



The Putney Food Cooperative 2020 Annual Report



Co-op Staff

Thanks you!



“Because of all that we do, Putney will have an inspiring and sustainable community marketplace benefitting its members and stakeholders.”

You're invited

Our Annual Meeting will be held virtually on Thursday, October 15th at 6:00pm

Members are encouraged to attend. We ask that you RSVP to board@putneyfood.coop

Why Co-op

The Co-op is important for so many reasons, in so many small ways. It isn't just a place to grab a sandwich or a drink, or to use the restroom on a quick stop off the highway. It is a community gathering place, a local grocery store, and so much more. When you shop at the Co-op, you aren't only supporting the local community, but you're keeping more of your money in the local economy.

Wondering how that works? Shopping at the Co-op supports local breweries, local farms, local growers, etc. This helps to create local commerce, which can lead to the creation of more jobs in the community. Plus, when you are eating local, you're also probably eating organic - even though the farms around us are not all certified organic, many of them use organic practices! Here at the Putney Food Co-op, we try to buy as local as possible, while supporting vendors and farms with sustainable practices. And, if you're concerned about animal welfare, we (along with most other food co-ops) carry products like cage-free eggs, grass-fed beef, and free-range chicken.

Co-ops are not only a great place to shop for local, delicious food, however. They are also a place where you can have a say in how your store is run. As a member-owner, you not only have a say in who is representing you on the Board of Directors (or a chance to run for the board yourself!), you also have a say in some of the business decisions. This democratic approach to business is just one more way that food co-ops are making the world a better place.

#1. Voluntary and Open Membership

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

From Our Board President

Thank goodness for the Co-op! In this time of upheaval and uncertainty, we can depend on our community market.

A huge thanks to all the staff for keeping the store running, shelves stocked, adjusting to new operational protocols, curbside service and other demands while maintaining friendly service.

The Co-op business model shows its strength in difficult times. The Co-op is flexible, dependable and focused on serving the community. It features locally sourced products supporting local producers, while providing a dependable supply for the store.

We offer discounts to member-owners who are economically challenged through our Food For All program. We support the Putney Foodshelf and dozens of other local groups and organizations, donating food, staff time, and money. We strive to be a model business. The Board of Directors and management team have been educating ourselves and are taking steps to address the need for greater Diversity, Equity and Inclusion in our community.

This report would be incomplete without recognizing Ed Powers our new General Manager- He was chosen after an extensive search and we couldn't be more pleased with his work, including rapidly adapting to the pandemic's demands. We have a talented and committed Board overseeing the organization on behalf of the member-owners. In addition to monitoring the GM we're reviewing our governance policies, working on improving communication with member-owners, telling the Co-op's story and planning for the future. The store is doing well, despite the pandemic. Please note that the Annual Meeting is being planned as a virtual event this year.

As always, thank you for your participation in this remarkable organization! I hope to see you in the store.



Michael Wells, Board President

From Our General Manager



Ed Powers, General Manager

What a year we've had! As I became Interim General Manager in October, and full GM in April, the changes we saw in the store could not have been greater! I couldn't be more proud of how our staff were able to rise to the challenge in so many ways. Our produce, grocery, meat and cheese departments had to secure new lines of supply when overwhelming demand, threatened to leave our shelves empty. Many of those suppliers ended up being local, highlighting the importance of a local economy and self-reliance within it. Indeed, the pandemic harkened back to the origins of the Co-op, during World War 2, when Putney was faced with food shortages and the community came together to create the Co-op.

Our front-end department rose to the challenge when they lost staff, while dealing with increased basket sizes. When we were forced to close our deli in March, many of the staff stepped up to help us out with our new curbside service. Lastly but certainly not least are those who came in to stock shelves, week in and week out, risking not only their own health but those of their loved ones. It cannot be overstated how much courage and dedication our team has shown, and continues to show, during these trying times.

I would also like to recognize and thank the Board of Directors and their work over the year. They not only helped me transition into the position and made sure I had the support I needed, but worked hard behind-the-scenes to make sure that the direction and mission of the store was still intact. They are always pushing forward to make the Co-op, the best it can be.

