local food and farms while reducing waste, and begun collaborating with our neighbor co-op in Eau Claire, Just Local Foods.

Employees have been supporting each other through all the

stress and change of the past few months. Notes of care and thanks have been written and posted for all to see. Staff have given each other small gifts or checked in on each other to ensure everything was OK. We still laugh, share photos of our pets, pitch in to help a co-worker with a project. The sense that we are in this together and have to work as a team is hard to quantify, but it is here, every day. Our employees are brave, dedicated, caring, and creative; these traits are the glue that has held our little co-op together. I've been proud of our staff for my entire tenure here, but never have I been prouder than in this moment. If you get a chance to say thank you to a staff member, please do – we can never thank them enough for all they've accomplished this year.



"I love the wonderful sense of community that our food co-op has, how our team leans on each other (especially right now during these difficult times), and how we run our business with a focus on sustainability to actively reduce our carbon footprint."

– Carly, Deli Cook



STRONGER EMPLOYEES



of Full-Time Staff 23
(30+ Hours Per Week)

of Part-Time Staff 8
(20-30 Hours Per Week)

Total Staff 33

96%
of Staff

earn **livable wages**
within one year

85%
of Staff

are eligible for
health benefits

\$50,084 total employee
DISCOUNTS

*In the past year,
these percentages
of MMFC
staff:*

30%
volunteered for
a Dunn County
non-profit

36%
were on
a team

52%
were
cross-trained

67%
received
continuing education

STRONGER TOGETHER

Crystal Halvorson, General Manager



This year's Annual Meeting was different--virtual, like so much else these days. Unchanged however is the gratitude I feel for owners, shoppers, and staff when I stand back and reflect on the year. We see your commitment to the co-op in your eyes, and shining through your masks. Thank you—it means something to be extra supported at this time. COVID-19 has impacted every operation we do, none of it predictable.

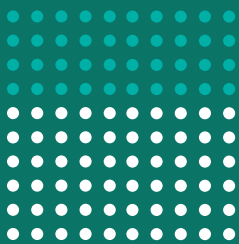
Some highlights from last year are currently on hold, and some are shining bright in light of the pandemic.. We re-launched our newsletter, The Morsel, and moved from publishing four issues to six issues per year. Our \$4 Dinner on Wednesdays really came into popularity; we were serving more than 250 people each week before the pandemic hit. We re-imagined our classroom calendar, and classes were filling up fast when they ended abruptly. Similarly, the Deli was ready for more large events this year with its catering program, but those too were all canceled.

The creation of our online ordering system for curbside pickup was our biggest accomplishment this year. We had rough plans to launch it in late 2022 or early 2023. Instead, COVID-19 came along, and an amazing project team, led by Marketing Manager Kendall Williams, got it done in six weeks: BRAVO.

Also of note this year, we won a Buy Local, Buy Wisconsin grant from the WI DATCP. With our award, we will buy much more food when it is in season, and store it for use when it is not. We intend to create value added products that showcase our local farmers, and create a place where farmers can sell extras and scratch and dent product as an alternative to composting it.

Many, many small businesses will not survive this. We are in a good position to make it exactly because we are a cooperative, and your ownership and support lend us resilience in this moment. We are in a position where we could not only survive something as crazy as our current moment, but actually be able to thrive and be a helper when so many need it.

STRONGER LOCAL PRODUCERS



39¢
average amount
rounded up at the
register

116
Demos

by our
producers

34%
of Sales

come from local
producers

\$1.5M
total sales from
local products
in 19-20

Fund Our Foodshed Grant Program:

\$4,500 granted to
farmers

3 grants
distributed

10 total
winners

WHAT'S NEXT FOR OUR CO-OP?

It seems like the theme of this next year will mainly be to catch our breath, and try to harness whatever may be the “new normal.” We have all spent the better part of a year reacting to some large and serious changes in our culture, behaviors, sense of safety, and way we move around the world and each other. It has affected the grocery industry, and of course, the way we eat, in some profound ways already, and we are not yet on the other side of this global pandemic. Whatever lies ahead, this amazing community will work together to solve common problems—that's what co-ops do.



