



# The Co-op Annual Report 2015



# From the President

Greetings Fellow Breadroot Member,

We really need some of you to join our board team in creating an organizational and community culture of joy, challenge and response. Your trial board membership can start at the quarterly meeting October 17. Then, at the January 16th meeting you can decide to run for a two-year term on the board, or not. Your official term would begin with the final selection at the spring member meeting.

This is an exciting and challenging time for the future of people on earth. Why not join us in righting the ship? This is your chance to work closely with a group of idealistic and hard-working people making a difference. Not only does our co-op offer better and more local food choices but it also provides a viable alternative for using your capital contributions to keep profits in the community working for us.

Please give some serious thought to taking a turn. We currently have immediate openings for several new members. *You* just need to be willing and able to come prepared and join in lively discussions about where we are and the exciting futures we can co-create. And, we ask you to participate in some orientation and training.

Our wonderful food does not appear in our wonderful store by magic. Management and staff do the day-to-day work board members used to do. Thus, the board is freed to provide oversight, vision, community connectivity, support, and constructive oversight and feedback. Board members can also pursue initiatives for keeping our membership and the community informed and involved with more sustainable food and planet initiatives.

We look forward to receiving your request for more information and learning about your interests and potential. Then, if you like we can answer questions and/or set up an informational meeting to review mutual expectations and courses of action. Please join us in this work towards a more sustainable future for our co-op, community and planet! Get in touch with our board president (details below) or talk with Jeff Thouron, our general manager. Or, you can fill out a board application [here](#).

Until then,  
Dowell Caselli-Smith  
Board President  
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**DOWELL CASELLI-SMITH,  
BOARD PRESIDENT**

# From the General Manager



**JEFFREY THOURON**  
**GENERAL MANAGER**

Greetings Breadroot,

As I begin my fourth year as your General manager I would like to recap a few accomplishments that the Co-op has experienced. Our staff retention has increased markedly in correlation to increased staff pay, benefits, and training opportunities. We've developed better operating systems to include: Bookkeeping, Accounting, and Board Policy Governance. We've doubled our sales since 2012, and have been able to successfully manage

all of the variables involved with such dramatic growth.

I know its slightly old news, but I am so proud of how well the move went that I will give you a recap. The entire Co-op staff, two board directors, and over fifteen volunteers we were able to move the store, and only close the store for one day! It took a while to get settled in, but 100 East Boulevard North definitely feels like home now.

In the last year, we've conducted several surveys to gauge how you have responded to the move and our new location. During our most recent survey 63% of the membership responded. Most notable is 96% of the respondents said "yes" that they "feel a channel is available for the Co-op to hear" their voice. When asked if they are satisfied with the new store, 87% of the membership said "yes". All other indicators indicate that you are happy with the new store, our operations, and the products we carry.

The credit for such high service ratings and smooth operations lays mostly at the feet of the best staff in Rapid City. With sixteen staff, it would be a long read for you to learn everything they do, and what makes them amazing. I will spare you the details, but I will point out a few of the highlights.

Maria is entering her fourth year as our grocery buyer. Her dedication to the Co-op was influential in moving and organizing the new store, and she continues to help the staff and our product list grow. Our Wellness manager, Rayelle, has been with us for over a year now. Her knowledge and work ethic is one of the many reasons why we continue to be competitive in Rapid City. Nell was hired as

## NUMBERS AT A GLANCE

### 2015 Move Info

Total Cost \$75,274  
Member Loans \$11,000  
Share Drive \$19,177  
BHFCU Loan \$38,500  
Total Hours Closed: 22

### Membership 2015

New Members: 538  
Active Members: 1,346  
Total Members: 3,421  
Current Members: 4,214

### 2015 Financials

Assets \$186,937  
Liabilities \$60,352  
Equity \$126,585

Income \$1,429,099  
Net Income \$-21,496  
(tied to upgrade to new location, expect positive net income for 2016)

### Cost Breakdown

Average percent-of-income for our largest expenses last year.

**69% Cost of Product**  
**20% Staff Wages**  
**3.6% Occupancy**  
**2% Utilities**  
**1.8% Payroll Tax**  
**1.4% Credit Processing**  
**0.6% Insurance**

the Produce Manager in May, and she has already made the department the best it has ever been. I cannot forget Sarah, whose personality, dedication to the Co-op, and customer service skills are vital to the face of the Co-op. Sarah won the Member Service Award, voted on by you, for 2015.

Thanks for being part of the Co-op. I'll see you in the store.

Sincerely,  
Jeffrey Thouron  
General Manager

## Your Dedicated Co-op Staff



*Thank you for supporting your Co-op!*