



2024 Annual Report

INSIDE >>>>

Board Chair Report page 2

General Manager's Report page 3-10

Thank You to the Board page 11

Treasurer's Report page 12



Board Chair Report: Reflecting on Our Cooperative Light



Linda Brock

This year as I report to you for the last time as a Board member, I want to start by celebrating you – celebrating us, joined together in this cooperative venture.

As our General Manager (GM) Patty Smith noted last month, this is an exceptionally turbulent and contentious time. As a country we are experiencing wild swings in financial markets, problems with international sources of supply, and upheaval in employment. Regardless of political views, many people across the U.S. are navigating fear, confusion, and uncertainty.

Willimantic Food Co-op obviously can't fix national crises. Our mission is to "operate a retail food cooperative for the primary and mutual benefit of its members." But that mission contains seeds that make us uniquely suited to weather the uncertainty and to serve as a beacon: we are a cooperative for mutual benefit.

These phrases link directly to the international co-operative values of self-help, self-responsibility, democracy, equality, equity, and solidarity, which are rooted in respect.

Our identity is grounded in respecting our own and each others' worth as individual human beings. We demonstrate it by considering each others' opinions and needs; valuing and supporting the labor of growers, other producers, and workers; and acting together as equals to benefit others as well as ourselves. This is what we individually are supporting in being members of a food cooperative. As a co-op, we express those values by seeking out local growers and suppliers; by providing better pay, benefits, stability and job satisfaction than typical grocery industry jobs; by giving each member a vote and a share in the Co-op's future and each shopper a warm reception in our store. Our co-op's choices aren't made to maximize profits for stockholders scattered across the globe. Our commitment is right here, to you and to our community. To each other.

Adapting to a changing environment, membership and community is a part of that commitment. Thanks to sound management and low regional competition, our Co-op has experienced an extended period of stability and growth. But our membership inevitably is changing. The Co-op must recognize and respect generational and cul-

tural differences in needs and expectations and evolve to continue demonstrating its value.

I want to note a milestone that will help the Co-op succeed in that evolution: the 25th anniversary of the adoption of "Policy Governance" as our model for oversight. In the year 2000, during another moment of global uncertainty (remember Y2K?) the Board chose that framework, focused on setting aspirational goals and avoiding critical risks—without prescribing day-to-day operations. It empowered the General Manager with the freedom to lead, while it allowed the board to focus on oversight and accountability. That division of responsibility helped our Co-op to make major strides, including:

- **Joining National Cooperative Grocers (NCG)** for coordinated purchasing, ending cycles of operating at a loss and bringing financial stability.
- **Sophisticated cost monitoring and purchasing strategies** that keep margins low and food affordable.
- **A strong commitment to local food systems**, reducing supply disruptions and supporting our regional economy.

- **Creative staff programs** that link store performance to employee input and rewards, resulting in high retention, skill, and satisfaction.

Under Patty Smith's leadership this past year, a strategic plan has begun to take shape to guide our Co-op into the future. In response, this year's Board has dedicated itself to strengthening our own capacity:

- We've **revised policies** for clarity and improved our monitoring systems, allowing the Board and GM to focus more on goals of substance.
- We've **enhanced training**, ensuring directors can more quickly succeed while enjoying their service.

- We've **expanded recruitment**, aiming for competitive, qualified elections. While we do not yet consistently have more candidates than the number of open seats, recent candidates have been well-qualified and also have a better understanding of what to expect.

- We've deepened our **discussions and oversight**, grounding decisions in shared purpose.

As this report reaches you, a new, dynamic Board is stepping forward—bringing energy and vision along with deep respect for the Co-op's history, cooperative principles, and for the people who make up our community. Respect for you. For us. I look forward with excitement to seeing our beacon continue to shine! ♦

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General Manager's Report



Patty Smith

As I reflect back on 2024, I am marveling that it's been over a year now since I stepped into the role of General Manager. What a year! So busy, so much fun, such a whirlwind! We did some great work toward our Ends: We sold a lot of groceries, got out into the community, added staff positions, gave raises, and donated a lot of money and products to charitable causes. We continued to work toward reducing our environmental impact and partnered with our local food network to help address food insecurity in our community. We increased our sales of local and certified organic products and enhanced our selection of more affordable, high quality items in all categories, including the Field Day brand, our private label, and bulk options. We had strong financial results in all key performance indicators, such as sales growth, margin, equity, and net income

