

WE DID IT.



Food
co-op

ANNUAL REPORT 2019

Working together to nourish our community.

2019—The year we finally built our dream...

From your Board President & General Manager

2019 was a very busy and fun year for our Co-op. After several years of planning, finally we were able to build a much-needed expansion of our store, which greatly improved our working conditions as well as increased our processing and storage space. Adding more storage allowed us to open up more retail space and rearrange the flow to improve both working and shopping conditions. It also allowed us to make needed improvements to other facets of our operations, such as removing the tiles that were disintegrating under our feet. Our thanks for putting up with it all!

This work was accomplished without needing to close the store and with a minimum of disruption to our members or our sales. In fact, it was a good year for us financially. We grew sales and we made a small profit, which we are able to share back to member-owners. That's pretty uncommon in the grocery world. Wow!

But we couldn't have done it without the stellar work of our staff, who put up with a very long year of noise and disruptions to their workspace—our hats are off to them! We couldn't have done it without the understanding of our vendors, who had to accommodate new delivery times and locations as well as a very congested parking lot. We also couldn't have done it without the support of the Development Cooperative, who helped us navigate the many different stages of our complex project. We couldn't have done it without the investment of our Board of Directors, who kept a sharp eye on the process

and asked the tough questions along the way. And we couldn't have done it without you, our 6500 members. Thank you for your continued support and investment in this amazing community-owned grocery store.

Now we are here in the spring of 2020, working hard to meet our members' needs during the coronavirus. Working under a new set of adverse conditions has been even more challenging and confusing, to say the least. We continue to be thankful for our staff who come to work and give their very best every day under stressful conditions. We also continue to be grateful for our members' support and understanding. Truly, we couldn't have done it without you, you're our Jam! Thank you.



YOUR CO-OP BOARD

Owen Rowe, President

Juri Jennings, Vice President

Lisa Barclay, Secretary

Monica le Roux, Treasurer

Charlie Dick, Board Member



We have a beautiful new store!

During a year of remodel, we stayed open the whole time and made a small profit!

We couldn't have done it without you! Thank you!



Sharing is Caring! We gave our old shelving to Orcas Food Co-op.

Throughout our project recycling and reusing materials has been a consistent theme, from reusing wood to giving shelving away to other local stores.



Adam and Dave load up shelves for Nash's Organic Produce!



Our old cedar trellis was repurposed as paneling in the store and old windows were elegantly made into a wall.

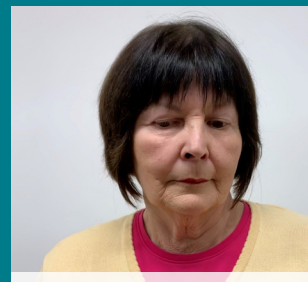
We Couldn't Have Done it Without Our Staff!

The Co-op added 401k and long-term disability insurance to staff benefits and approved an across the board raise for 2020! With wages, employee discounts and health insurance the Co-op invested \$3,508,656 in staff! High-5s are acknowledgments made by a manager, Hearty Thank You Nominations can be nominated by members or staff, and Bravocados are a thanks on the fly for which an employee is awarded Rose Theatre tickets. These are some of the ways we congratulate staff for going above and beyond the scope of their job.



Cameron J (Produce)

High-5: Cameron has been helping to do deep cleaning in produce twice per week. His willingness and consistency has made a huge impact - thanks, Cameron!



Sharon D (Board Admin)

Hearty Thank You: Demonstrating exceptional patience and kind encouragement, Sharon made an impossible task seem easy.

High-5 Kathy: You go the extra mile with our customers to the point where they ask for you when they come in! You always show up bright and shiny, eagerly living in the goal of keeping our customers informed.



Kathy H (Wellness)

High-5: During a time of staff shortages, you have adjusted your schedules & hours and days off to help the team. It is very much appreciated. Thank you!



Peter K (Grocery)



Paul C (Front End)

HTY Nomination: Paul regularly looks for what needs to be done, from cleaning your check-stand, bagging for other cashiers, sweeping, shuffling carts and baskets, and facing or stocking -- all without being asked.



Mary B (Food Services)

HTY nomination: Mary has shown exceptional leadership, professionalism, strong communication skills and an incredibly positive and collaborative attitude. She is awesome and an asset!

Bravocado: Thank you for being so boss in the kitchen. Working with you ROCKS!



Petra C (Food Services)

High-5 for team-work throughout the year: Figuring out our new receiving space, working together to develop/update systems, and supporting each other! Layne - thank you for keeping everything in order, even the little things!



