



2021 Annual Report

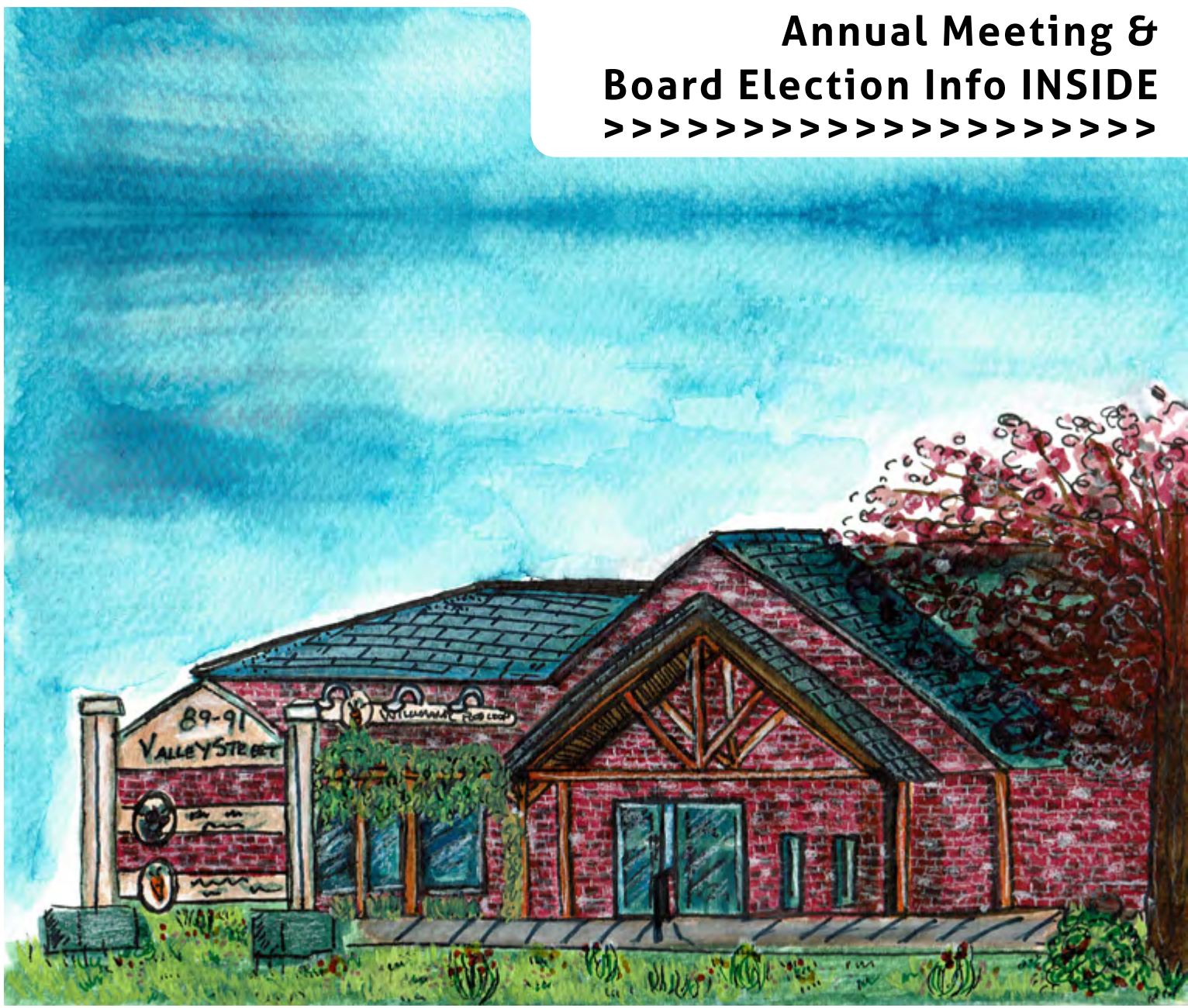
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artwork by Antoinette Thuillier

Board Chair Report



Linda Brock

I started this with the aim of reporting on the activities of your Board of Directors in the context of the Co-op's Ends policy. In most years that is appropriate; aside from the mission of providing the goods that members want to purchase, the Ends policy is the statement of what the Co-op intends to accomplish. But during 2021, circumstances led to the Board working at a more basic level.

