

# 2021

## Annual Report

A close-up photograph of a bumblebee on a purple flower. Another bee is flying in the background. The background is a soft-focus green.

**Medford  
Food op**

*cooperatively nurturing a healthy community*

# General Manager's Report

Medford Food Co-op is collectively owned by community members with a vision to cooperatively nurture a healthy community. More than just a grocery store, the Co-op is the market in Medford for the freshest, local and organic foods and excellent customer service. We support other local businesses and organizations who are a part of our food system, and strive to respond directly to community needs.

In our first ten years, the Medford Food Co-op has established itself as a successful business and we are beginning to play a larger role in our community. We celebrated our 10 Year Anniversary in August with an open house, samples of local products, free stickers, and anniversary wines – created in partnership with Quady North. Thank you to all current and former owners and staff who contributed to Medford Food Co-op's first 10 years of success! Like it said on our anniversary wine:

*Medford Food Co-op is a labor of love  
made light by the work of many hands,  
and we're so grateful for everyone  
who's pitched in over the years.*



# Our Local Food Economy

Our Co-op helps to sustain a thriving local, organic food economy by supporting local farms and food producers. When we say local, we mean food that is sourced within 100 miles of Medford. We sold \$1.2 million worth of locally grown or produced food in 2021, an 11% increase over 2020.

Your purchases of local products helped support 131 local vendors and the teams of people they employed in 2021. Your commitment to local products creates a stronger community by reinforcing and developing the local food economy. Our local food system depends on your support, and we're pleased to see continued growth in the sales of local products, despite the increasing challenges imposed by labor and real estate costs, in addition to wildfire and drought.

We raise awareness of local food producers by inviting the public to participate in the annual Rogue Valley Farm Tour. The Farm Tour provides an opportunity for people to visit local farms and learn directly from farmers and ranchers about where food comes from and how it is grown. 23 farms and ranches welcomed hundreds of visitors on the Farm Tour in July.



During the week of our anniversary celebration in August, we promoted local producers with a 10% off promotion and saw a 14% increase in the quantity of local products sold. Following on that success, we highlighted local producers again in December with a 12-day 20% off promotion to showcase local products during the holiday season – and we saw a 25% increase in the quantity of local products sold! Helping to promote local brands and grow awareness of local products is another way the Co-op champions our local food system.



Our support of local farmers and food producers is more critical now than ever as they face ever-increasing costs and barriers to success. In addition to providing a market to sell their products, we contribute to the work of supporting organizations. In April, we contributed \$500 to Rogue Farm Corps Future Farmers Fund. In May, we created a fundraiser tied to our Annual Election that raised \$742 for Friends of Family Farmers. In November, the Positive Change program donated \$2,132 to the Rogue Valley Food System Network. Our contributions to these organizations help develop the local food economy and create a support system for our local food producers.

# Community Connections

We believe in the power of community, and we support the work of other organizations whose missions and values align with our own. The Co-op has been investing in the work of local non-profits through our Positive Change program since 2019. This program continues to utilize small change to make a big difference. Thanks to the generosity of customer contributions and a \$300 monthly grant from the Co-op, we cooperatively donated \$31,079 to eleven local non-profit organizations and our Cooperative Community Fund.



Each year, our Board of Directors selects one Positive Change recipient to receive an additional grant from our Cooperative Community Fund. Each year, the interest the fund earned is given to a local non-profit. In 2021, the Board selected the Pollinator Project Rogue Valley as the recipient of an additional donation of \$941.

In appreciation for extraordinary service in the face of the many daunting challenges presented by the pandemic, the Café offered \$3 sandwiches to various groups of workers who provided much needed services to our community. This outreach project started in 2020, and we continued the offer through June of 2021 – reaching out to airline and airport staff; city workers; the local construction industry; healthcare employees; transportation workers and truck drivers; and state and county employees.



In celebration of Pride Month and in support of our local LGBTQ+ community, the Café offered a Pride Month Sandwich Special. For every special sold in June, we donated \$5 to the Rogue Action Center's LGBTQ+ Listening Project. The Listening Project was founded to map the assets, challenges, and resources needed in the LGBTQ+ community in Jackson & Josephine counties and to boldly vision a thriving LGBTQ+ movement in our area. The fundraiser generated a \$500 donation for the Listening Project.