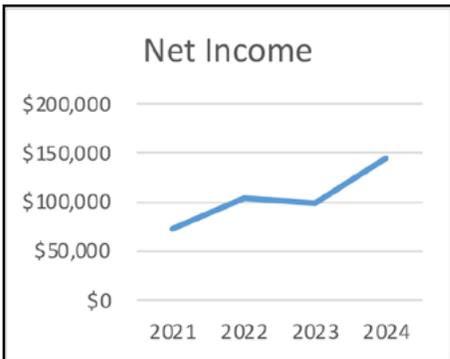
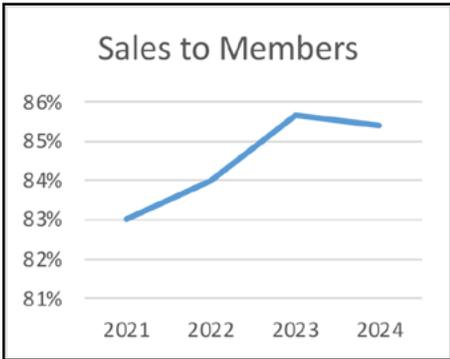
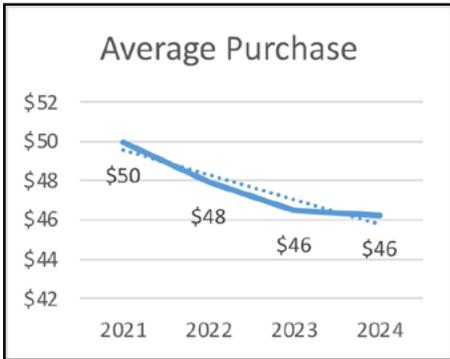
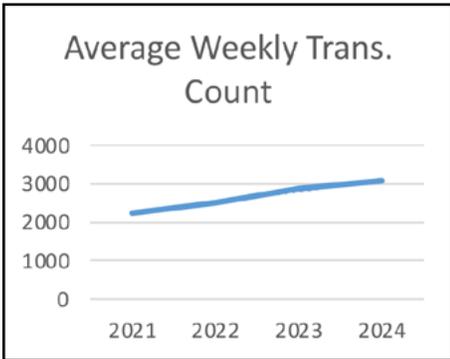
(profit). Overall, it was a really great year, and I am grateful to our entire Co-op community for playing a part in that.

Financial Results

First, I would like to thank members for continuing to support the Co-op with your equity investments and ongoing patronage. Thanks to you we saw our overall sales grow by 7.3%, our average weekly transactions increase 7%, and our average basket size remain steady at \$46 (down a bit from the Covid-era peak, but remaining about \$10 higher than pre-pandemic levels). Did you know that we process over 3000 customer transactions per week? Membership and member equity continued to grow in 2024: we welcomed 382 new members, and 5903 members shopped at least once. Member equity increased by \$28,422, and member purchases comprised 85% of total sales. The Co-op returned \$307,746 (4% of sales) to members through discounts, including the 5% senior discount, 10% new member joining discount, Co-op birthday and holiday discounts, and staff and working member discounts. And we still managed a net profit of \$145,198, or just about 2% of sales.

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.



General Manager's Report *continued*

People & Culture

It gives me so much joy to send a shout out to the extraordinary staff of the Co-op. They worked incredibly hard all year to make your shopping experiences the best that they could possibly be. This excellent group of cashiers, buyers, managers, department associates, and administrative staff does an amazing job taking care of the day-to-day business of running this grocery store: ordering and receiving products, stocking the shelves, keeping things clean, updating pricing and signs, setting up our flyer sales, building beautiful displays, writing schedules, making social media posts, paying vendor bills, keeping track of expenses, counting cash, keeping our servers and software running, and of course, taking care of you, the customer. While the store couldn't be successful without all of that going on, I also rely on staff members to share their expertise and perspectives with me as we build plans for the Co-op's future. Each and every staff member contributes their own creativity, unique skillset, and lived experience to our shared goals, and it makes the Co-op an incredibly rewarding place to work. Thanks, Co-op Staff!!!