Last winter we were still in lock-down, did not know when it would be safe to gather in person, and had not had an Annual Meeting since April 2019. We felt we needed to hold our 2021 meeting, but do it virtually; new territory for us. During the spring, along with our routine monitoring of management performance, we prepared the online meeting and in May gave a solid presentation to members – without technical glitches! We celebrated that success, joined by the handful of members who signed in...with respect to attendance, at least, not quite as successful as we had hoped. (This year we have our fingers crossed for an in-person meeting once again – with food, even!)

In June, I stepped in as Board Chair following nearly twelve years of service in that role by Kathleen Krider – very big shoes to fill. Thank Kathleen when you see her! During the summer as we reacquainted ourselves with how to meet in person, we therefore also adapted to internal change: carrying out the delayed orientation of our newest directors (elected during COVID shut-down); adjusting to different group dynamics, leadership style and approaches to our “job.”

At our working retreat in September, with guidance from our cooperative consultant we re-examined the status of the Co-op and our priorities as a Board. We determined that three areas demanded immediate action: establishing a search committee for a new General Manager, to take over once Alice retires in about 20 months; seeing the Co-op through reincorporation under the revised Connecticut Cooperative statute, to better protect member democratic principles and control over capital investments; and improving our recruitment and development process to ensure a robust, capable Board. We immediately formed committees that are meeting regularly and making steady progress on those issues.

Following close behind in importance are: consciously improving on the Co-op's diversity, equity and inclusion – you may see this referred to as “DEI” – and continuing to monitor local needs and regional grocery trends to determine the best strategy for the Church

Street property. These will receive more attention after the steps around our top-priority issues are solidly in place.

Underlying all of these is a recognition that with the Co-op's steady growth over the past decade to about 7000 active members, there has been a dilution of understanding of what it means for us to be a cooperative, and not just a “natural foods store.” So a part of our attention is on how we can better educate both ourselves as directors and our members and shoppers, to understand and explain what truly makes the Willimantic Food Co-op different and worth supporting.

Two of those differences – part of seven “cooperative principles” – are democratic member control and education, training and information. In the coming months you can expect information and Q&A sessions about Reincorporation (leading up to our member vote); communication about the GM search process; and always, encouragement for you to participate actively in Co-op committees, on member events and education, policy updates, and other Co-op initiatives. I look forward to seeing you! Cooperatively yours, Linda Brock.

General Manager's Report



Alice Rubin

Out with the old and in with the new!
I am so ready to move on from 2021 and into whatever ‘new’ gets tossed our way in 2022!

We did make it through another challenging year, keeping the Co-op open and profitable. In order to achieve this important goal of open and profitable, our staff has had to work hard to keep our shelves stocked with the food that you expect to purchase at the Co-op. Food that is good for us as well as our planet, and that supports local food production and responsible use of resources. There have been and continue to be supply chain issues and supplier problems, including our main supplier's staffing to get the goods delivered. We work with many different suppliers and have strong relationships with them which helps to ensure we receive what we have ordered. Of course it doesn't always work out the way we have planned. There have been late deliveries, missing deliveries, and lots of out of stocks.

We have had to rely heavily on our technology to keep up with all of these suppliers, as well as the multitude of price increases that we are seeing. Our staff has also done this well, innovating systems that allow us to balance our members' needs for affordable food with the Co-op's need to remain in business.

Looking forward, we have reinvigorated our work toward the Co-op's environmental goals. We are encouraging and rewarding the reuse of containers in our bulk and produce departments. We have also been working on a project with an international company (with a local co-founder) that is creating a way of assessing a product's carbon footprint. This holds great potential for keeping the Co-op and its members well educated as to what we are really selling and purchasing.

I also look forward to a renewed effort to communicate with and gather input from our members. We are here for you; how you see the Co-op doing its job and serving you, and the entire community, is so important to us.

We are doing our best to balance the needs of 7,000 members. No small task! Please let us know how you think we are doing. Always feel free to email me at alice.rubin@willimanticfood.coop.

Treasurer's Report



Joanne Todd

This year's Treasurer's report is written through the lens of The Willimantic Food Co-op's Ends Policy. Check out the Ends Policy in the Policy Governance Manual on the board page at willimanticfood.coop and on page 4 of this report. One of the elements of this most important policy is: **The Willimantic Food Cooperative strives to provide its members, shoppers, and the greater community a retail food store which demonstrates the economic and social value of the cooperative model by maintaining financial sustainability and viability.**

Measures that demonstrate financial sustainability and viability include sales growth, positive net income, and a strong balance sheet. The Co-op's annual sales grew 6.5% to over \$6 million in 2021 and net income was \$59,099*. The 2021 balance sheet shows strength with no debt, and equity of \$2.2 million. That equity is almost evenly split between retained earnings and member equity. Retained earnings are the accumulated net income since the Co-op began. Member equity is our shared ownership equity – the investment we've all made in our collective enterprise. In the language of cooperative principles, member equity represents Member Economic Participation.