Throughout the pandemic, local food pantries have felt the pressure as they work to provide food to all the households in need. In 2021, we worked with several organizations to increase access to healthy food to those in need. We donated approximately 30,346 lbs of blemished produce and close-to-date grocery items to the Medford Gospel Mission's Main Ingredient Restaurant that provides wholesome meals seven days a week at no charge. We also provided quarterly donations to Judi's Midnight Diner, a volunteer-led mutual aid effort to provide a safe warming space for people in need to receive aid and community connection. In November, we donated 25 fresh turkeys to the Teresa McCormick Center to be delivered to families in need on Thanksgiving.



**BUY \$1  
GET \$1 FREE  
FRUITS & VEGGIES**



Cost is often listed as one of the primary challenges facing food insecure households when asked about barriers to eating fruits and vegetables at home. We continue to work with the Oregon Food Bank on the Double Up Food Bucks Oregon Grocery Pilot Program to help overcome some of the barriers to healthy eating. Double Up Food Bucks (DUFb) is a nutrition incentive program that enables EBT cardholders to purchase more fruits and vegetables with a matching credit for every dollar spent on fresh produce. The program gives EBT cardholders a \$1 for \$1 match for qualifying purchases of fresh produce items. In 2021, over 325 households participated in our DUFb program and received \$36,984 worth of credits for vegetables and fruits.

We continue to offer a curbside pick-up option to best serve our high-risk and/or immunocompromised shoppers. In 2021, we fulfilled just over 400 orders for a total of \$57,000 in purchases.



# Community Connections

# Committed Staff



The loyalty and persistence of our managers and staff enabled us to face the challenges of 2021 as a team. County surges in COVID-19 infections affected availability of products, timely deliveries, and the health of our staff. Buyers sought out new suppliers and substitute products to limit the empty spaces on the shelves.

Staff were trained to work in multiple departments providing more flexibility in scheduling. Working in multiple departments provides staff more variety in their work tasks, increases their product knowledge, and makes it easier for them to help customers.

Like many other businesses last year, the Co-op struggled to fill open positions. The prevailing wage for entry level positions continued to increase in Medford, and the Co-op provided an additional increase to all Level 1 staff who had worked at least 6 months at the Co-op. The average wage at the Co-op increased 7.3% compared to 2020.



# Board Leadership

The Board acts on behalf of the organization's owners to ensure that the organization performs as it should. For the Co-op that means more than just being profitable – it means following our mission, working toward our 10-year vision, following the seven cooperative principles, AND ensuring financial stability.

During 2021, the Board conducted regular monthly meetings and an online Annual Meeting via Zoom. The Board successfully recruited three incumbents and two new directors to run for five open seats. Board members participated with leaders from other co-ops in educational sessions on Finance Training for Directors, Board President's Roundtable, and Cooperative Board Leadership.

The Board continued to explore sites for expansion, although none of the sites passed the initial review for feasibility. As part of preparation for expansion, the Board proposed an amendment to the Articles of Incorporation that was accepted by a vote of the owners in Annual Election.

Due to the pandemic, there have been limited opportunities for Board members to interact with owners in the last two years. In 2021, the Board dedicated time to spend at the Co-op talking with owners. In April and May, Board members offered Q&A opportunities regarding the change to the Articles of Incorporation and to remind owners to vote in the election. In August, they assisted with events at the store during the anniversary celebration. And in October during the Owner Drive, they talked to customers about the benefits of ownership.

## OPEN HOUSE



## WITH THE BOARD OF DIRECTORS

### Owner Purchases & Co-op Profits



In 2021, the Board authorized our Co-op's second patronage dividend. After a review of the 2020 financial statements, the Board authorized payment of a dividend to owners based on patronage in fiscal year 2020. \$46,354 was given back to eligible owners. In profitable years, patronage dividends return profits to owners based on their annual grocery purchases: the more you shop at the Co-op, the larger the dividend you will receive.

# Looking Forward

The Co-op performed well financially in 2021. While sales were slightly lower than 2020, they were still 14% higher than the 2019 pre-pandemic level. Retained earnings increased by \$450,000, liabilities decreased by \$26,000, and the Co-op has no long term debt. This leaves us in a strong financial position in preparation for expansion.

