FY2024 July 1, 2023 through June 30, 2024



ANNUAL REPORT

MORRISVILLE FOOD CO-OP

A community-owned food market, committed to the health and well being of people, emphasizing local and organic products and supporting a dynamic community, open to all.

Greetings from the Board!

This has been a year of many kinds of growth. In membership, the Co-op is now locally owned by 2250 members with a 14% increase from the previous year. In sales, we **had our fourth consecutive year of sales growth and, for the second time, a net operating profit.**

Most of all, in aspirations and a future vision. We are grateful to everybody who helped us get the year off to an inspiring start with the "Strengths, Opportunities, Aspirations, and Results" (S.O.A.R.) session in November 2024. The interviews and community session pointed to a number of ways in which we could meet our goals of growing and stabilizing profitability while being a great place to work and serving a wide range of the community that we are in. (More about S.O.A.R. on page 4.)

Our dedicated team has been working on implementing that guidance - expanding staff picks, updating marketing, re-arranging some of the store offerings, growing the veggie selection, and expanding grab-and-go, among other updates. We've also widened our product range and are focused on keeping lines short and service friendly. **Near half of our sales are from local producers.**

A key highlight this year is joining the National Co+op Grocers (NCG), allowing us to access discounts from a number of our existing and new vendors as well as on business services. Members will see ongoing changes thanks to this partnership.

And we will continue to build toward meeting the aspirations that members have expressed to us. While member loans and other debts remain a focus, we're deeply grateful to those who postponed or forgave their loans, enabling us to look ahead at building the Co-op as a part of a vibrant historic downtown.

The Morrisville Food Co-op remains dedicated to supporting local producers, increasing access to healthy, local, and organic products, and fostering a welcoming community for all. **As the only member-owned grocery store in Lamoille County, we take our role seriously**, continuously working to enhance our offerings.

Looking ahead, we're committed to deepening our ties with local producers, adding more diverse and inclusive product offerings, and enhancing our sustainable practices. We plan to continue listening to our members' feedback, adjusting to meet your needs while maintaining our cooperative values.

Stay tuned for exciting updates as we continue to evolve!
Thank you!



Board of Directors

George Aitken

Megan Davin

Kaylin Heatley, Secretary

Don McDowell

Jessica Seddon, Chair

Beth Springston, Treasurer

Bob Verrico

David Wallack

Pictured clockwise from left: Beth Springston, Don McDowell, George Aitken, Jessica Seddon, David Wallack, Megan Davin, Bob Verrico, & Kaylin Heatley

Hello!

I have had the pleasure of being the General Manager for about 3 years now and what a ride it has been. **Our co-op turned 7 years old** this year! Yet sometimes it seems like it has been here for much longer. We have seen tremendous growth in our little co-op over that time period. I don't mean that just in sales, but growth in every way I can think of, from staff to our product offerings to the number of refrigerators that we keep squeezing into our small space.

I would like to express my deepest gratitude to our amazing staff, I really can't say enough about them. They are the backbone of the co-op and I feel extremely lucky to know every one of them. We have 21 staff members now which is a 75% increase since I started 3.5 years ago. We are always working on expanding our staff benefits, last year we added dental and vision insurance and staff lockers.

One of our biggest accomplishments to date has been our acceptance into National Co-op Grocers (NCG). There has been a lot of behind-the-scenes work happening at the co-op for this to happen. **Customers will soon see the fruits of our labor which will result in better pricing, new product offerings, expanded discounts and sales for members and non-members also.** This organization also has a huge amount of resources available for us to take advantage of, such as department specialists that will work with our department managers. NCG will also be able to ensure continued success for our co-op through the years and any changes that may come, with standardized reporting metrics and accountability for co-op operations.

We also sold more local goods than last year; **44% of our sales came from Vermont companies, totaling $992,615 - a 32% increase from last year.**

Our members spent $1,573,066 which is 70% of our total annual sales. They received $32,012 in discounts for the year between monthly member specials and year-round member perks.

Our customers donated $12,080 to local area charities through the Round It Up For Change program. It's amazing how people's change can add up to make a difference to these great local organizations.

I would also like to express my gratitude to our amazingly talented Co-op Board who selflessly volunteers their time.

Together - member-owners, board, and staff - we personify community, connection, commitment and contribution to a dynamic community open to all.

Eric Besecker, General Manager

Thanks to our Co-op Crew:

Eric Besecker, General Mgr.

Sandy B.
Bookkeeper/Office Mgr

Katelynn R., Ops. Manager

Elizabeth C. , Chef

Bronson S., Service Rep.

Celine L., Cheese Buyer & Service Rep.

Deb F., Buyer & Service Rep.