Compensation

To support ongoing improvements to staff compensation and benefits in 2024, we increased our starting wage to \$18.00 per hour on January 1, 2024. Our average base hourly rate during the year was \$22.32 per hour. Employees received performance-based pay raises averaging 4.2% and each person earned an additional \$1 per hour in profit-sharing bonuses for every hour worked last year, bringing the total average pay increase to \$1.92 or 9% for the year. We paid \$68,528 in paid time off (PTO), \$25,815 in holiday pay, and employees used 136 hours in paid personal time – all well-deserved!

Turnover & Retention

Our turnover rate in 2024 was 15%, compared to the average rate for food co-ops of 49% and overall turnover in the retail food industry of 58%. Our average employee tenure is 5 years, which seems to be typical among food co-ops but exceeds the average of 2.7 years in the service sector. Mark Giangrave holds the record for longest tenure at 31 years! And the rest of the top 5 are:

**In 2024, we increased
our starting wage
to \$18.00 per hour**

- Chad Dunnack – 20 years
- Steve Scanlon – 17 years
- Patty Smith – 17 years
- Susan Chasin – 16 years

I'm also proud of the fact that, excluding myself, our management team – Wendy Adams, Kara Croce, Corry Elm, Kathy Leddy, Marissa Ocegüera, and Matt Woodward – collectively brings 54 years of experience working at our Co-op!



General Manager's Report continued

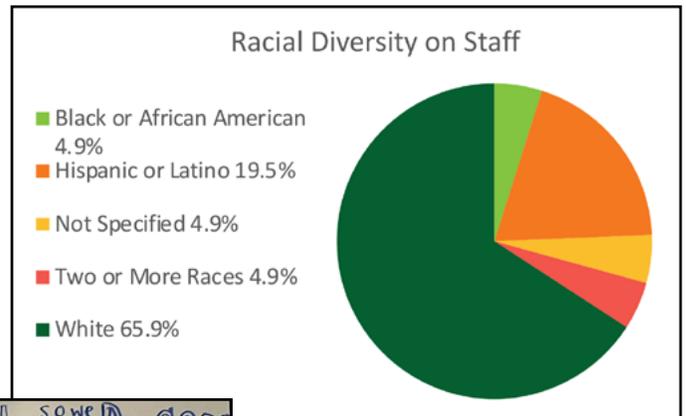
Staff Development

Staff development is a high priority at the Co-op. That comes in many forms, including promotions, internal training, and offsite workshops and events. In 2024, five employees were promoted into positions with higher levels of responsibility and pay. We also increased the number of employees who are “cross-trained” in multiple departments, improving both operational efficiency and job satisfaction. At the end of 2024, we had 16 front-line staff who were trained in two or more departments. Several employees also had opportunities to attend workshops, conferences and other offsite events throughout the year. Ten employees attended offsite conferences and trainings including:

- Focus on Fresh – National Co-op Grocers fresh foods conference in St. Paul, MN
- Co+nnect – National Co-op Grocers finance and IT conference in Eagan, MN
- Servsafe Certification – completed at CLiCK
- CPR Training - locally
- Tour of Equal Exchange facility in Massachusetts
- Consumer Cooperative Management Association conference in Portland, ME

An additional nine employees attended virtual trainings in topics ranging supplements, management skills, ADA compliance, and communication.

A core component of staff development here is our Open Book Management (OBM) practice, in which all employees are invited to attend weekly “Storecast” meetings where we forecast sales in each department based on our budget, current actual performance, and upcoming conditions such as holidays, weather, and community events. Storecast meetings also give us the opportunity to review customer feedback, sample new products, identify up-and-coming trends, hear about our community involvement, and share appreciation for our co-workers. We also laugh a lot. Through this practice, staff learn about our core business principles and how we measure success; the intention is to develop the Co-op leaders of the future.



↑
Co-op employees at Storecast meetings

Staff and Board Members attending Co-op Conference in Portland, ME



General Manager's Report *continued*

Managing Our Environmental Impact

In 2024, the Co-op made progress in advancing our environmental sustainability goals. We focused on identifying the areas where our operations have the greatest environmental impact—such as carbon emissions, waste generation, and reliance on non-renewable energy—and implemented actionable strategies to reduce those impacts, including a project with Eversource to replace our overhead lighting with state-of-the-art LED fixtures, and install water-saving measures and refrigeration controls.

