

menomonie market food co-op 2020-2021 ANNUAL REPORT

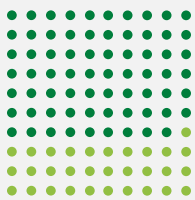


Learn how we're working towards being central to a thriving, healthy community

STRONGER CO-OP

\$4.8M

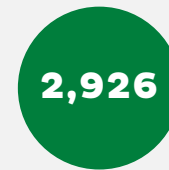
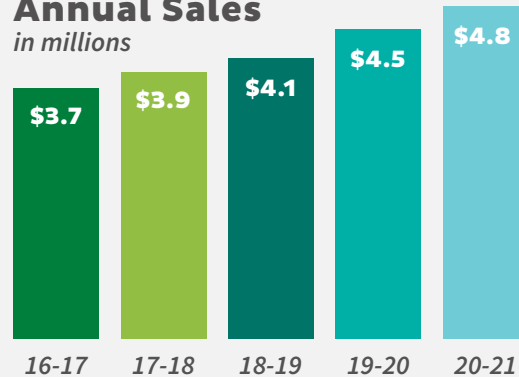
dollars in total revenue



69%
of sales come from
OWNERS

31%
of sales come from
NON-OWNERS

Annual Sales in millions



2,926
active owners
in 20-21



217
new owners
in 20-21

\$9,015

owner days
DISCOUNTS

\$12,940

total owner
DISCOUNTS

BEYOND RESILIENCE

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



The end of our fiscal year is a time to reflect on our accomplishments, call out our challenges, and look over the horizon to the upcoming year. In short, the performance of our co-op this past year has been exemplary, our financial condition is healthy, and we enter the new fiscal year in a

position of strength. Despite the obvious challenges presented by the pandemic, Menomonie Market Food Co-op continues to achieve our Ends of being Central to a Thriving, Healthy Community. In my opinion, we are beyond resilient.

In true Menomonie Market fashion, we continue to provide healthy and local food and support local farmers, we continue to grow and support our outstanding staff, we continue to address food insecurity, and we continue to keep dollars in our community. By making strategic investments, we are poised to implement Menomonie Market's five-year vision.

Our board of directors continued its own safety measures and elected to meet virtually. We all missed seeing one another in person but continued our governance practice of monitoring the condition of our co-op and adherence to our board policies and Ends. We also continued to inform and educate ourselves on industry standards and trends to help us make the best decisions for our co-op on behalf of our owners.

This year, each monthly meeting included reciprocal sharing of policy monitoring and financial reports between Menomonie Market and Just Local Food Co-op as part of our ongoing collaboration and due diligence. Our Collaboration Committees met frequently and provided ongoing information, homework, and questions to the entire board.

With great excitement, we met in person this summer for the first time in over a year to formally and unanimously vote in favor of merging with Just Local Food and to take this important decision to the next level with an ownership vote.

The thorough, thoughtful, and respectful process of deliberation between our two co-ops was nothing less than inspiring. Crystal Halvorson, our General Manager (and interim GM for Just Local Food) navigated the entire process with grace and integrity, fairly representing the interests of both co-ops. The staff who provided input to our process removed any doubt that a merger is in the best interest of Menomonie Market and our owners.

Lastly, it is customary to acknowledge the service of outgoing board members. A yes vote to merge will put us on the path to a new merged board to oversee our new expanded enterprise. At that time, we will say goodbye to board members Steve Hanson and Gary Johnson. Steve led our co-op through expansion and is our longest-standing board member, while Gary joined the board shortly after expansion. Steve's depth of knowledge of our history and the cooperative model was invaluable, and Gary's attentiveness to the personal element of our work was mindful and assuring. Both will be missed, and I am thankful for what each has taught our board through their service.

The year ahead looks promising and exciting, and the challenges we encounter will make the work of our co-op more impactful. The board looks forward to working with our owners to write the next chapter in our growing history. On behalf of the board of directors, thank you Menomonie Market owners for the trust you have placed in the board and for your partnership in making our cooperative a shining success.

STAYING CONNECTED

by Becca Schoenborn, Outreach & Education Coordinator



Community outreach shifted again as we settled into the pandemic and listened to our shopper's needs. Connecting with our community went from large in-person events to small Zoom meetings, more digital communication, and a whole lot of masked smiles in the aisle.

