

MARSH RIVER COOPERATIVE
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(207) 722-3053 WWW.MARSHRIVERCOOP.ORG AND ON FACEBOOK



ANNUAL REPORT

FISCAL 2018-2019

THE MISSION OF THE MARSH RIVER COOPERATIVE is to foster our local community and economy by offering affordable high quality, and locally produced food and goods in a welcoming space that strengthens our community social fabric.



2014

MARSH RIVER CO-OP

2019

MESSAGE FROM THE BOARD

State of the Co-op

COMMUNITY POTLUCK (Bring a Friend!) AND ANNUAL MEETING

Sunday, November 10

4:00 - 6:15pm

at the Co-op

AGENDA

4:00 - 4:50 Member Registration,
Potluck & Socializing

5:00 - 5:10 Welcome & Introductions

5:10 - 5:25 Financial Overview

5:25 - 6:00 Discussion: Co-op's
Future Directions

6:00 - 6:15 Election of new
board members

August brought our fifth birthday! We on the board, the volunteers and staff, were way too busy to hold an official celebration as the community's gift to the co-op was our best month ever with total sales breaking the \$30,000 threshold for the very first time! We are also super excited that over \$14,000 of those sales were of items made here in Maine, and most of them being from this region! Actually, our sales each month this year have been continuing to grow at a pretty amazing average rate over last year of 27% which has kept us happy, but scrambling.

In last year's message, at this point, I revisited our mission/vision statement to see how well we had stayed on course. Recently I was struck instead, by the official purpose statement we had to file with the state in our by-laws, which I hadn't read in a long time. Here it is:

To establish a year-round consumer/producer market with a strong emphasis on offering quality locally produced goods, supplemented with goods from beyond the local area as necessary. Our goal is to offer fair prices to both consumers and producers, to provide material support for local agriculture endeavors, to create a space for relevant educational classes, and to help establish a viable and sustainable local economy while providing meaningful employment in a humane workplace at reasonable wages.

The community has been telling us that the co-op has come a long way these five years towards manifesting these goals and more.

We are hearing through online reviews and in store comments, very positive feedback on:

- the pleasing and welcoming nature of the space
- their enjoyable interactions with staff and volunteers
- the growing breadth of the products on offer and how we build on this by filling the requests of the members and other customers
- and even the good prices on so many products!

People tell us how:

- the co-op has brought them into the area, to shop as well as to live!
- and others, how it has helped them with their local businesses, whether by providing a direct market for their products and handiwork or as a venue where connections were made that promoted the use of their services, or by making the downtown a more lively place
- More and more local producers are reaching out to us in hopes of finding space on our shelves
- And all of this, as of last October, we have been doing all day, every day of the week (*Closed only on Thanksgiving, Christmas Day and Easter!*)

And yet... despite all of this, we are still not at a sustainable level, both financially and in terms of member and community involvement!

Sound familiar?! .

The irony is that the better we look, the less it is perceived that we need help, but with our successes have come new challenges and/or exacerbation of the ongoing ones.

So far we have gotten where we are by the grace of a lot of donated time and extraordinary effort on the part of

- **our volunteers** who continue to staff the co-op a good third of the time, who do pickups and all sorts of other needed tasks, and those of us on our volunteer board (many of whom do many of the above as well), who help manage the business side of the co-op, as well as guide the co-op as an organization.
- **our part-time staff members** who work for minimum wage, but give so much more than the minimum to keep the co-op running
- **our founding member landlord** who for many years accepted no rent for the space we occupy, and is still receiving a fraction of what a commercial space of this size could be expected to bring in.
- **and last but not least, our manager**, who takes care of everything from staffing, tech and financial management - keeping the books, creating reports, bill paying and banking; marketing, merchandise strategizing, ordering, and many of the pickups of local products; to staffing the store with all it's myriad of tasks - checking us out at the register, stocking, cleaning etc. etc. He has for the last three plus years worked at minimum wage part time compensation for more than full time work (with a small profit bonus here and there) with countless unpaid hours dedicated.

For these five years we have been so lucky that all of the above have made it possible for us to funnel all of the proceeds back into growing the co-op - the product line and our infrastructure and staff.