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menomonie market food co-op 2019-2020 FINANCIAL REPORT

View our financial performance from the previous year



STAYING THE COURSE

Crystal Halvorson, General Manager



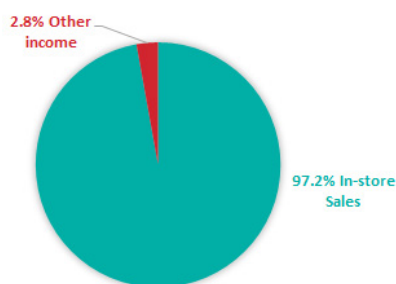
Overall, our sales were up 9.1% last year, bringing us to a \$4.5 million dollar grocery. Perhaps most exciting is that 34% of that (\$1.5M) were the sales of local products. Last year, the average growth of food co-ops across the United States was at 2.5%, so what they say about all of us in the Midwest being above average is true.

We continue to chip away at our debt, build owner equity, and grow sales to match our big space. Before the pandemic began, we were experiencing steady sales growth. Since then, our growth has been even bigger overall, although each department is a separate story as you change all your habits! Menomonie Market Food Co-op

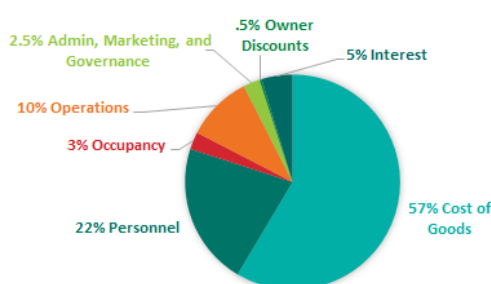
applied for and received two federal stimulus products meant to keep small and local businesses alive; the PPP loan is very likely to be forgiven as we retained and paid all staff, and the EIDL loan will help us in the long term should this recession last.

Our amazing staff continually makes use of tight expense budgets. This year we were able to pay our staff a “hero bonus” of \$2.00 per hour for several months and award larger than normal raises to make those gains more permanent. We increased our starting wage by another dollar as well. As we move back into generating cash again, the Board of Directors will balance the cash needed to remain recession-proof with purchasing back the Class C shares of owners that wish to divest. Business is pretty good!

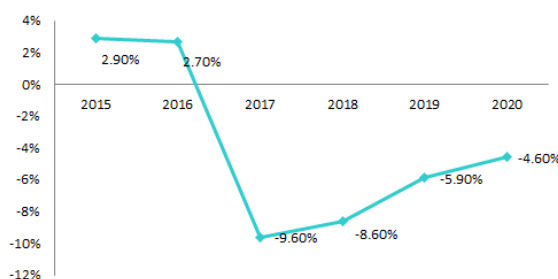
MMFC 2019-20 INCOME



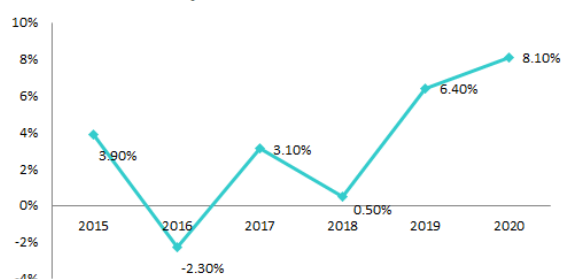
MMFC 2019-20 EXPENSES



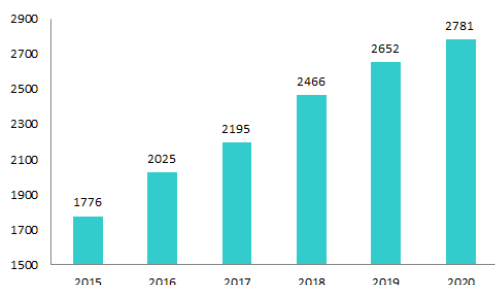
Net Income



Operational Income



Active Owners



Owner's Equity