We've always put our shoppers, producers, and community at the center of our work. This past year was no exception, but the amount of love, support, and gratitude we received from each of you showed us that the work we are doing matters on an even deeper level than we thought possible. Thank you to each and every one of you for your support and your outreach to us this year.



PICTURED: 2020 ANNUAL MEETING HELD VIA ZOOM

STRONGER COMMUNITY

Local Giving	\$6,500
Food Donated	23,175 lbs
Vendors Visited	5

\$15,640

total amount

**ROUNDED UP AT
THE REGISTER**

in 20-21



unique learning
opportunities



community
event attended

37¢ average amount rounded
UP AT THE REGISTER

\$1.5K total granted to local
NON-PROFITS

\$3.6K total double dollars
DISTRIBUTED

MEETING THE LOCALS

by Becca Schoenborn, Outreach & Education Coordinator



PICTURED: STAFF TOUR OF GRANT WINNER L.T.D. FARM



Classes have still not returned as we wait for it to be safe to gather indoors, so education looked a bit different this year too. In lieu of hosting learning opportunities in our classroom, our staff focused on connecting with local farmers, producers, and processors so we could tell their stories through our new Meet The Locals Program. Since last summer, we have spent hours researching their histories and compiling information about each unique supplier so we could pass that knowledge on to you on signs in-store, on our website, and on social media. We also visited our 2020 and 2021 Fund Our Foodshed Grant winners for tours of their beautiful farms. And thanks to our partnership with JLF, we got to know several new local vendors as well.

OUR OUTSTANDING STAFF

by Astrid Hayden, Administrative Services Manager



What a year it has been! In some ways, the past year was tough for staff as we adjusted to the new normal, but in other ways, it was one of the best years imaginable. Our amazing staff continued to grow in many ways, gaining knowledge and job skills and even earning

awards!

Our collaboration with Just Local Food Cooperative benefited us in a big way. Many staff have had to stretch and learn new skills during our partnership, as folks from deli, marketing, merchandising, tech, and HR lent a hand this year. In addition, our partnership allowed us to create a brand new position for our store: a Finance Manager. Just Local Food Co-op's staff shared skills with our staff, too—everything from meat knowledge to training techniques. Finally, we used their format for our Employee Handbook when we did a refresh of our personnel docs, and we have found it to be more user friendly and informative for new staff.

While our staff did have to adjust to frequent changes due to our collaboration and other external factors, our new workflow meant that staff were more able to pursue their interests and reach their employment goals. Opportunities arose in every department in the store. During the past year, nearly a quarter of our staff members took on a new role at the co-op; many of those employees were promoted into a supervisory role.

Staff who weren't promoted had more chances to grow within their jobs. While we were sad to offer fewer in-person trainings this year, the move to the virtual sphere meant a savings of both money and travel time, resulting in more of our staff attending a professional development session or two. In addition, we had more time to do one-on-one training, and many staff are now cross trained to do a new task—or even work a full shift in an entirely different department.

Finally, our staff was recognized over and over throughout the year for their hard work and community contributions. We won

an Outstanding Independent Award from Progressive Grocer magazine, recognizing our innovations during COVID, as well as our partnership with our sister co-op. Progressive Grocer also recognized Kendall Williams, our Marketing Manager, as one of 40 under 40 who is making an impact on the grocery industry. Our team's speedy work toward building an e-commerce platform earned the co-op a We're All Innovating Award from the state of Wisconsin, and our Double Dollars healthy eating program won honorable mention in the Grocers Doing Good awards from FMI. Perhaps our favorite award was for Most Team Spirit when a group of staff competed in a Virtual 5K to raise money for co-ops in need. After all, even though we worked hard this year, we still know how to have fun!



PICTURED: MMFC STAFF BEFORE 5K

In April 2021, seventeen staff members (pictured) participated in the Twin Pines Cooperative Community Fund's Co-op 5K, an initiative that serves as a major fundraiser for the Cooperative Development Fund (CDF). The money raised allows CDF to operate the Cooperative Disaster Recovery Fund for co-ops in need without cost. Our staff took home second place in their nationwide team spirit competition!