Layne D (Receiving)

Nourishing Our Community

What We Gave

As part of The Food Co-op's cooperative spirit, it is our mission to support the greater community in a variety of ways. We commit to sharing our prosperity by providing financial and organizational resources when feasible. In order to make a larger impact in areas that connect with our values, The Food Co-op gives priority to organizations and community groups that fit into one of the following categories: Improving Food Access; Sustainable Agriculture, Land, and Sea Steward; Healthy Kids, Families, and Animals; and Supporting the Cooperative Model.

100+
people attended
the 2nd annual
Eat Local First
Trade Meeting
we sponsored



\$2500
JUMP
Inclusive
Playground



\$16,250
given to local
community
events



\$21,085
given to 65
different Jefferson
County non-profit
organizations

\$14,632
given to
13 different
organizations through
the Beans for Bags



\$500
matching
donation to support
Blue Heron orchard
mulching party



\$12,606
spent teaching
cooking classes
& more in our
community



\$1056
Grow Fund granted
to Food Bank
Farm & Gardens

Lovin' Local

We have over 900 local items in the store!

Here are a few ways we support local. Every year, our produce manager meets with each farm to review and plan, so we can all have a productive year. We began paying more for local produce produced early in the season to ensure local produce for more months of the year. Our Produce Team tours local farms to learn more about where our food comes from and to cement relationships to our local growers. To support new local vendors we assist them in taking the WSU Cultivating Success business class series. We love all of our farmers and vendors!

Local 5 are products from our 5 surrounding counties: Clallam, Kitsap, Jefferson, Mason & Island



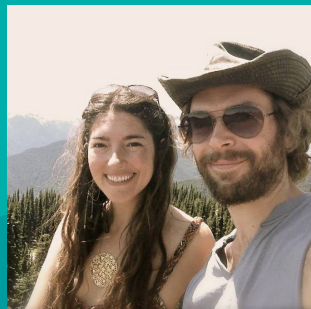
We have 99% organic produce department!



12% of total store purchases were local



New local items in 2019:
Local 5 = 48+
Local Wa=129+



366 bottles sold of Mountain Spirits Kick Ass Remedy



Working Together

Local purchases were made from 115 farmers and vendors



3086 lbs.
of chicken from
SpringRain Farm

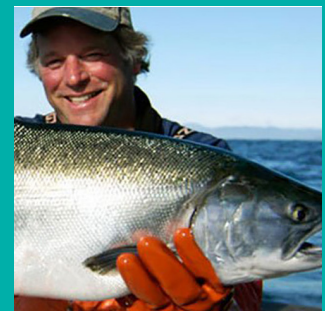


1148
Mystery Bay 4oz
chevre & over
320 jars of
goat yogurt

9400 lbs.
of bulk
CB Nuts



7500+ lb of fish
delivered in 2019
by bicycle from
Cape Cleare



Local meat sales
grew after we
opened our new
processing area
from
19% to 26%



1849 items from
Bunny's Bath (not
including bulk)
& 40 gallons of
soap for bathroom
dispensers

Dungeness Valley
Creamery won 2019
North Olympic Land
Trust Farmer
of the Year



FINANCIAL STATEMENTS

THE FOOD COOP YTD Profit & Loss Summary

December 31, 2019

SALES:	16,133,815	100.0%
COST OF GOODS SOLD	10,050,824	62.3%
GROSS PROFIT/MARGIN %	6,082,991	37.7%
OPERATING EXPENSES:		
Total Personnel	4,028,001	25.0%
Total Occupancy	305,412	1.9%
Total Store Operations	508,464	3.2%
Total Marketing & Outreach	130,062	0.8%
Board Expenses	79,093	0.5%
General Admin	833,469	5.2%
TOTAL OPERATING EXPENSE	5,884,501	36.5%
NET OPERATING INCOME	198,490	1.2%
TOTAL OTHER INCOME (EXPENSE)	(13,561)	0.1%
Federal Income Tax Exp	(90,714)	-0.6%
NET INCOME (LOSS) AFTER TAXES	275,643	1.7%

THE FOOD CO-OP BALANCE SHEET

December 31, 2019

ASSETS	
Total Cash	972,495
Inventory & Receivables	984,267
Total Current Assets	1,956,762
Land, Building, Equipment	5,783,248
Investments	156,027
Total Assets	7,896,037
LIABILITIES	
Total Current Liabilities	969,622
Total Long Term Liabilities	2,374,621
Total Liabilities	3,344,243
Retained Earnings	4,021,991
Patronage Dividends Paid	(466,837)
Capital Investments	996,640
Total Member Equity	4,551,794
Total Liabilities and Equity	7,896,037



www.foodcoop.coop

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