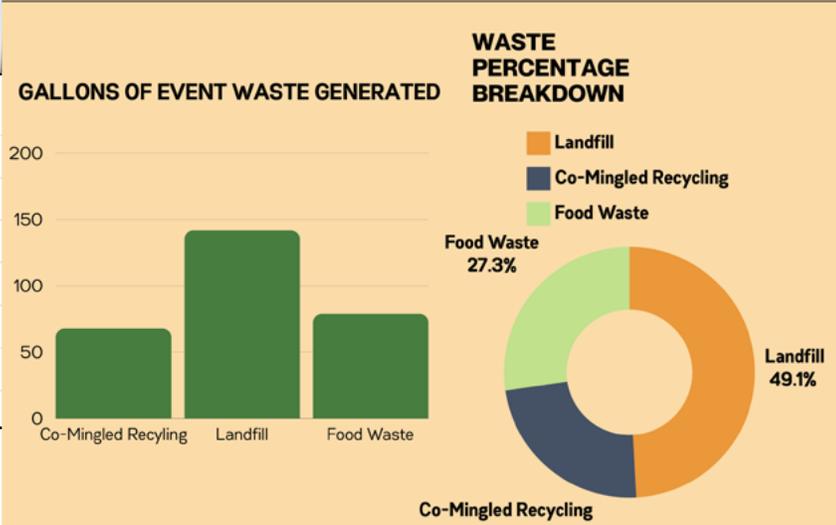
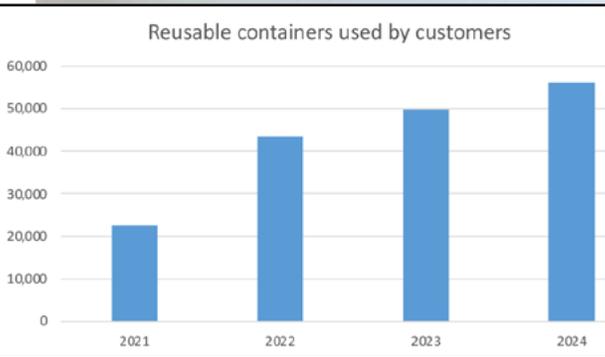
As part of our waste reduction initiatives, we continued to expand our recycling and composting efforts. Through partnerships with Terracycle and Tag-back, we collected and recycled packaging from seven different brands, diverting thousands of wrappers and produce tags from landfills. Nearly all food waste generated at the Co-op is composted locally, supporting sustainable agriculture in our community.

In addition to composting, we diverted approximately 1,000 pounds of unsellable but edible food every month to the Covenant Soup Kitchen, helping to reduce food waste while supporting food security efforts. Our commitment to waste diversion was also evident at our Downtown Country Fair, where we achieved a 50% diversion rate—recycling or composting 147 out of 289 gallons of total waste generated, thanks to help from CLiCK.

Customers have played an essential role in our sustainability success, using 56,028 reusable containers on Co-op shopping trips—significantly reducing single-use packaging.

We remain dedicated to transparency in our environmental efforts. Our sustainability goals and achievements are shared across multiple channels, including our annual report, in-store signage, social media, and other communication platforms, ensuring our stakeholders remain informed and engaged.

Looking ahead, the Co-op continues to aspire to higher standards of environmental responsibility. Sustainability is not only a priority—it's a core value that shapes the way we do business every day.

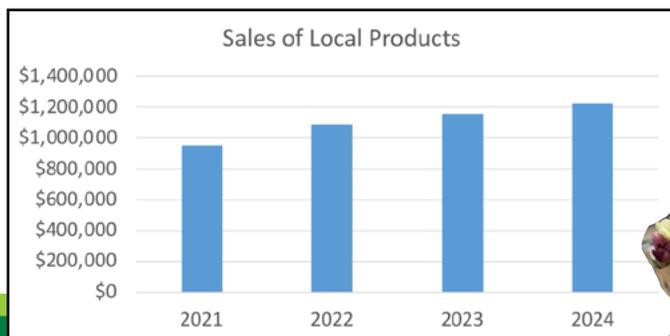


General Manager's Report continued

Commitment to Local

Special gratitude goes out to all of our local and regional farmers, producers, vendors, and distributors. "Local" has become a ubiquitous marketing term lately, but at the Co-op, we really mean it. In 2024, we continued our partnership with CLiCK, leveraging the USDA Local Food Purchasing Assistance grant to connect local families in need with fresh, local produce. Each week, Co-op employees packed twenty food boxes with locally grown products for distribution by Covenant Soup Kitchen to local residents experiencing food insecurity. The grant reimbursed the Co-op to purchase goods at retail price from approximately 20 different local farms.