Diane W., Cafe Assoc. & Service Rep.

Dylan H., Cafe Assoc.

Griffin J., Service Rep.

Leah H., Admin Asst. & Marketing

James T., Meat Buyer & Service Rep.

Jennifer J., Sous Chef

Jessica M., Bulk & Grocery Buyer

Jessie N., Produce Manager

Katie L., Service Rep.

Kathryn B., Health & Wellness Buyer & Service Rep.

Kyja P., Service Rep.

Mai L., Cafe Assoc.

Rich C., Service Rep.

Sage G., Service Rep.

Key Themes from S.O.A.R.

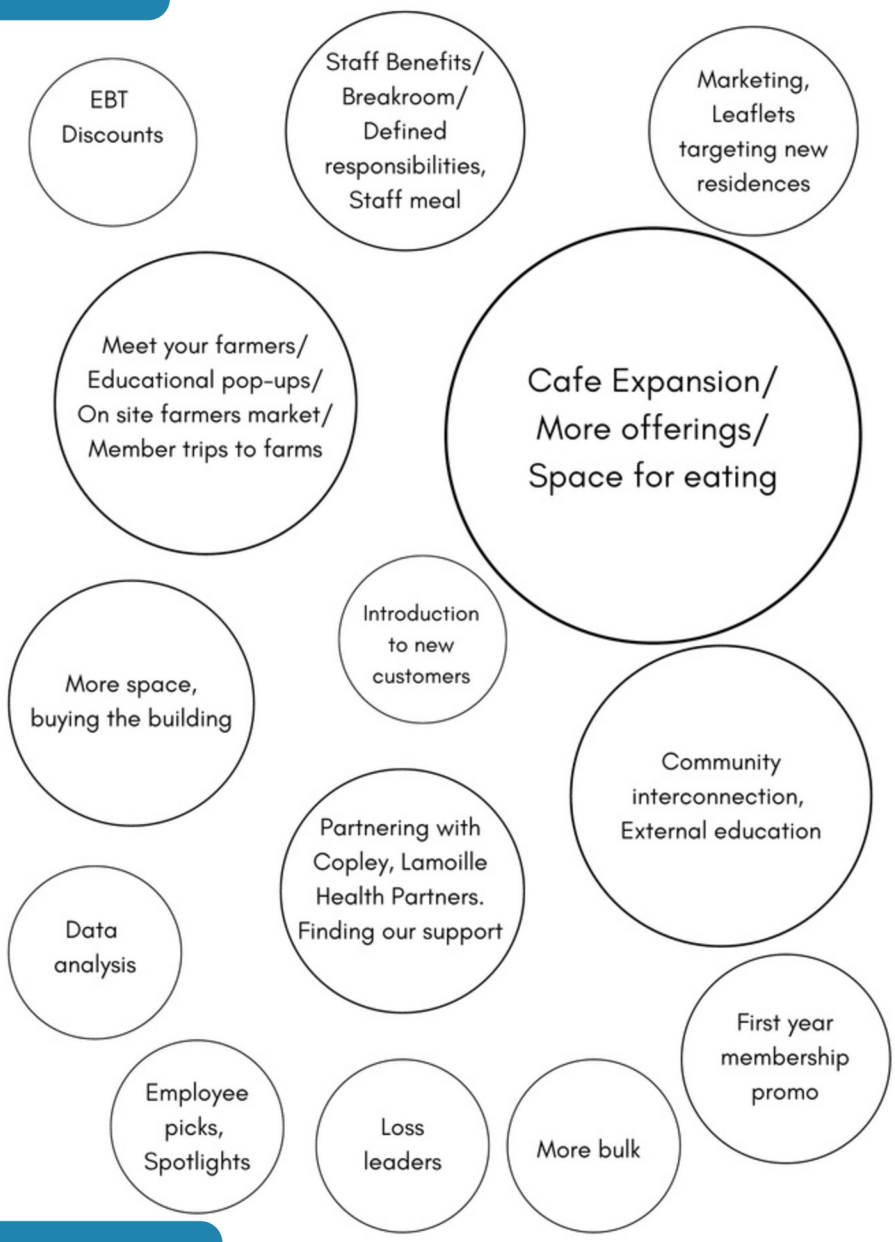
FY24 started with a robust strategic planning process, "Strengths, Opportunities, Aspirations, and Results" (S.O.A.R.). The process included conversations with key stakeholders and a community session in November 2024.

From that process, key themes were identified to meet our goals and better serve our community at large.

Size of the bubble reflects the number of comments on that topic or theme.

Thanks to Susan Titterton, Co-Chair of the 2023-2024 Co-op Board for leading the process and to Pru Sullivan for facilitating the community session.