Now we need to increase our efforts at making the costs of being in operation truly reflect what a sustainable level could be; hopefully one where we can still retain our unique and welcoming atmosphere – personal, friendly and responsive, and still meet the challenges below

- **We need to pay market value rent for our wonderful space** (*we have finally managed to slowly creep up to slightly more than a token \$350 a month*)
- **We need to earn more to cover staffing costs, including:**
 - **increased staffing costs for existing staff.** We have finally increased our manager’s status to full time salaried, with slightly better compensation, but he continues to work long hours and at a rate well below his level of responsibility and expertise deserve
 - **We need to cover the additional mandated dollar an hour increase** in the minimum wage for our part time staff starting in January
 - **We eventually need to cover all shifts with paid staff** and reallocate available volunteer time for support tasks which increased business has made increasingly difficult for one in-store person to manage
 - **and last but not least, long term, to pay a living wage with benefits!**
- **We need to resolve our insufficient septic capacity issues which**
 - **disallows a public bathroom**, limiting use of our community space for both event participation, and eating and socializing, (*We have made progress with plans for a commercial grade composting toilet, but are currently stuck at the state permit level*)
 - **thwarts one of the co-op’s original important goals, creating a commercial kitchen space** both for food to be served at the co-op and for the use of local producers for the creation of more local product. (*We have helped initiate work at the town level on the feasibility of a municipal sewer system*)
- **We need to increase our resiliency** with more people knowing how to run the systems, and do the necessary tasks.
- **And we need to increase our member/community engagement with**
 - more events
 - more member outreach
 - more emphasis on what makes us different from a “regular” business whose purpose is to earn money and make a profit!

These new and ongoing challenges mean that now, more than ever, we need all of your help to keep us in operation and to continue to bring us towards a sustainable level, while keeping to our purpose of being a true co-operative enterprise, by the community, for the community.

You can do this by

- **becoming a member if you aren't one already**, with all the feelings of belonging and shared responsibility that hopefully brings- as well as the financial benefit to the co-op (*our co-op was funded initially only on membership equity and your equity investment and annual fees are still important to the co-op*)
- **challenging yourselves to make as many of your purchases here as possible** so we can grow our sales
- **offering your time and/or expertise**, volunteer to meet the many needs of the store and organization in any capacity. Ed Hamel, our new volunteer coordinator, is organizing many in-store volunteer jobs of specific tasks or responsibilities that can be done at set times or to fit your schedule, such as -
 - stocking
 - repack
 - pickups
 - register work
 - cleaning and more!

Check out many to chose from (*and earn a store discount as a bonus!*)

- think of what you would like to see happening or existing at the co-op and **make it happen**
- **hold events** here to bring more people in to the co-op
- **spread the word** to the community to shop, join, support the co-op

So, even though we continue to face challenges, we are very excited that our beautiful little, well loved co-op has the potential to be around for a long time to come!

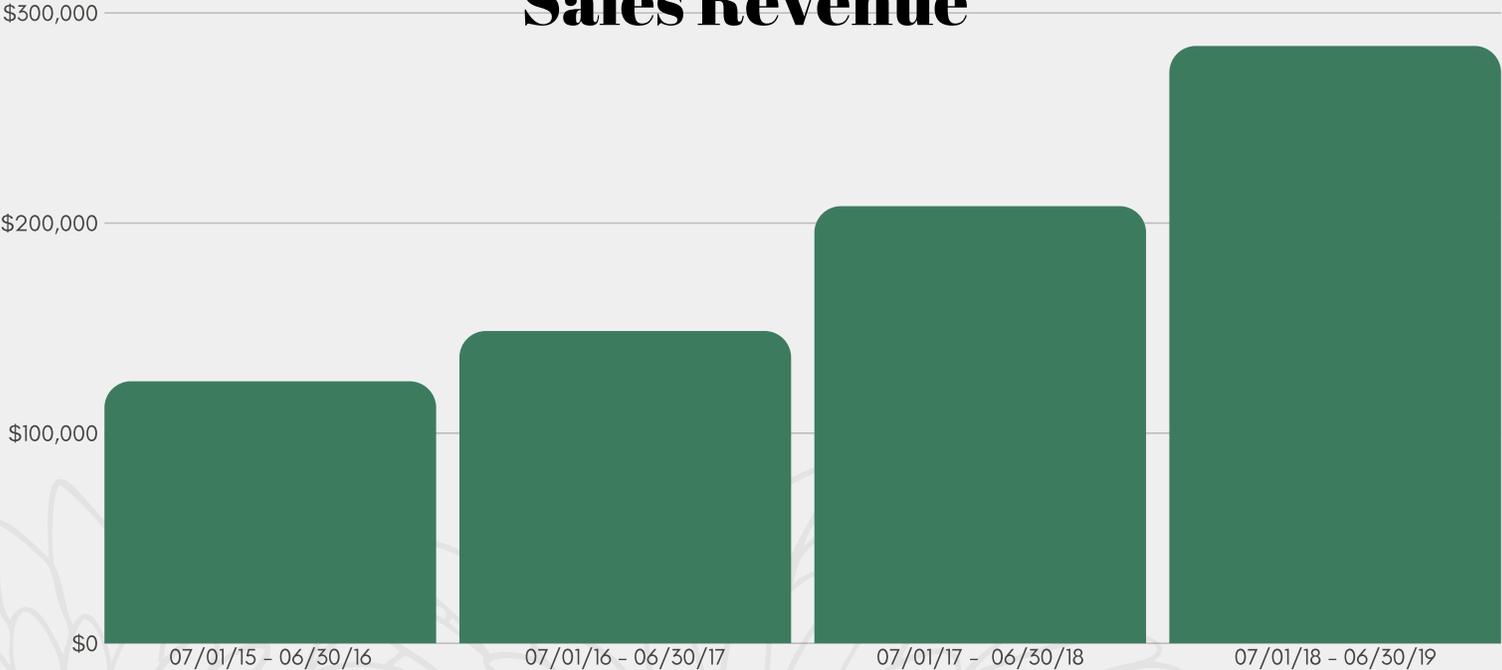
"A Happy 5th plus Birthday to Us All! "

