

2019 Annual Report

*cooperatively nurturing
a healthy community*



General Manager's Report

Medford Food Co-op is building a vibrant, healthy community and a thriving local, organic food economy. You – a Co-op owner and shopper – are a part of this growing community that includes farmers, ranchers, food producers, distributors, grocery workers, and food service employees. Together we are nurturing our families, our community, and improving our local food economy. This report offers a glimpse of some of our accomplishments from 2019.



community connections

The Co-op provides a market for local food products. We define local food as that which is grown or produced within 100 miles of Medford. We purchased goods from 35 local farmers and 78 local food producers. Co-op shoppers purchased \$648,200 worth of local products in 2019 – a 19% increase over the previous year.



Christi and Kyle of TerraSol Organics



Greeting baby goats at Willow-Witt Ranch

Besides providing a market for local products, the Co-op helps promote local goods to the larger community. For the second year in a row, we collaborated with Ashland Food Co-op to offer the 2nd annual Rogue Valley Farm Tour in July, showcasing 30 farms and ranches throughout the region. The Farm Tour offers unique opportunities for the public to experience local farms and ranches while learning about the abundance of our local food system.

The Café offers customers a convenient way to participate in the local food economy: eating fresh, made-from-scratch food from a community-owned Café! In June 2019, Andrea Warfield joined our management team as the Café manager. Andrea's years of experience running a Mediterranean Café in San Francisco, her positive energy, and a welcoming smile allowed her to fill the role with immediate success. She has worked with Café staff to grow sales and loyal customers with consistently delicious food.



Café Manager Andrea Warfield



MFC staff deliver lunch to local TSA employees

After the longest government shutdown in history, the Café staff treated our local Transportation Security Administration (TSA) staff at Rogue Valley International-Medford Airport to a free lunch in early February. It was our way of showing appreciation and community support for a group of essential workers who worked without pay for weeks.



socially & environmentally responsible

We strive to promote the health and sustainability of our community through several donation programs. In January 2019, we launched a new donation program called Positive Change. The Positive Change program raises money for local non-profit organizations working to better our community. We believe in the power of change and the power of community – Positive Change combines these two beliefs into one powerful program. The Positive Change program is one of the many ways MFC fulfills the Seventh Cooperative Principle: Concern for Community. During 2019, we raised \$23,280 for 12 non-profit organizations.



Positive Change for ACCESS Nutrition Programs in 2019



#ChooseToReuse

The Co-op is always seeking to improve our environmental stewardship practices. In an effort to reduce single use plastic utensils, we implemented the Sustainable Silverware Project in September 2019. We replaced all single use plastic utensils in the Café and store with reusable metal utensils. *This program was temporarily suspended in early 2020 due to COVID-19, but we look forward to eventually restoring this waste reduction effort.*



sharing the health & economic benefits of local, organic food

Throughout the year, Co-op staff offered educational demonstrations to various groups. From first grade students at Orchard Hill Elementary and the Young Roots School Group to employee wellness programs at Asante, RVTB, and Erickson, staff shared their knowledge and love of healthy food.



Green smoothie samples with the recipe to take home



The Grocery Story van parked at MFC

We invited author Jon Steinman to stop by Medford on his North American tour to promote his book, *Grocery Story*. Jon tells the history of the development of the grocery industry in the U.S. and Canada and the impact that grocery giants have had on local farmers and the local economy. *Grocery Story* also tells the story of food cooperatives and the essential role they play in transforming local and regional food systems.



embracing the cooperative business model

The ownership elects the Board of Directors to carry out the mission and vision of the Co-op. Your Board consists of seven owners who meet monthly to ensure that our Co-op produces benefit and value for all our owners. In addition to monthly meetings, there are opportunities each year for the Board to attend trainings with other co-ops, and they conduct an annual board retreat with staff to help guide our mission-driven sense of direction. Last year we sent two directors to Sacramento for “Building a Great Board-Manager Relationship” training and two directors to Portland for “Everybody Can Shop at the Co-op” workshop.