STRONGER EMPLOYEES



of Full-Time Staff 26
(30+ Hours Per Week)

of Part-Time Staff 11
(20-30 Hours Per Week)

Total Staff 37

96%
of Staff

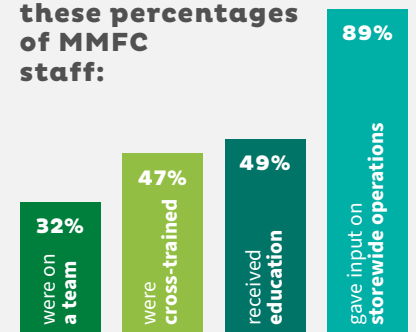
earn livable wages
within one year

86%
of Staff

are eligible for
health benefits

\$55,350 total employee
DISCOUNTS

In the past year,
these percentages
of MMFC
staff:



STRONGER TOGETHER

General Manager's Report by Crystal Halvorson, General Manager



In many ways, 2020 and the time since have been a blur. All of the buzzwords you hear in the news about retailers braving the pandemic are true for MMFC. We became essential workers. We learned to pivot fast. From picking curbside orders for you to reinventing our deli and all the extra work in between, it has been a heavy lift for our fantastic staff.

With all the change, steady 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.

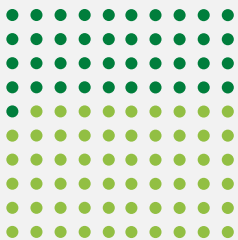
One thing that has remained steady—your support of local food. Many of our suppliers noted that their retail accounts kept them going as restaurants stopped ordering and farmer's markets were less attended. A particular highlight for 2020 was the Freezer Sale that we held with Just Local Food Co-op featuring Deutsch Family Farm—that week rivaled Thanksgiving in meat sales and heavy-lifting! We awarded our fourth round of Fund our Foodshed Grants

with money collected at the register; one of my favorite tasks each year is notifying the winners!

We are in year two of our Buy Local, Buy Wisconsin Grant award, and the investments in equipment we made in year one are translating to increased local food purchased this year, particularly in the deli. The van that we were able to lease through this grant has come in handy as many of our local suppliers run into pandemic-related transportation issues. We are picking up more local food at farmer's markets, farms, and distribution centers, and we are also delivering more and more locally produced deli items to Just Local Food Co-op every week. They are hooked on our breakfast burritos just like you are!

Many, many small businesses will not survive this pandemic. 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



41%
average percent of local products in each department

2
Demos
by our local producers

36%
of Sales
come from local products

\$1.7M
total sales from local products in 20-21

Fund Our Foodshed Grant Program: \$12,500 granted to farmers **3** grants distributed **3** projects funded

WHAT'S NEXT FOR OUR CO-OP?

It depends on you! Our merger election is underway and how MMFC owners vote will determine our future. If the merger plan proceeds, our next year will be spent solidifying the cooperation that has already taken place with Just Local Food Co-op. For staff, we will ensure that benefits, rules, and systems are aligned and make sense for each location. For owners, we will work to make sure that our prices in Eau Claire are lowered to match up with the Menomonie store. And we will work on our technology so that any owner can shop at either location and receive benefits. And of course, just as we have been, we will be on the lookout for the right expansion opportunity in downtown Eau Claire.



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menomonie market food co-op 2020-2021 FINANCIAL REPORT



View our financial performance from the previous year

IMPROVING EVERY DAY

by Crystal Halvorson, General Manager



MMFC continues its return to profitability after expansion and thrives during the pandemic as an essential, core business in our community. Overall, our sales were up 12.5% last year; the average growth of food co-ops across the US was at 6.6%, so what they say about all of us in the Midwest being above average is true! The same goes for profitability.

We added the position of Finance Manager to our team, and Isabelle Rogge has taken the role by storm. Her work to create accurate and useful financial information for Just Local Food Co-op while innovating financial systems for MMFC was crucial to our success this past year.

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

We were able to pay our staff a Hero Bonus of \$2.00 per hour for several months in 2020 and award larger than normal raises to make those gains more permanent. We increased our starting wage, and we are getting ready to do that again. Our five-year plan includes the goal of a \$15 starting wage, and it will take financial discipline and creativity to get there.

As we have for the last six years, MMFC underwent a third party financial audit to ensure that our books are in order. In early 2022, our financial picture will change as we finish up one bank commitment that we took on to expand; this will allow us to start paying back Class C shares to owners, right on schedule.

And looking ahead, should merger be a go, both co-ops will suddenly have the advantages of adding the volume of the other—our personnel budget will loosen up to allow for some new positions or increases in pay, and over time overhead costs will improve, which ultimately means we can operate with lower prices on products. All told, business is pretty good!

