



2019 Annual Report



Annual Meeting Notice

The Annual Meeting is on Saturday,

June 27th 2020, 10am-11am, online with Zoom

Letter from the Board President by Lindsey Hays

There is a lot to celebrate this year at the co-op. First, our incredible general manager helped us navigate through a period of declining sales related to construction that changed access routes to our store. Then, drastic increases in sales due to COVID-19 and its effects on food purchasing patterns made those budget woes seem like a distant memory. Jeffrey and his team made quick changes to allow the co-op to best serve the changing needs of members during the pandemic, and he also made effective use of the increase in our cash position due to COVID-19 related sales increases. While all of these changes were occurring, co-op staff continued to implement a number of new programs, services and product lines that were newly available because of our membership in the Cooperative Grocer's Association (NCG). One important example was the implementation of the Co+op Basics and Co+op Deals programs, which help make the co-op a more affordable place to shop. The board hired a consultant through a national cooperative resource called Columinate, which has increased confidence and resources available for the board of directors and helped significantly in our effort to improve board processes. I'm proud of the work that co-op staff and board members have put in over the last year which will benefit the co-op for years to come.



Lindsey Hays, Board President

While there is clearly a lot to celebrate, there is still work to do. I think this is a good time to remind ourselves of our mission and vision.

"Our mission is to promote community involvement in the production, procurement, and distribution of natural and organic foods and other goods and services for healthy living. We envision a community strengthened by cooperative economics and driven by concern for the health and well-being of the planet and its inhabitants."

There is always room to expand our co-op community and increase the participation of our members in co-op leadership activities. If you know someone who might consider coming to the annual meeting (details elsewhere in this report), showing up to a monthly board meeting via Zoom to observe, joining a board committee, or running for a position on next year's board of directors, please let me know and I will connect you with the right person. We exist for the benefit of the community, and we can best stay true to our mission and vision when a diverse group of community members fills our (virtual) boardroom.

Breadroot Co-op's **mission** is to promote community involvement in the production, procurement and distribution and other goods and services for healthy living.

Letter from the General Manager by Jeffrey Thouron

Greetings & Salutations,

I hope that you and your family are staying healthy through this intense time that we are all experiencing. The Co-op has been here for you throughout the COVID-19 pandemic and will continue to stand with our community through whatever the future holds. We have been doing our best to take care of both our staff and our customers. Our staff have been receiving frequent bonuses for the extra work and unusual workplace conditions. (Thank you to everyone who has given our staff words of encouragement during this time!) To protect customers, we have taken on many extra precautions which you have likely seen while shopping here. In addition, we have implemented on a fee-free curbside pickup program (shop.breadroot.com) for customers, and we have three days each week where we open early for those who need a little extra protection when shopping.

Last year was quite turbulent for the Co-op. Road construction on East Boulevard commenced early in the year and, while a bit of a nuisance, did not appear to be having a significant impact on us. Unfortunately, after tourist season ended sales dropped significantly. For three months in the tail end of 2019, we had no sales growth. In my six years of leading the Co-op, this is the only time we have not seen sales growth. These months had a significant impact on our sales and net income for the year, pushing us into a loss. This is why the Co-op did not issue a patronage dividend for 2019.

In December, East Blvd reopened for the season and sales returned to expected levels. We introduced Co+op Basics that same month. This program has enabled the Co-op to provide our community with quality food at a low price. To further that goal, we began offering Co+op Deals bi-weekly sales in January. East Blvd re-closed in the spring, and we anticipated another slow-down, but then COVID-19 appeared. Due to the pandemic and restrictions related to it, the Co-op has had unusually high sales as our community switched their food spending from restaurants almost entirely to grocery. I expect a patronage dividend to be issued for 2020.

Thank you for allowing me to continue to serve the Co-op!



Co-op Financial Data for the year 2019

	2019	2018
<i>Total Assets</i>	\$398,686	\$291,414
<i>Total Liabilities</i>	\$134,838	\$53,717
<i>Total Equity</i>	\$263,848	\$237,697
<i>Sales</i>	\$2,216,747	\$2,045,705
<i>Net Income</i>	-\$29,121	-\$8,253
<i># of Member-owners</i>	1,728	1,583
<i># of New Member-owners</i>	615	590



Co+op Basics is Breadroot's everyday low-price program. We currently carry 354 items that are quality and low price. Look for the purple signs!

Our New Produce Department

Our produce department was recently remodeled and looks spectacular. If you haven't yet, make time to stop into the co-op to check it out. Special thanks to Nell, our excellent Produce Manager who has worked tirelessly and Tim from NCG for helping us!



You are invited to a scheduled Zoom meeting. This link will also be emailed to you directly before the meeting.

Topic: Breadroot Co-op Annual Meeting 2020

Time: Jun 27, 2020 10:00 AM Mountain Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/81216485951?pwd=N0ZSNkdsWjZvTlZpdIFoYWVhYmVlTZRdz09>

Meeting ID: 812 1648 5951

Password: 503141

One tap mobile

+13462487799,,81216485951#,,,0#,,503141# US (Houston)

+16699006833,,81216485951#,,,0#,,503141# US (San Jose)

Find your local number: <https://us02web.zoom.us/j/81216485951?pwd=N0ZSNkdsWjZvTlZpdIFoYWVhYmVlTZRdz09>