(And a pinch to grow and inch!)

**On behalf of the Co-op Board
Kim Jacobs - President**



Sales Revenue



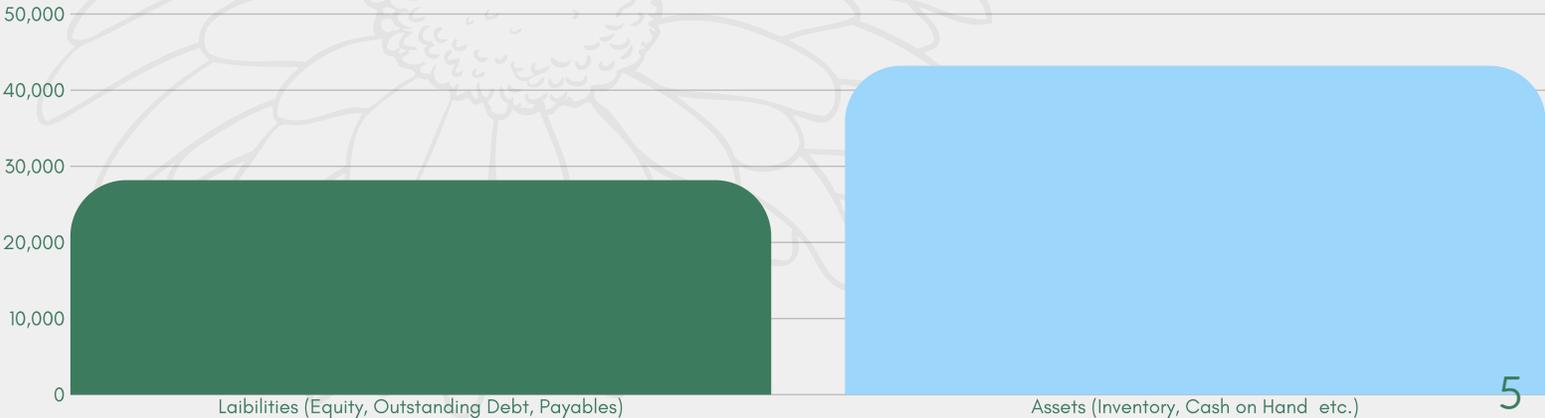
OUR CURRENT FINANCIAL SITUATION

Full Profit & Loss Statement is available to members upon request

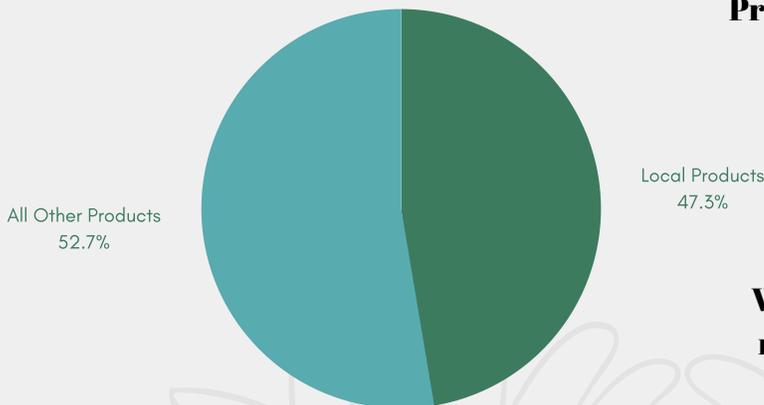
The Co-op continues to see strong year over year sales growth (36% or \$76,000 dollars over fiscal 2017-2018) as we continue on the path to standing on our own. We are currently in the process of submitting our tax information for the last fiscal calendar year and at this early stage it looks like we even managed to turn a small profit of \$1,644. Cash flow has continued to remain steady throughout the year allowing us to add new products and reinvest any new funds we have into expanding inventory and infrastructure. With these long term investments we are hoping that we will continue to see revenue generation from them and we will be able to continue investing in new products that folks would like to see on the shelves.