Director Verne Underwood introducing Jon Steinman



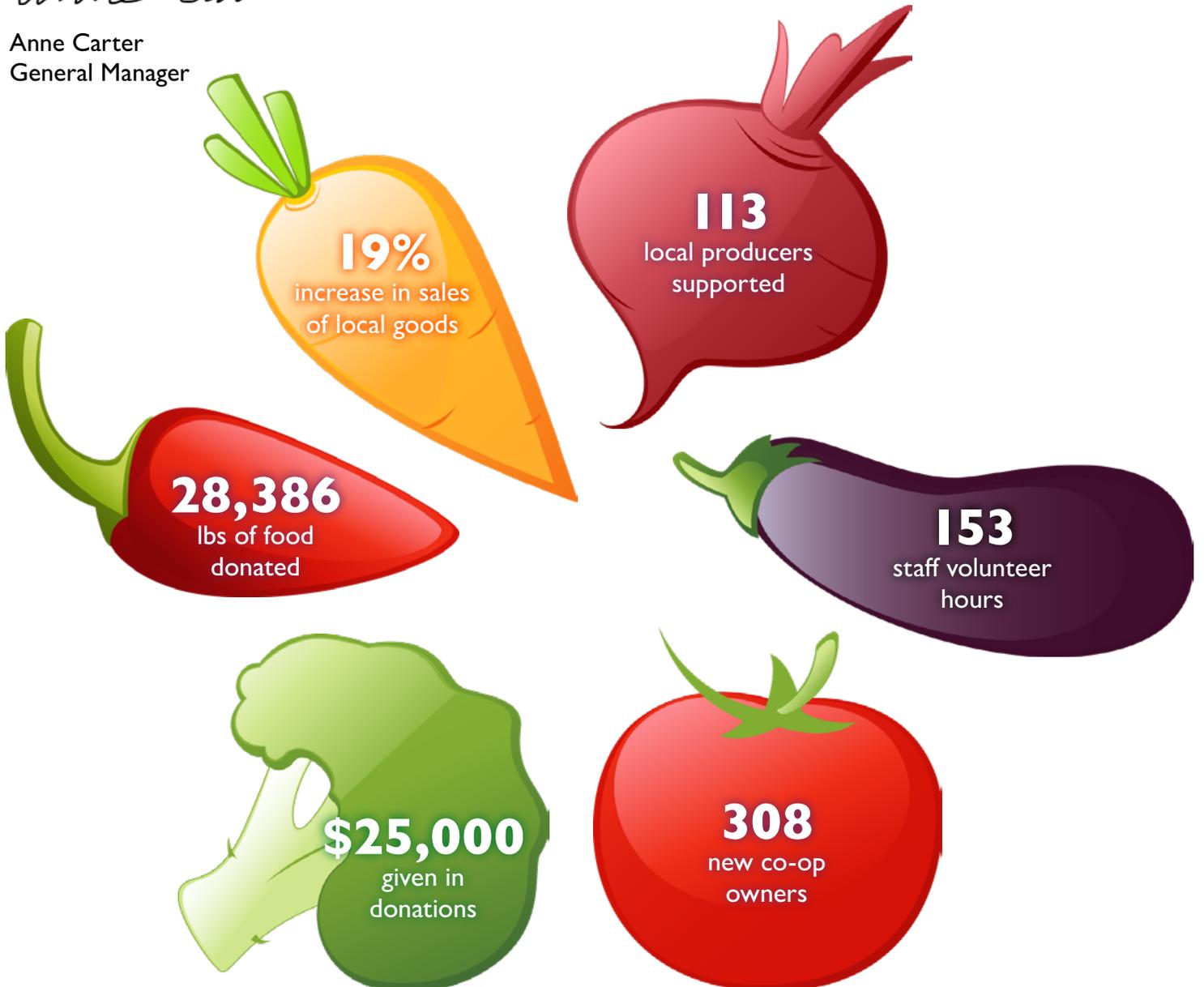
The more you shop, the more the Co-op can give back

Shopping at the Co-op benefits owners. As a cooperative business, profits are invested back into the business and/or shared with our owners and employees. The Co-op returned \$105,680 to owners and employees last year in the form of discounts and coupons. The board decided to invest the remaining profit back into the Co-op rather than issuing a patronage dividend. See the financial statement at the end of this report for more details.

As I write this report in the latter half of 2020, I am grateful for our Co-op community. Your support and words of encouragement since March have brightened the days of everyone who works here. Thank you for believing in the Medford Food Co-op and the power of community – together, we can make a difference in our neighbor’s lives.