**2020 numbers from 2020 Annual Report, 2021 numbers from Quickbooks, subject to change after CPA review and Tax Returns filed.*

This strong financial position sustains the Willimantic Food Co-op. The growth in sales and, separately, the growth in membership confirms the viability of the Co-op. Sustainability and viability could be viewed as Autonomy & Independence, another co-operative principle.

How do these numbers, these measures of achievement, “demonstrate the economic and social value of the cooperative model”? Together we, as member owners, have invested over \$1 million in a co-op that employs 34 employees at a living wage, and purchases \$949,618 (16% of total sales) in local products from 101 local producers. Rather than money going to owners in distant places, the Co-op's earnings are kept in our community. And, our Co-op contributed \$27,122 to local charities and organizations in support of the cooperative principle of Concern for Community.

The Willimantic Food Co-op is unique in our community as a member-owned food store that hews to Cooperative Principles and to an Ends Policy that is based on shared values. And that demonstrates that economic and social value do work together in the cooperative model.

Balance Sheet*

| | 2021 | 2020 |
|---------------------------------------|------------------|------------------|
| Cash | 1,342,179 | 1,187,036 |
| Inventory | 283,700 | 271,191 |
| Property and equipment | 753,379 | 787,317 |
| Other assets | 250,413 | 248,951 |
| Total Assets | 2,629,670 | 2,494,495 |
| Liabilities | 436,036 | 399,261 |
| Members paid in equity | 1,083,748 | 1,044,448 |
| Retained Earnings | 1,109,886 | 1,050,786 |
| Total Equity | 2,193,634 | 2,095,234 |
| Total Liabilities & Equity | 2,629,670 | 2,494,495 |

Income Statement*

| | 2021 | 2020 |
|---------------------------------|------------------|------------------|
| Sales | 6,044,581 | 5,509,266 |
| Cost of Sales | 3,821,780 | 3,553,877 |
| Gross Profit | 2,222,801 | 1,955,389 |
| Expenses | 2,176,664 | 2,011,586 |
| Income from Operations | 46,137 | 96,395 |
| Other Income | 36,198 | 8,959 |
| Income Before Income Tax | 82,335 | 228,869 |
| Income Tax | (23,236) | 2,561 |
| Net Income | 59,099 | 231,430 |

WILLIMANTIC FOOD CO-OP

What is a "Global Ends Policy"?

by Patricia Smith

In the Co-op's governance structure, a major part of the board's job is to define the purpose of the organization in keeping with the interests of members. The Ends Policy is the articulation of this purpose and describes what should happen as a result of the Co-op's existence. The Co-op's management has the responsibility to determine the "means" by which these Ends are achieved. The Ends may not be inclusive of all the positive outcomes achieved as a result of the Co-op's work, but they help define the long-term direction that guides how the co-op is run day-to-day. Ends should be achievable yet ambitious, and they should be measurable. Numbers are not the only way to measure progress towards the Ends, but they are a powerful way to convey what work has been done and where there are opportunities to improve. The following "impact metrics" capture some of the work done in 2021 toward the Co-op's Global Ends.

- Customers used 22,525 reusable containers in their shopping (5 cent rebate given for each reusable container used)
- Approximately 10,000 pounds of unsellable food repurposed into nutritious meals at Covenant Soup Kitchen

GLOBAL ENDS POLICY

The Willimantic Food Cooperative strives to provide its members, shoppers and the greater community a retail food store which:

- Supports and increases sustainable agriculture, locally, regionally and globally, with a strong emphasis on local and regional agriculture and food processing.
- Works towards reducing our environmental impact. This includes showcasing our coop as a model of sustainability in the retail food world, with aspirations for zero waste.
- Ensures inclusivity and represents our diverse community.
- Demonstrates the economic and social value of the cooperative model by maintaining financial sustainability and viability.