Lastly I would like to thank you, the community, for supporting us, helping to keep our employees safe, and showing what can happen when a group of people come together and try to make the world a better place. As we come into 2021, our 80th year in business, I hope that we can continue that goal together and all be the better for what has been and what will be.

#2. Democratic Member Control

Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. The elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights (one member, one vote) and cooperatives at other levels are organized in a democratic manner.

Around the Co-op

Another year has gone by... A snapshot of what has gone on at the Co-op though this year, it definitely looks a little bit different. It seems hard to imagine a world before Covid-19, before mandatory masks and handwashing, but our little Co-op pulled through the uncertainty and came out better than ever.



We regularly hear from customers how safe they feel shopping in our store, rather than in a bigger conventional grocery store. They want to shop here because they feel like they are being cared for as people and not just numbers.

We hear what you have to say, and have tried to make the shopping experience as comfortable as possible for everyone—including offering a curbside option for people who don't feel comfortable coming into the store.

But the importance of the Co-op in our community goes far beyond that. It is the impact of supporting local farms in produce as much as possible, keeping what is fresh and in-season instead of flying in as much produce from other parts of the world.

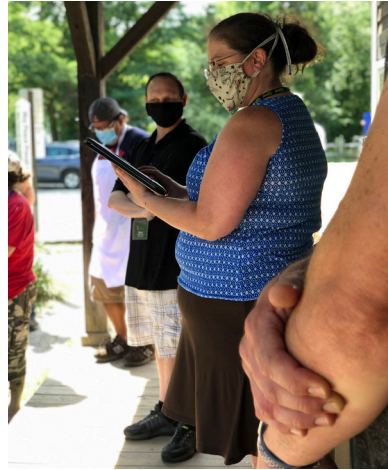
It's the fact that when you buy a mask at the co-op, you aren't only supporting a local artisan, but also the Putney Foodshelf. It's the impact you have when you round up your purchase, and that money goes to support local charities. Especially in these times of change, it's important to stay as connected to the community—and that has always been our aim.

Diversity

The Putney Co-op is a safe place for all people to shop, and the events of this year have truly brought home the importance of inclusivity.

We are educating ourselves in ways we can be anti-racist, and empower our Black, Indigenous, Person of Color (BIPOC) communities. We are seeking out BIPOC-owned vendors to purchase from, and we are holding space to have the difficult conversations about our roles in racism. Mostly, we are listening.

We held a walk out for eight minutes and 45 seconds on July 20th. We chose this amount of time under the guidance of Black Lives Matter to symbolize the amount of time George Floyd was held down by a police officer. We invited the community, and as a group we read the names of some of the victims of police brutality. It took a lot longer than eight minutes and 45 seconds. This symbolic and reverent moment was powerful for all those present. We implore our community members to remember that we are not seeking gratitude, but rather a real change in hearts, minds, and policy. We seek voices, your voices, come join us on this mission.



#3. Members' Economic Participation

Members contribute equitably to, and democratically control, the capital of their cooperative.

At least part of that capital is usually the common property of the cooperative.

Members usually receive limited compensation, if any, on capital subscribed as a condition of membership.

Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

We asked each of the candidates

What will you bring to your service on the Board?

I am currently the Board Vice President and Chair of the Communications/Outreach Committee. I'd like to continue to help our Co-op thrive and serve our member-owners in the best possible ways. I will bring my experience, love of our community and commitment to the Co-op's mission in order to reach out to our customers, communicate our story and discover what more we can be doing. As we continue to face a difficult and uncertain time, it will be even more important that we serve the needs of our people—and communication will be key to that process. With the ongoing social distancing and wearing masks, new methods for outreach will be needed and I will bring a desire and determination to achieve that goal.

~Wendy Wilson



When I first joined the board three years ago, I was proud to be the first employee member of the board. Though I am no longer an employee of the Co-op, I still bring my deep-seated love of the Co-op and the community that surrounds it, as well as attention to detail and a different perspective as someone who has worked for the Co-op.