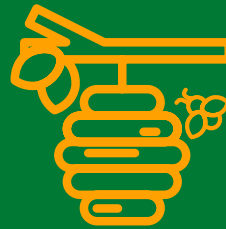
As we consider future grocery business trends, we know that our owners and customers' shopping habits changed drastically over the past two years. We expect these behaviors to continue to change in 2022. The cooperative values that created Medford Food Co-op over ten years ago have not changed. Our cooperative business will continue to be owned and managed by local people who are cooperatively nurturing a healthy community.

*Anne Carter*

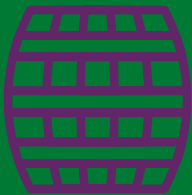
Anne Carter  
General Manager



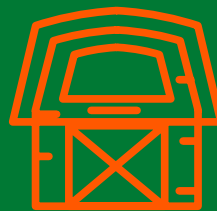
**131**  
local producers  
supported



**241**  
new Medford Food  
Co-op owners



**11%**  
increase in sales  
of local goods



**\$46,354**  
given in owner  
patronage dividends



**30,346**  
lbs of food  
donated



**\$36,984**  
given in Double Up  
Food Bucks benefits



**\$31,079**  
given in Positive  
Change donations

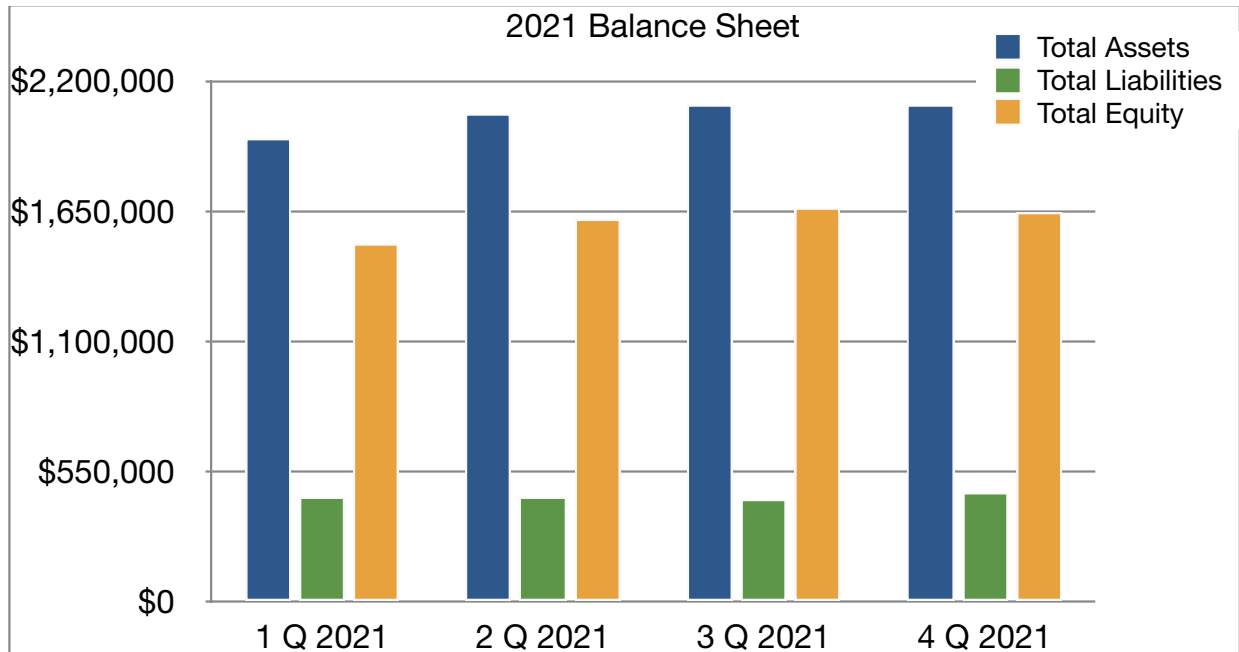


**33,600**  
kWh of renewable  
energy supported

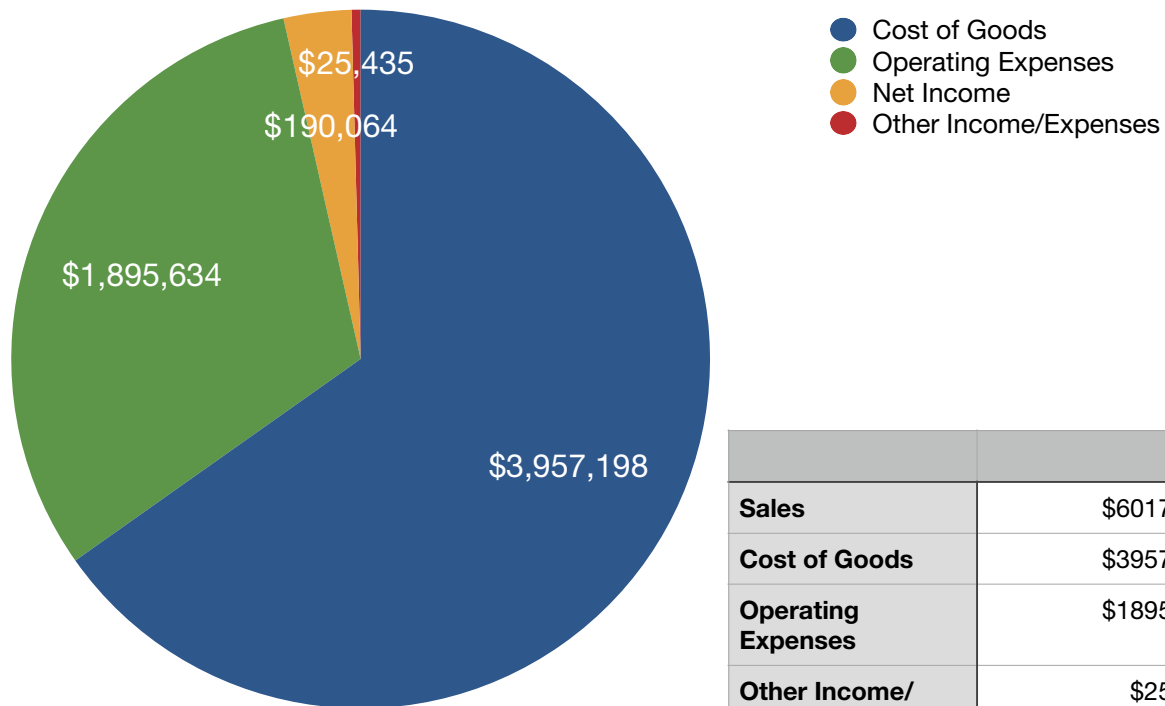


# Financial Statements

Year Ended December 31, 2021



2021 Income and Expenses



Total Sales = \$6,017,461

<b>Sales</b>	\$6017461