Last year we worked with 135 different local producers to bring over 1000 different local items to our shelves, including fruits and vegetables, bulk grains and flour, milk and cheese, herbal supplements, soap and other body care items, snacks, meat, eggs, coffee, baked goods, grab-and-go options, flowers and plants, maple syrup and honey, ready-to-drink beverages like soda, seltzer, and kombucha, granola, hot sauce, tea, and I could go on and on. There's so much to love about this—not just because these are amazing products we enjoy using, but because building social and economic resilience through relationships with local individuals and businesses is more important than ever, especially in these uncertain times. Thank you for buying local!



Chris and Mel with USDA Food Boxes



General Manager's Report continued

Community

When we think about community at the Co-op, it is important to acknowledge that the Co-op is a hub for many overlapping communities: the membership, Willimantic and area residents, our local business and non-profit ecosystem, the educational institutions throughout our area, and our employees and their families. These represent multiple layers and dimensions of diversity, and our aim is to create a sense of inclusiveness and belonging for anyone

who is interested in or may benefit from participating in our Co-op community.

One of the ways we build community is to get outside the store and participate in what's happening around us. We spent a lot of time getting out into the community in 2024, and we sure had fun doing it. The 3rd Thursday Street Fest was definitely a highlight, giving us a chance to bring a playful Co-op vibe onto Main St. and enjoy the music, food, and fun of the monthly summer event. We participated in the ECSU Earth Day event, the UConn wellness fair, Veggiestock, and the Know Your Farmer Fair. We had a blast marching in the Boombox parade, and handing out candy during the Main St. trick-or-treat. It was really rewarding



General Manager's Report *continued*

to participate in the monthly meetings of the Willimantic Downtown Neighbors Association (WDNA) and join forces with the vibrant and engaged community of small business owners in town who are working hard to put Willimantic on the map as a destination for food, shopping, and recreation.

We also love to invite new people into our Co-op orbit. We hosted several school field trips to the store, from pre-schoolers to college undergraduates. Our annual Earth Day event and the Downtown Country Fair in the fall featured environmental groups, craft vendors, non-profits, food trucks and local musicians, inviting community members to experience what we mean when we say that the Co-op is more than a grocery store. This was our first year hosting revelers during the holiday Jingle Bars pub crawl, serving kombucha on tap and snacks from the bulk bins. As part of our recognition of the Juneteenth federal holiday, a member of our local Black community attended a staff meeting to discuss cultural appreciation versus appropriation and teach us about the Black American Heritage Flag, which we began flying out front.

The Co-op is more than a grocery store

Making financial contributions is another way the Co-op supports the diverse needs and aspirations in our community. In 2024, we donated money and products to local fundraising efforts totaling \$27,000. [this following part could be caption for the round-ups table] Members donated an additional \$18,000 to twelve non-profits through our "Round Up at the Register" program. As a nod to the fifth Co-operative Principle, we upgraded our WFC-named scholarship for the Windham Dollars For Scholars program to be a recurring award to the same student for four consecutive years at \$1000/year. The 2024 recipient was Alyahanna Aguilar, a WHS senior, heading to the University of St. Joseph in West Hartford, CT as a "First Generation" student, where she will study for a nursing degree.