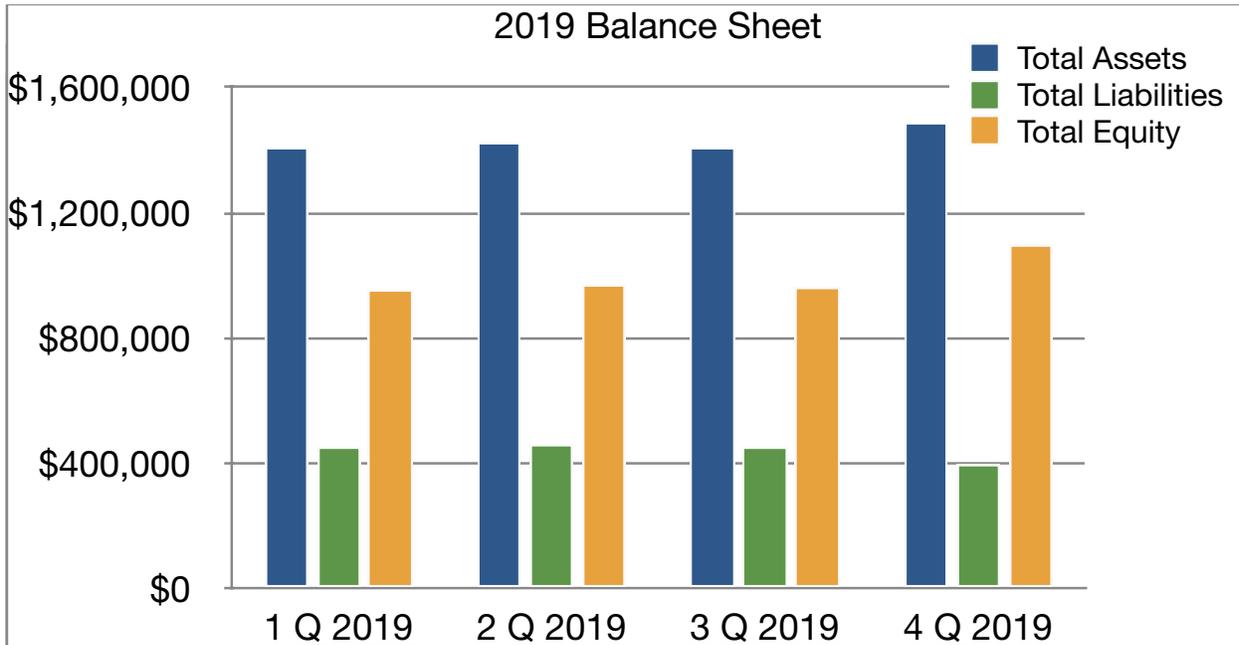
Anne Carter

Anne Carter
General Manager

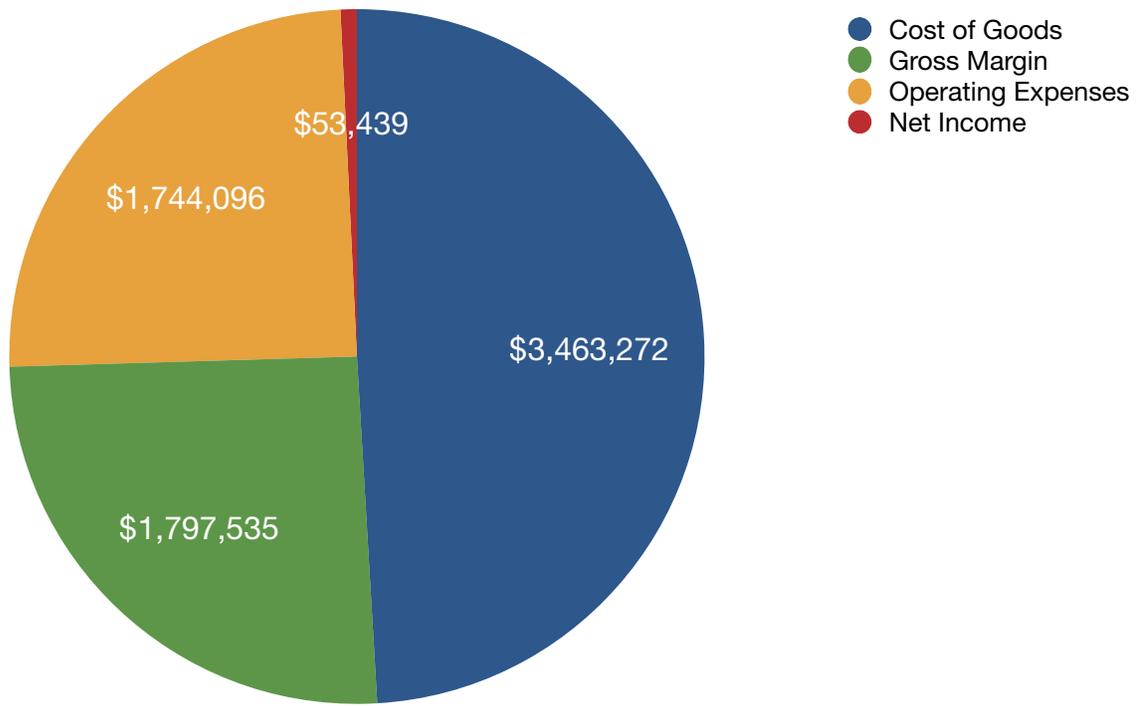


Financial Statements

Year Ended December 31, 2019



2019 Income and Expenses



Total Sales = \$5,260,807

Balance Sheet

	Dec 31, 2019	Dec 31, 2018
Assets		
Current Assets	\$823,183	\$736,283
Property & Equipment	567,073	586,084
Other Assets	54,294	50,759
Total Assets	\$1,444,550	\$1,373,126
Liabilities & Equity		
Current Liabilities	\$245,681	\$256,804
Long Term Debt	198,524	195,126
Total Liabilities	\$444,205	\$451,930
Equity		
Owner Subscriptions	\$485,469	\$459,758
Patronage Retained	156,411	156,411
Retained Earnings	305,026	269,882
Net Income	53,439	35,145
Total Equity	\$1,000,345	\$921,196
Total Liabilities & Equity	\$1,444,550	\$1,373,126

Profit and Loss Statements

	Jan-Dec 2019	Jan-Dec 2018
Sales	\$5,260,807	\$5,104,207
Cost of Goods	3,463,272	3,318,176
Gross Margin	\$1,797,535	\$1,786,031
Operating Expenses	\$1,714,287	\$1,714,830
Net Operating Income	\$83,248	\$71,201
Other Income/Expenses	-29,809	-36,056
Net Income	\$53,439	\$35,145