

2017 Annual Report



*cooperatively nurturing
a healthy community*

General Manager's Report

Medford Food Co-op exists to sustain a vibrant, healthy community and a thriving local, organic food economy. You – Co-op owner, customer, and supporter – are the reason the Co-op is thriving! This report shares some of the ways your Co-op grew and benefited the community in 2017.



Your Co-op grew by 362 new owners in 2017! Currently, there are 3,759 owners. These owners and other customers are shopping more at the Co-op and helped us achieve a 7% increase in sales.



Look for the blue signs to find local goods.

Our growth benefits others, in particular the 50 local farmers and 39 local food producers that we purchase products from. “Local” means different things to different people. When we say “local” we mean within 100 miles of Medford. Sales of products from local farmers totaled \$209,600 and from local food producers totaled \$202,800.

Our growth benefits co-op owners. In 2017, owner coupons totaled \$68,773 in discounts to our owners. Additionally, we offered our owners our first-ever patronage dividend. In total, we issued \$36,314 in patronage dividends based on 2016 sales. As a cooperative business, profits are invested back into the business and/or shared with our owners. 2017 profits were used to complete the Café; therefore, the board determined that no patronage dividend will be issued.



Owners listen to the GM's report at the 2017 Annual Owner Meeting.

providing
*economic, environmental,
and social benefits*

FOR THE ROGUE VALLEY



One of the Co-op's goals is to provide environmental benefits for the Rogue Valley. We are working to reduce the amount of waste that we contribute to the landfill. Last year, we eliminated 2,210 pounds of paper through reduction measures; recycled 15,000 lbs of debris and 1,200 lbs of steel, composted 47,320 lbs of food waste, and donated over 25,500 lbs of healthy, nutritious food to the Medford Gospel Mission's The Main Ingredient Restaurant, who provides wholesome meals seven days a week at no charge.

In addition to weekly donations to the Mission, we also contributed over \$3,200 in financial and in-kind donations to local non-profits like Our Family Farms, ACCESS, Maslow Project, Rogue Farm Corps, and Rogue Valley Farm to School.

By participating in Pacific Power's Blue Sky program, we support green electricity sources like wind power. In 2017, we supported 8,400 kilowatt-hours, reducing our CO2 footprint by 7,593 pounds, which is enough energy to travel 25,767 miles in an electric vehicle.

We offer sustainable bag and container options in the store to help reduce the amount of waste generated when grocery shopping. From cardboard boxes to recycled paper bags to reusable shopping totes and produce bags, we want you to get your groceries home without additional waste. Find compostable cellophane bags in the bulk herb section, as well as a variety of reusable jars available for purchase and reuse. Since the Café's opening last fall, we have offered 100% recycled paper to-go boxes and compostable beverage cups. We continue to seek out eco-friendly options and make improvements to our offerings.



Reusable 100% organic cotton canvas totes.



sustaining a
vibrant, healthy, and thriving
COMMUNITY

Limited space and a small staff made it difficult to host educational and outreach events at the Co-op, so we partnered with other organizations to stretch our reach into the community.

The Co-op is a member of the Rogue Valley Food System Network, a group of individuals and organizations who have joined together to strengthen our local food system through collaboration. The Network is currently working on addressing barriers to healthy eating and studying the affect of the growing cannabis industry on local agriculture. The Co-op is the lead sponsor of the annual Brews, Bluegrass & BBQ festival held at RoxyAnn Winery. This festival is a fundraiser for the Rogue Valley Food System Network and Rogue Farm Corps.

Your Co-op partnered with various local organizations to coordinate two annual clean-ups along the Bear Creek Greenway from Central Point to Talent. About 200 volunteers came out in the spring and fall to remove over 4.5 tons of trash and invasive blackberries from the creek and trail.

In 2017, we joined a large group of local businesses and organizations who sponsor the Oregon Wine Experience; a fundraiser for the Asante Foundation and the Children's Miracle Network.



Staff at the Oregon Wine Experience Grand Tasting.

As one of 170 Children's Miracle Network hospitals in the country, Asante Rogue Regional Medical Center provides our region with amazing pediatric care, offering the region's only neonatal intensive care unit. Additionally, the Oregon Wine Experience highlights and promotes our local vintners, providing an opportunity for attendees to experience the unique terroir of our region.



Staff at the Bear Creek clean-up in October.

understanding the *health and economic benefits*

LOCAL, ORGANIC FOOD



We strive to promote awareness about food, nutrition, health, and cooperative values. Our multifaceted approach includes store tours, cooking demonstrations, financial support, and more.

In January, we visited the 4th grade classes at Orchard Hill Elementary and shared fun, easy recipes for healthy snacks that kids can make at home. At our Good Food Festival in May, we showcased four delicious cooking demonstrations from owners and board members, and offered a variety of samples



Owner Lara McCormick demonstrates how to make pizza on the grill.

from local and regional vendors. And in July, we hosted the Dogs to the Rescue: A Hairy Tale About Climate Change, a family-friendly puppet show traveling throughout Oregon last summer.

Each year, we strive to attend as many community events as we can pack into our schedule. In 2017, we attended the city's Arbor Day celebration, Rogue Valley Earth Day, the People's Climate March, RecFest, the City of Medford's Health Fair, and the Greater Medford Multicultural Fair. Interacting with

community members and showing our support for community-building events and activities is a great way to educate folks about the cooperative difference.



Community gathering for the 2017 People's Climate March.



Offering yummy samples at RecFest in Hawthorne Park.



supporting a
thriving local, organic
FOOD ECONOMY

Your board of seven volunteer owners meets monthly to ensure that our Co-op produces benefit and value for all our owners. A great example of this is opening the Café last fall. The board and management worked together for years to accomplish planning, building, and completion of the Café.

As we look ahead at the ability of the Co-op to serve the future needs of our community, it is apparent that our current store will be too small. The board is beginning to study future expansion. All owners can contribute to this work by responding to requests for input and continuing to support the Co-op.

Together, we are growing and improving our world, one grocery shop at a time!

Anne Carter

Anne Carter
General Manager



Financial Statements

Year Ended December 31, 2017

Balance Sheet

	Dec 31, 2017	Dec 31, 2016
Assets		
Current Assets	\$828,265	\$961,342
Property & Equipment	621,433	253,484
Other Assets	42,121	20,035
Total Assets	\$1,491,819	\$1,234,861
Liabilities & Equity		
Current Liabilities	\$268,305	\$231,107
Long Term Debt	365,183	341,816
Total Liabilities	\$633,488	\$572,923
Equity		
Owner Subscriptions	\$431,258	\$416,856
Patronage Retained	156,411	156,411
Retained Earnings	72,046	-173,126
Net Income	198,616	275,520
Total Equity	\$858,331	\$661,938
Total Liabilities & Equity	\$1,491,819	\$1,234,861

Profit and Loss Statements

	Jan-Dec 2017	Jan-Dec 2016
Sales	\$4,815,775	\$4,514,526
Cost of Goods	3,144,555	2,991,890
Gross Margin	\$1,671,220	\$1,522,636
Operating Expenses	\$1,415,383	\$1,251,644
Net Operating Income	\$255,837	\$270,992
Other Income/Expenses	-57,221	4,529
Net Income	\$198,616	\$275,521