Jacqui Simone in a teaching moment



Dollars for Scholars recipient Alyahanna Aguilar



Month	Amount Rounded Up	Organization
January	\$1,300	Windham Community Food Network
February	\$1,200	Plunge For Hunger - Covenant Soup Kitchen
March	\$1,850	Meals on Wheels
April	\$1,400	Willimantic Farmers Market - Double SNAP
May	\$1,600	Grow Windham
June	\$1,500	First Baptist Church - Community Supper
July	\$1,425	Steeple Chase
August	\$1,375	The Neighbor Fund
September	\$2,000	Project Hope (formerly Windham No Freeze)
October	\$1,600	Access Community Action Agency
November	\$1,750	WAIM Walk for Warmth
December	\$1,375	Windham Cares
December	\$350	Elm Farm - Barn Fire
Total	\$18,375	

General Manager's Report *continued*

Strategic Development

The Board, management, and staff undertook some strategic business planning during 2024, including reevaluating our expansion options and the possible uses of our 87 Church St. property. We developed the beginnings of a multi-year strategic plan that identifies a general goal of investing “our ample resources toward building immediate and lasting value for our current and future stakeholders and ensur[ing] the long-term viability of the Co-op in downtown Willimantic.” More specifically, we:

- Reaffirmed the Co-op's commitment to staying in downtown Willimantic.
- Confirmed that our expansion needs continue to include:
 - More prepared foods options, possibly including an in-house kitchen
 - More office and meeting space for staff and members
 - An upgraded staff breakroom

- Additional cold and dry storage
- More retail refrigeration
- Conducted a market study to explore what expansion options in town would provide the best experience for members and return-on-investment.
- Determined that building a new store or kitchen/office facility at 87 Church is not the best use of our resources at this time.
- Decided to demolish the derelict building at 87 Church St. and retain the property as an asset for the future.
- Began exploration around developing prepared foods programming at the Co-op that would be cost effective, operationally manageable, and serve members' needs.

This work continues on in 2025, and we will keep you posted as we make progress.

Part of our business development in 2024 included adding staff capacity in the areas of Human Resources (HR) and Marketing/Outreach. We contracted with a local HR professional, Jennifer Barry, who now works in the store 1-2 days per week and remotely as needed. HR achievements in 2024 included:

- Significant updates to five key workplace policies which provide additional paid sick leave and



HR Consultant
Jennifer Barry

Outreach Team Karamel!



General Manager's Report *continued*

floating holidays as well as simplify and clarify other important HR policies

- Improved data management and reporting
- Streamlining recruiting and onboarding of new hires
- Updating job descriptions

We also created a new dedicated marketing and outreach function, the goal of which is to ensure members and customers know about sales and special events so they can get the most value out of their Co-op experience, whether that means saving as much money as possible, attending community events,

or simply keeping up with everything that's happening in and around the store. Kara and Mel (also affectionately known as "Karamel") have been knocking it out of the park with event planning, social media updates, and beautiful seasonal displays throughout the store. Their efforts serve to support and communicate the behind-the-scenes work of our incredible purchasing team, stockers, and department managers who bring you all the wonderful products you see on the shelves.

Each time you buy a local tomato, round up at the register, or vote for your board of directors, you are not only contributing to a more robust, democratic, and equitable local economy; you are participating in a global effort to build a better, more cooperative world.

Collective Impact

I want to conclude this year's annual report with a few words about the collective impact of co-ops. We are not operating in isolation here at Willimantic Food Co-op; we are part of a cross-sector international movement of cooperatively owned businesses that exist to benefit society and increase equality, solidarity, and mutual aid in communities across the globe through people-centered (not profit-centered) enterprises. In fact, in June of 2024, the United Nations General Assembly declared 2025 the International Year of Cooperatives (IYC2025), celebrating the theme "Cooperatives Build a Better World." It is remarkable that this global organization recognizes the co-op business model as an important path toward addressing world-wide challenges, including at least six of the UN Sustainable Development Goals. So remember that each time you buy a local tomato, round up at the register, or vote for your board of directors, you are not only contributing to a more robust, democratic, and equitable local economy; you are participating in a global effort to build a better, more cooperative world. ♦

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Thank You to the Co-op Board of Directors

Thank you to the Co-op's Board of Directors, who go above and beyond to provide oversight of the Co-op's mission and financial stability while keeping abreast of members' interests and lending their support to the management and staff as they work to navigate the Co-op's evolution. We are lucky to have such dedicated and talented members representing us.