- Sales of products containing 95%-100% organic ingredients = \$2,391,694
- Sales of Fair Trade Certified products = \$261,693
- The Co-op purchased from 101 local producers
- Sales of local products = \$949,618 (16% of total sales)
- We sold a ton of local bulk honey, literally – 2078 pounds
- Sales of fresh items (produce, dairy, cheese, meat & seafood) = \$2,310,389
- Sales of locally made prepared foods = \$53,067
- 4027 pounds local apples sold

- 32% of staff identify as non-white
- 6 staff are fluent or conversational in Spanish
- \$175,065 purchased using SNAP benefits
- \$27,122 donated to local causes and organizations
- Members donated \$13,265 through roundups:

| 2021 Month | Member Donations | Check Amount | Organization |
|---------------|------------------|-----------------|--------------------------------------|
| January | \$448 | \$500 | Windham Community Food Network |
| February | \$688 | \$700 | Covenant Soup Kitchen - Polar Plunge |
| March | \$987 | \$1,000 | Friends of the Garden on the Bridge |
| April | \$801 | \$1,000 | First Baptist Church of Willimantic |
| May | \$1,261 | \$1,500 | Willimantic Farmers Market |
| June | \$517 | \$550 | Community Table |
| July & August | \$1,701 | \$1,701 | Steeple Chase |
| September | \$1,079 | \$1,100 | No Freeze |
| October | \$1,681 | \$1,700 | Covenant Soup Kitchen |
| November | \$1,587 | \$1,600 | WAIM Walk for Warmth |
| December | \$2,515 | \$2,600 | No Freeze |
| TOTAL | \$13,265 | \$13,951 | |

- Total number of employees: 34 (17 full-time, 17 part-time)
- \$1.2 million paid in staff wages
- Average hourly wage \$19.01
- Members:
 - 350 new members
 - \$38,329 new member equity invested
 - 6778 total members
 - 4903 paid-in-full members

Welcome to the 2022 **ELECTION** for our **BOARD OF DIRECTORS**

Below are our candidates' information, instructions, and a ballot.

In keeping with our bylaws, members can vote for the Board of Directors by submitting the provided ballot.

Ballots may be dropped off at the Co-op, mailed in ahead of the meeting, or cast in person at the Annual Meeting. The results will be announced at the Annual Meeting on May 22nd.

HOW TO VOTE:

- 1 Use the ballot below. Copies are also available at the store.
- 2 Mark your vote. You can vote for **up to four** of five candidates.
- 3 For anonymity, write the last 6 digits of your Member Number (including the tiny one at the end) in the space provided. This is the number below the bar code on your membership card. If you don't know your member number, please include your full name. This is to ensure "one member, one vote."
- 4 Drop off your ballot at the store or mail it to the store: **Willimantic Food Co-op, 91 Valley St., Willimantic, CT 06226**
- 5 Ballots must be RECEIVED at the store by **5/21/22** in order to be counted. Alternatively, you can attend the meeting to cast your vote. (If mailing, please allow for delivery time)

Linda Brock (Incumbent, Chair) I joined the Co-op just after moving here in 2014 and the Board in 2016. I have been a member of food co-ops for over 30 years. Professionally I implement and train on using educational software, working with people at all levels of expertise. In addition to the Co-op, my collaborative experiences include serving on a municipal service district board, and leading and being a team-member on technical and production crews for theater and dance performances. I invest substantial time in training to understand the cooperative values, and how our governance process supports them. Our Co-op faces significant opportunities and challenges in the coming few years, including adjusting to change in management when Alice retires; reincorporating under CT cooperative law; improving engagement with members; and increasing the diversity of the membership and board so the Co-op can better serve the community. As Board Chair I am working to guide the Co-op through this period of change, ensuring it meets members' needs while leaving it empowered to achieve its bigger goals of increasing healthy food access and minimizing environmental impact. I am committed to continued development of the Board's skills to meet those demands, and to expanding ways for members to give input, to be involved and be connected.



Katherine Gavin I am interested in serving on the Board of Directors because of how unique the Co-op is, especially in the state of Connecticut. After all, this is the co-op that introduced proposition 138 to encourage the incorporation of more co-ops statewide! I love being a member and I am looking for an opportunity to contribute more to this invaluable community, including developing increased opportunities for more area residents to become aware of the benefits for families of a membership. This will help grow our membership base to reflect the diversity of the entire community. Another exciting challenge is the reincorporation process. I am passionate about food justice and equity and am myself a past recipient of the SNAP program. I love that the co-op offers local and responsibly sourced foods as a SNAP-authorized retailer. As an Outdoor Educator I have spent my career working collaboratively and teaching youth the tools to collaborate. I have worked for non-profits such as Outward Bound as a facilitator and served with Americorps as a volunteer for City Year. I also have spent time managing staffs of between 9 and 30 people. In these situations, it takes a leader that is interested in passing the mic and receiving input from everyone. My most recent volunteer experience was with FRESH New London, a group focused on providing sustainable and accessible fresh produce to residents.