~Yitz Gonzalez

I have served on the Board for the past year and hope to have the opportunity to continue on for a 3-year term. I would bring to the position my knowledge and skills from working in the non-profit and public sectors over the past decade on issues related to community planning, economic development, food systems, and sustainability. I also have experience in holding leadership positions with other organizations and understand the important responsibility the Board has in advancing the Co-op's vision and values as determined by its members. As a Putney resident, I want to ensure the Co-op is a place that continues to support the health and well-being of all members of our community.

~Matthew Bachler



I hope to bring my perspective as a Putney resident, Putney Central School parent, and community volunteer to the Board. When my family moved to Vermont three years ago, we chose Putney in large part due to the community amenities, including a vibrant co-op. Over the past several months, the importance of the Co-op's strong relationships with producers and shoppers has become even more clear. With my background in marketing and education and current volunteer experience addressing food insecurity, I look forward to supporting the Co-op as an integral part of a healthy, resilient community. I am grateful to live in a small town with a mighty Co-op and will bring my enthusiasm for our Co-op and commitment to our community to my Board service.

~Ellen Strong



#4. Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.



Produce



Emilie Poulin, Produce Manager

This year seems to be divided into parts: before Covid-19 and now. In the produce department, we have been remembering “the way things used to be.” We can remember a time before our customers were afraid; we remember a time before they had to consider every little action during their shop. We remember community and a sense of belonging when people would find each other in the store. We remember hugging. Mostly we remember their smiles. In these times of masked shopping, it can be easy to forget the humanity of it all. We want to go back to “normal” as much as the next person, and in the meanwhile pledge to do our absolute best to embrace our new reality.

We have committed to policies that protect our customers from potential exposure by wrapping produce or using gloves while stocking. We wear masks all day and wash our hands constantly. We are striving to provide our customers with quality produce that is prepared in the safest manner, at the most affordable price.

Some local farms have been affected most severely by the pandemic. What once was a thriving restaurant market is now dependent on consumer supported agriculture, and farmers market models. Here at the Putney Food Co-op, our focus on local has not changed. We intentionally purchase products from small, local farmers first, before looking into larger scale producers. This reinforces our commitment to our farmers and our community.

From Our Treasurer

What a year this has been for our Co-op! Robyn O'Brien, our General Manager of 18 years, retired in October. We hired Ed Powers (an employee of 20 years as assistant GM). While Ed was getting up to speed in his new position as GM, life as we knew it changed dramatically. Business at the Co-op was not immune to the effects of the global pandemic.

Ed and his staff quickly implemented many new protocols in order to keep our store open and safe for staff and shoppers alike. Sales in the deli dropped drastically in the first two weeks of the stay-at-home order, making it necessary to temporarily close the deli. At the same time, store labor increased, as extensive cleaning procedures and curbside ordering was put in place. Many thanks to the entire team for getting this done in a matter of weeks!

Even with the challenges of this past year, sales were up: \$4,540,698 vs. \$4,247,780 the previous year. Entering the 4th quarter we were showing a year-to-date loss of \$35,455, but by reacting quickly to the impact on the store of this new reality, we ended the year with a slight profit of approximately \$25,000. That was no easy task.

With strong leadership overseeing our store, a caring and committed staff, a dedicated Board of Directors, and most importantly, loyal member owners and shoppers supporting all we do, we are very optimistic about the upcoming year. We are so grateful to you all!



Carol Berry, Treasurer

Board meetings are held on the third Thursday of each month at 6:00pm, and are currently being held virtually due to the pandemic.

Members are encouraged to attend. We ask that you RSVP to board@putneyfood.coop

Financials

Balance Sheet

Fiscal year 2020

Fiscal Year 2019

Assets

Current Assets	\$355,763	\$279,841
Property and Equipment	\$1,046,711	\$1,111,590
Other Assets	\$78,406	\$77,568
Total Assets	\$1,480,880	\$1,468,999

Liabilities

Current Liabilities	\$296,329	\$274,657
Long-term Liabilities	\$549,629	\$590,974
Total Liabilities	\$845,958	\$865,631
Shareholders' Equity	\$620,902	\$603,368
Total Liabilities & Equity	\$1,466,861	\$1,468,999