This year, we are saying farewell to three directors who have served many years on the board, each contributing incredible value and commitment:

- Niti Pandey, who joined the board in 2022, is stepping down at the end of her term this year. Niti brought valuable insights from her work as a professor of management and Dean of the School of Education and Professional Studies and Graduate Division at ECSU to the Co-op boardroom along with a fabulous sense of humor. Thank you for your service, Niti!
- Joanne Todd has been on the Co-op board since at least 2011, serving many of those years as Treasurer. She has supported the fiduciary oversight of the Co-op, provided invaluable insights from her perspective as CEO of the Northeast Family Credit Union, and contributed her deep and broad experience as a globe-trotting cooperator to



Nita Pandey



Joanne Todd



Linda Brock

the work of our Co-op's board. We are simultaneously sad that she is stepping down this year and eternally grateful for her generous decades of work with us. Thank you, Joanne!

- Linda Brock was elected to the board in 2016, after serving as scribe for at least a year, and has served as Board Chair since 2022. We are incredibly fortunate to have worked with Linda over the years, in particular during the GM transition process. Linda's dedication to the cooperative principles, our Co-op's mission, and excellence in governance made her an ideal board director and chair. She will be missed. Thank you, Linda! ♦

Treasurer's Report



Brock Alosky

For those of you that are avid readers of the annual report you may have spotted a new face behind this article. I took over as the Treasurer of the Board this past year, succeeding Joanne Todd, who has faithfully served on the board for many years. We should all be eternally grateful for the support, knowledge, and leadership she has provided to the Board and Co-op during her tenure (and to me as the newly appointed Treasurer).

2024 was another financially successful year driven by larger than anticipated sales growth (7.3%), and an adequate net income (145,197), due mainly in part to you, the member! Some of those with a keen eye may observe the year over year comparison of net income and the substantial growth over the course of the past two years. This is mainly driven in part by two things: 1. All the cash that we're sitting on is generating interest through certificates of deposits (CD's) that we have through various local banks and credit unions and 2. A considerable growth in sales which led to higher than anticipated income from operations. As the Treasurer, I will always be happy with figures that produce year over year increases in net income, especially when it comes from operations.

Typically, there aren't many Co-ops that operate with this much cash on hand. This is part of the general manager's and Board's strategic plan to be prepared to reinvest and create a more enjoyable and sustainable shopping experience for our members. If you haven't noticed already, the building across the street is no longer there, and we used a little bit of that cash to cover the demolition and other related costs. There are currently no plans to build on that lot and we will be retaining it as an additional asset on our books. In the meantime, enjoy the open space.

Last year Joanne touched on certain financial policies that the Board has in place as part of Policy Governance. For Patty's first full year as General Manager, I am happy to report that she was compliant with 1. Not letting sales decline or be stagnant where we (the Board) believe the market has potential for growth; and 2. Producing a net in-



Balance Sheet

	2024	2023
Cash	1,749,302	1,595,439
Inventory	340,553	315,387
Property and equipment	730,131	714,721
Other assets	455,288	412,045
Total Assets	3,275,274	3,037,592
Liabilities	591,394	568,509
Members paid in equity	1,184,623	1,156,201
Retained Earnings	1,499,257	1,312,880
Total Equity	2,683,880	2,469,081
Total Liabilities & Equity	3,275,274	3,037,590

Income Statement

	2024	2023
Sales	7,751,285	7,220,769
Cost of Sales	4,897,889	4,594,674
Gross Profit	2,853,396	2,626,095
Expenses	2,727,107	2,545,659
Income from Operations	126,289	80,436
Other Income	85,093	46,410
Income Before Income Tax	211,382	126,846
Income Tax	(66,185)	(41,824)
Net Income	145,197	85,022

2023 & 2024 numbers from Quickbooks reviewed & finalized by CPA

come that is adequate to meet the expected needs of the Co-op and to provide long-term support for our Ends Policy.

Another line item I would like to highlight in my first Treasurer's report is the total member equity. Every penny of that ~\$1.2 million is from you, the members, and your commitment to being a part of this Co-op. Our entire existence as a Co-op would not possible be without those funds. Although \$28,422 may not seem like a huge change year over year, let's think of it this way; at \$120 per member share, the net change in member equity in 2024 equates to 237 fully "vested" new members over the course of one year, which translates to more than one new member every two days! To the new members reading through their first annual report, welcome and thank you! ♡