Niti Pandey I have lived in Willimantic for ten years and been a member of the Co-op since moving to CT as a faculty at Eastern CT State University (ECSU). I see serving on the Board as an opportunity to give back to the community. My values on sustainability, social justice, equity, and diversity align with those of the Co-op and, along with my professional expertise as a business professor, have prepared me to serve the members of the Co-op. I strongly believe in the value of shared governance. My background in human resources management and labor relations has allowed me to develop an understanding of how organizations function. The leadership roles I have held give me an understanding of how policy governance works and the importance of maintaining the financial viability of the Co-op. My current work on building partnerships between ECSU and community organizations gives me the drive and incentive to actively participate in ensuring the Willimantic community thrives. Climate change and its impact on sustainable agriculture, along with related impacts on social justice, food/water access, and community viability will be the biggest challenge in the next decade. The greatest opportunity for the Co-op is to take leadership in the community in educating and engaging with these issues and providing a sustainable model for replication in other communities.

Michael Maggs I'm interested in serving on the board of directors to work for the lovely community that comprises the current member-owners and employees, as well as the yet-to-be members of the region. I am passionate about working to drive wholesome sustenance, services, and people into a unique sense of community. My whole career as a Product Developer/Innovation Leader has depended upon open-strategies – pulling together the best variety of minds, personalities, and talent to reach consensus and solve common or "out-of-box" problems. My own personal journey to understand/approach wellness via sustainably harvested, nutrient-dense, bio-available foods brought me to a cooperative grocery market. It will be my first opportunity to go beyond membership to work first-hand for the larger vision. In the next 5-10 years, the most important challenge/opportunity for the Co-op will be education – within and outside. Finding a balanced equation to serve the REAL community around its physical walls and equalize health and happiness for anyone who wants it – the "why" of it. Without a clear message of "why" it cannot be activism for self-care and community development (they are interdependent). I LOVE to bring people together. It all starts with a plate of food ;)

Joanne Todd (Incumbent, Treasurer) I grew up in Willimantic and have lived here all my life. I have been on the Co-op Board for eleven years. In that time, I have worked collaboratively with my fellow Board members and the General Manager to continue the Co-op's success. I am President of Northeast Family Federal Credit Union, also a cooperative. As a Willimantic Food Co-op Board member, I have worked with other cooperative organizations to successfully update the Cooperative Statute in the Connecticut Legislature. I also have deep experience and education in finance and accounting that has been useful in my role as Treasurer. I want to contribute to the successful future of the Co-op, which is vital to the Willimantic Community and where the benefits stay local. I know and work with members. In conversation with them, I strive to incorporate their feelings and concerns into my work on the board. I would like members to know about me and Principle 7, Concern for Community: I am an optimist who sees the beautiful web that is our community as its resilience. The Willimantic Food Co-op is a gem in that network. Fulfilling WFC's Ends while reflecting and welcoming the diverse community around the Co-op is an opportunity and a challenge. A strong board that governs well through change will be important in the next five to ten years.



Election of Directors of the Willimantic Food Co-operative May 2022

MEMBER NUMBER 4 0 3 6 1 1

| | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
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|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|

The Board of Directors recommends the following candidates

VOTE FOR UP TO FOUR

Due to the resignation of one director, the three candidates receiving the highest numbers of votes will be elected to 3-year terms, and the fourth will be elected to complete the remaining two years of the vacated term.

- Linda Brock (incumbent)**
- Katherine Gavin**
- Michael Maggs**
- Niti Pandey**
- Joanne Todd (incumbent)**



Please Join Us for the Willimantic Food Co-op's
Annual Meeting of Members!

Camp Horizons
127 Babcock Hill Rd
South Windham, CT 06266

Sunday May 22nd 5pm – 7pm

A buffet dinner will be served around 6pm.

Learn more about what happened at the Co-op in 2021 and what's in store for the future.

The results of this year's election of Board members will be finalized at the meeting.

Vote ahead of time using the ballot inside, or vote at the meeting.

See inside for Board Election Information and Ballot.

RSVP is requested for food planning, but members are welcome to attend without an RSVP.

Please RSVP by Thursday, May 19 at willimanticfood.coop/rsvp.

Willimantic Food Co-op
91 Valley Street
Willimantic, CT 06226