Our Fiscal Year is from July 1st through June 30th

In the long term our outlook is promising. While we still aren't at a fully sustainable level yet (full staffing, full rent, higher wages and benefits) every year we see an ever improving financial future. With everyone's help It's possible that in the next two to three years we may be able to meet our sustainability goals.



Local vs From Away



Did you know that our Local Produce Markup is frequently only 10%?

We saw a 70% increase in sales of local produce from our previous fiscal year!

We have 31 different varieties of Maine roasted coffees (many organic) from 6 Maine Roasters!

MESSAGE FROM THE MANAGER

I would first like to take this opportunity to thank everyone that has worked so hard to continue to expand the Co-op and keep it running. From our volunteers who staff the Coop, sit on our board or do any of a number of tasks to the staff who have worked tirelessly over the last year. Without their energies and experience the Co-op wouldn't be here.

Over the course of the last year we all worked to improve the Co-op through several infrastructure investments as well as numerous adjustments to the operations of the Co-op itself. I'd like to highlight a few of these changes just so everyone can see how much the Co-op has changed in a year!

1. We joined the Farm Fresh Rewards program which provides vouchers to EBT/SNAP customers for local produce.
2. We applied and received a store credit card which has allowed us to finance some of the purchases we've made as well as receive rewards which has helped offset some of our credit card fees.
3. We linked our Quickbooks POS system with our Quickbooks Financial software and also added a new credit card processor. This has reduced our credit card fees to around 1.8-2.2% while also reducing the double entry of data.
4. We purchased and installed several new coolers as well as reorganized the Co-op office wall. Several of our volunteers took long trips to get them and helped install the coolers.
5. Added a Nitro Cold Brew tap (thanks Andrew) which has been a resounding success.
6. And a ton of smaller changes to try and make the Co-op a pleasant experience for members and the community!

As we continue to make improvements we'd love to hear from everyone as to what we can do better to make the Co-op a place we can all feel welcome!

ASTRID BOWLBY,
BOARD MEMBER,
CONSUMER MEMBER

I was born in Brunswick, Maine and grew up in Standish and Portland. After high school I moved around quite a bit: New York City, Jackson, Wyoming, back to Maine for a while, finally landing in Philadelphia for 23 years. When my husband started talking about moving to Maine (he is from Georgia), we set out to find an area of the state that would be new to both of us and we fell in love with Brooks and Waldo County. It is odd to feel like a newcomer in my home state, but sometimes I do. I felt that one good way to start feeling at home would be to volunteer at the co-op. Last year I was voted to the Board and am the secretary, so please blame me for the long-winded minutes! (available for your perusal at the kiosk in the front of the store). But I feel like I am just getting started. Next, I am going to get trained on the register so I can be a volunteer cashier. I am really looking forward to this because it is going to help me meet my neighbors. This summer was my second season offering some of the perennials I grow at my nursery, Honey Petal Plants, on the porch of the co-op. I believe in the co-op and all it stands for. I believe in supporting my neighbors by buying their wonderful products. Allowing people and places to become familiar takes time, but I have been so grateful for and heartened by the welcome feelings I have received from this community. Thank you!

DAVID GREELEY,
DEPARTING BOARD MEMBER,
PRODUCER MEMBER

I've been selling my beef and maple syrup at the MRC for several years. I am lucky in that maple has an excellent shelf life and, as long as we don't lose power, the beef keeps in the freezers. Matt gives me a call when he needs more product and I get a check from him within the month and this saves me from having to spend the day at a farmers market. In addition, I am grateful to be able to buy good bread and beer and yogurt and honey without driving a half hour.

Matt is an excellent manager who is into the world of coops and keeps us informed and we are working hard to finally be able to pay him better. Astrid has a keen business sense and, as secretary, keeps us on track. Kim is the backbone, does lots of great art work and much of the worrying. Becky, Ed, Mike and Izzy volunteer hours running the store and otherwise keeping MRC afloat. I've been on the Board for two years and it has been an education to see how a store runs.

Dave

Your board of directors:

Kim Jacobs *President*, Stephanie Martinez *Vice President*, James Branchard *Treasurer*, Astrid Bowlby *Secretary*, Dave Greeley, Ed Hamel, Lizzie Hogg, Mike Switzer. *Finishing their terms -Dave and Mike. Stepping down -Lizzie. Thank you for your service!*

Your Staff:

Matthew McKillop *Manager*, Jessica Johnson and Julia Tredeau

Contact:

Kim Jacobs zephyrhill@fairpoint.net **Matthew McKillop** marshriverordering@gmail.com

Astrid Bowlby astridbowlby@msn.com

For Volunteer Opportunities and Questions: Ed Hamel edfedco@gmail.com