



2019 Annual Report

MORRISVILLE FOOD CO-OP
JULY 1, 2018 - JUNE 30, 2019

WELCOME EVERYONE!

Our mission continues; to create a community-owned food market, committed to the health and well-being of people, emphasizing local and organic products, and supporting a dynamic community, accessible to all.

DEAR MOCO COMMUNITY,

When preparing for the Annual Meeting, we reflect back on the fiscal year - July 1, 2019 through June 30, 2020. MOCO, like each of us, has not been without its challenges this year. But also like us, "our brave little co-op" fights on!

MOCO was able to provide healthy and local food in the midst of a pandemic when food supply chain futures were unknown. The quick switch to curbside service provided a safe shopping experience for our community members. MOCO volunteers really came through at the start of the pandemic and beyond. Thank you so much to each and every one of you!

You've likely already noticed several changes in the store under our new General Manager's guidance. Taylor brings her retail sales experience to the co-op world and continues to seek guidance in finding the right business model to fulfill the needs of the community and to meet financial obligations to our member-owners and lenders.

A strong foundation is what pulls you through challenging times. At MOCO, our member-owners are that foundation. You have elected us to be your voice and know that the Board takes seriously its responsibility to make decisions that protect and strengthen your investment in MOCO.

Please join us virtually for the annual meeting on Wednesday, October 21, at 7pm, to discuss in more detail the information in this report and the steps that are being taken to protect your investment in our local community, yourself and your co-op.

In health & wellness,
Elly Ventura, Chair
and the MOCO Board of Directors



March 20, 2020
MOCO becomes the first
food store in the state to
launch curbside pickup
shopping experience!



MAKE IT
FRESH

MAKE IT
LOCAL

MAKE IT
MOCO



"A STRONG FOUNDATION IS WHAT PULLS YOU THROUGH CHALLENGING TIMES. AT MOCO, OUR MEMBER-OWNERS ARE THAT FOUNDATION."

A MESSAGE FROM THE GENERAL MANAGER

I would like to take this opportunity to thank each of you for your support over this last year. It certainly has not been without challenge. I started as the Interim General Manager for MOCO in early April just as COVID came into our lives. In the early days of this global pandemic we worked to find new and safe ways to continue doing business in what soon became our new normal. In June, I was given the opportunity to take on the role as MOCO's new General Manager moving forward and moving forward we are!

My vision for our Co-op is to blend some of the best of what MOCO was with what we need to become to meet the needs of our members, our community and our employees now and into the future. We will continue with our core values of offering as many locally sourced products as possible, along with a selection of other healthy foods that support organic and sustainable practices. In the months since I've come to MOCO, we have worked toward positive change to improve your shopping experience whether in store or curbside. Over the next year we will continue our efforts to make MOCO a stronger part of our community. Your continued support is critical to the success of MOCO.

MOCO isn't just another grocery store, it's your grocery store.

Thank you.
Taylor Rose Evans
General Manager



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MESSAGE ON RACIAL INJUSTICE

MOCO, along with other area co-ops, are joining together to promote how their members are working together to build more inclusive businesses and more resilient communities. However, we have to acknowledge that this vision cannot be achieved without also confronting the racism, inequity, and injustice in our society.

Earlier this year the MOCO board and staff released a statement that condemned the acts of overt or systemic racial violence and articulated MOCO's commitment to be part of the change in our community. The statement contained a commitment to owning and addressing unconscious bias that exists within the MOCO leadership and staff. The board and staff members have since committed to actively addressing racism whenever and wherever we see it.

As a follow-up to this statement, the MOCO board and staff have watched an online screening and discussion of [I am From Here](#) which features the experiences of several black, indigenous, and people of color in Vermont and will continue with learning and training opportunities for the Board and staff. MOCO believes that in order to be a valuable part of the community, we must be committed to a better tomorrow. For MOCO, that means addressing this ever-important social justice issue.

MOCO has taken great care in insuring that the numerous LGBTQ Board members, staff members, vendors and patrons feel welcome and supported by MOCO. MOCO is committed to the health and well-being of people, supporting a dynamic community and importantly- is open to all.

MOCO is committed to racial and social justice work that goes far beyond statements and pledges. We welcome suggestions from our member-owners on ways that we could make MOCO a co-op that is truly "open to all."



ANNUAL MEETING

MOCO is your investment - In community, in local jobs, in high quality foods, in local producers, in yourself!

The annual meeting will be held virtually this year on
Wed., Oct. 21 @ 7pm.

To register for this meeting, please go to
morrisvillecoop.com/moco-virtual-annual-meeting-2020

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"AS WE ENTER FY21, THE FOCUS WILL BE ON FINDING THE RIGHT PRODUCT MIX AND PRICING TO GROW OVERALL SALES."

FY20 FINANCIAL OVERVIEW

July 1, 2019 - June 30, 2020 (Fiscal Year 20) was a challenge. Flattening sales were exacerbated by the effects of COVID-19. Cost containment efforts that were implemented this year helped to reduce overall losses, however, the result was an 8% decline in sales and 11% drop in overall Gross Profit.

COVID-19 has also impacted our Balance Sheet. Inventory is lower at year end reflecting slightly lower sales, but also because of our continued supply chain challenges. Offsetting the bad news, we were fortunate to get a Paycheck Protection Program loan that we expect will be converted to a grant within a few months. Even with the addition of this loan, overall MOCO debt declined \$33,000 due to two significant events. Member-owners forgave \$20,000 in loans and accounts payable were made current. In addition, memberships continue to grow resulting in an increase of Member Equity of \$7,226.

As we enter FY21, the focus will be on finding the right product mix and pricing to grow overall sales. A consulting cohort of peer co-ops is being facilitated through Columinate to assist with this process.

Thank you.
Nancy Banks
Treasurer

FY20 FINANCIALS

Current Debt Position (as of October 1, 2020)

Cash and Savings	22,053
Debt	
PPP Loan	55,100
Line of Credit	105,369
Member Loans	235,525
Total	395,994

PPP loan is expected to be converted to a grant

Balance Sheet (as of June 30, 2020)

	2019	2020	Change
Assets			
Inventory	87,270	61,733	(25,537)
Equipment	125,658	107,156	(18,502)
Total	242,969	202,339	(40,357)
Debts	435,284	467,982	32,698
Member Equity	186,190	193,415	7,225
Retained Earnings	(294,189)	(376,704)	(82,515)

Profit and Loss

	FY 2019	FY 2020	
Sales	1,077,920	993,405	-8%
Cost of Good Sold	734,588	687,528	-6%
Gross Profit	343,332	305,877	-11%
Expenses	409,119	368,915	-10%
Taxes	300	300	0%
Depreciation	18,502	18,502	0%
Net Income	(84,589)	(81,840)	3%



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