Statement of Profit and Loss

Sales	\$4,540,698	\$4,247,780
Cost of Goods Sold	\$2,837,040	\$2,687,103
Gross Profit	\$1,703,658	\$1,560,677
Expenses	\$1,664,085	\$1,616,869
Income from Operations	\$39,573	(\$56,192)
Other income (net)	(\$12,389)	(\$303)
Income before taxes	\$27,184	(\$56,495)

*Preliminary numbers, subject to adjustment when finalized by our CPA

Yearly Sales

2016–2017

2017–2018

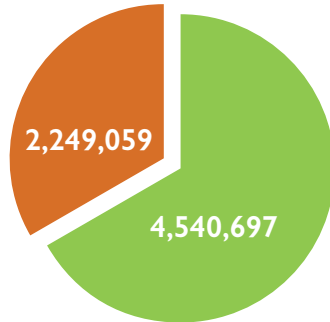
2018–2019*

2019–2020

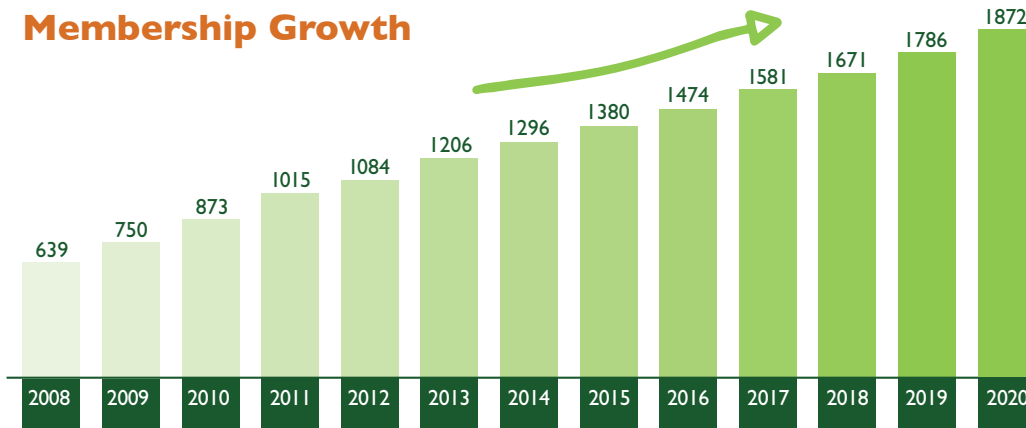


*Expansion year

**Member-owners =
49.5%
of total sales**



Membership Growth



#5. Education, Training, and Information

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives.

They inform the general public, particularly young people and opinion leaders, about the nature and benefits of cooperation.



Grocery



2020 has been unlike any year before it. As a store, we've had to learn to adapt to new changes every day. It has been a surreal experience, but from the chaos I have seen such kindness from our community. The Co-op has been selling fabric face masks from two local vendors, and donating half of the profits to the Foodshelf. As of the end of August, the food shelf has received \$309 from these sales.



We are also providing space for Groundworks Collaborative to sell bowls to raise money for the Empty Bowls fundraiser. In previous years, they were able to hold a dinner for fundraising, but that is not possible this year. Instead, they are selling the beautiful bowls that local artisans have made for just \$25 a piece. 100% of each sale goes to Groundworks Collaborative Foodworks program which is their foodshelf program.

We just received our bowls yesterday, and have already sold several. Thank you to all of the shoppers who are using their dollars to support their community!

*Kim Lefebvre, Grocery Manager and
Jocelyn Lovering, Asst Grocery Manager*

#6. Cooperation Among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.

Food For All

Have you heard about our Food For All program?

If you receive SSDI, WIC, or SNAP/EBT, please speak with a cashier about our Healthy Food For All (FFA) program.

If you are eligible for the FFA program, you can split your \$75.00 member-owner payment into \$15/year for five years, as well as being eligible for a 10% discount on your purchases every day (excluding: Thomas Milk, newspapers, alcohol, and Co-op basics or Co-op deal items).

Membership benefits include:

- A canvas tote, designed by local artist Gildas Chatal!
- Monthly member only sales! The ability to have a vote in who is on the Board of Directors and how your Co-op is run!
- Helping to support your local community and a local member-owned business!



#7. Concern for Community

Cooperatives work for the sustainable development of their communities through policies accepted by their members.