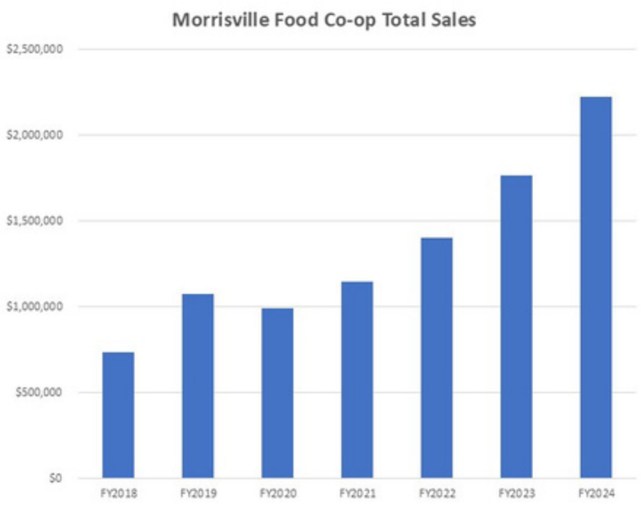


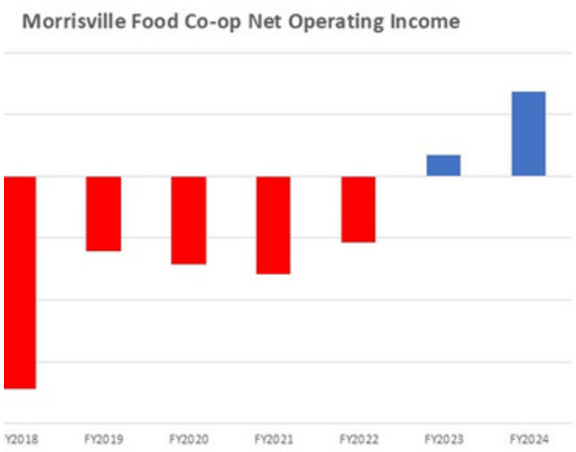
Message from the Treasurer

July 1, 2023 to June 30, 2024 (Fiscal Year 24) has continued the improvement in the Co-op's financial outlook. Sales continue to build at an impressive rate - 25% over the year before and 51% growth over the last two years. Last year, we finally posted an operating profit and this year that profit has grown. The focus on giving customers a positive experience while closing monitoring expenses has more than paid off.

We still have a large debt load, however, and that's not an ideal position to be in. The grocery business traditionally has very small margins. But with our acceptance as a member of NCG (National Co-op Grocers), we expect to be able to further reduce administrative expenses and provide more savings to our members. Our cash flow has improved and we are confident in our ability to keep paying down debt and deal with unexpected expenses. Our membership is growing and adding to our equity. Overall, we feel a very positive financial picture has emerged after the Co-op's start-up growing pains.

Beth Springston, Board Treasurer





Balance Sheet (as of June 30)

	FY 2023	FY 2024	$ Change
Assets			
Inventory	$112,148	$101,146	($11,002)
Equipment& Lease	$97,322	$160,252	$62,930
Cash & Other	$53,703	$112,415	$58,712
TOTAL ASSETS	$263,173	$373,812	$110,640
Liabilities - Current	$140,084	$133,583	($6,501)
Liabilities - Long Term Loans	$359,109	$352,718	($6,391)
Member Equity	$222,049	$236,299	$14,250
Retained Earnings	($463,356)	($416,922)	($46,434)

Profit and Loss (as of June 30)

	FY2023	FY2024	Change
Sales	$1,751,031	$2,189,860	+25%
Cost of Goods Sold	$1,182,401	$1,466,630	+24%
Gross Profit	**$ 568,630**	**$ 723,230**	**+27%**
Operating Expenses	$ 551,616	$ 654,684	+18%
Interest & Depreciation	$ 33,546	$ 27,666	-17%
Other Income/Exp	$ 35,514	$ (22,111)	-162%
Net Profit/(Loss)	**$ 52,686**	**$ 46,434**	**-12%**

Community Connection



MORRISVILLE FOOD CO-OP

We're Serious About Keeping It Local!

44%

In FY24, local products were 44% of sales

116

The Co-op worked with 116 local farms and producers; a 13% increase from FY23

2,250

The Co-op has 2,250 members; a 14% increase from FY23

25%

Sales grew 25% over last year; 51% over the last two years

$12,080

Customers donated $12,080 to local area charities in FY24



FY2024 Co-op Customers Purchased :

6,191 dozen eggs
2,391 gallons of milk
3.5 tons of carrots
8,030 lbs of local chicken

Commitment Contribution