<b>Cost of Goods</b>	\$3957198
<b>Operating Expenses</b>	\$1895634
<b>Other Income/ Expenses</b>	\$25435
<b>Net Income</b>	\$190064

## Balance Sheet

	Dec 31, 2021	Dec 31, 2020
<b>Assets</b>		
Current Assets	\$1,534,929	\$1,285,299
Property & Equipment	\$497,767	578,757
Other Assets	\$69,119	54,820
<b>Total Assets</b>	<b>\$2,101,815</b>	<b>\$1,918,876</b>
<b>Liabilities &amp; Equity</b>		
Current Liabilities	\$325,281	\$309,765
Long Term Liabilities	\$134,257	176,108
<b>Total Liabilities</b>	<b>\$459,538</b>	<b>\$485,873</b>
<b>Equity</b>		
Owner Subscriptions	\$529,153	\$509,944
Patronage Retained	\$341,825	341,825
Retained Earnings	\$581,234	127,650
Net Income	\$190,065	453,584
<b>Total Equity</b>	<b>\$1,642,277</b>	<b>\$1,433,003</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$2,101,815</b>	<b>\$1,918,876</b>

## Profit and Loss Statements

	Jan-Dec 2021	Jan-Dec 2020
Sales	\$6,017,461	\$6,158,963
Cost of Goods	\$3,957,198	4,038,811
<b>Gross Margin</b>	<b>\$2,060,263</b>	<b>\$2,120,152</b>
Operating Expenses	\$1,895,634	\$1,864,080
<b>Net Operating Income</b>	<b>\$164,629</b>	<b>\$256,072</b>
Other Income/Expenses	\$25,435	197,512
<b>Net Income</b>	<b>\$190,064</b>	<b>\$453,584</b>