



**City Market**  
Onion River Co-op

**FY 2017**  
**Annual Report**

# General Manager's Letter

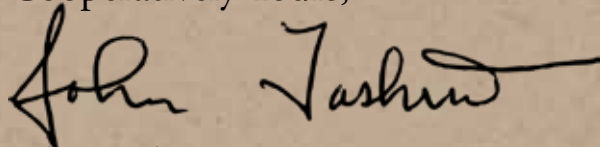
I hope you enjoy our Annual Report as a gratifying and tangible illustration of what we've all accomplished together this year. We're so grateful for your role in our success!

While success is about more than numbers, we like to start there. Our sales for fiscal year 2017 (FY2017) were almost \$42 million, a 1.9% increase over the previous year. Our Membership grew to just shy of 12,400. Including all the household members on these accounts adds up to a Membership of over 20,000. On average throughout the year, about 69% of our sales were to Members. This represents over \$1 million in additional sales to Members over the prior year and tells me that we're continuing to provide benefits and engagement opportunities that interest you.

Speaking of benefits, many of you noticed that your Patronage Refund check this past November was smaller than in years' past. This has been a trend for the past few years as we set aside funds for our South End store expansion and other capital projects. Now that the South End store is open, we anticipate the Co-op will experience several years of unprofitability, which is completely expected during times of expansion and is part of our plans. While we will not be issuing Patronage Refund checks during unprofitable years, there are many other tangible benefits of Co-op Membership, including our Member Work program, discounts through our Community Connections program and owning a grocery store with your friends and neighbors.

You'll read about our cooperative successes in this Annual Report that covers July 1, 2016 through June 30, 2017. Thank you for your ongoing support of our Co-op and I look forward to connecting with you throughout the year!

Cooperatively Yours,



John Tashiro  
General Manager



# Board President's Report

Thank you for investing this year in the success of your Co-op. We're now over 13,500 Members strong, and we are so proud to serve our growing Membership!

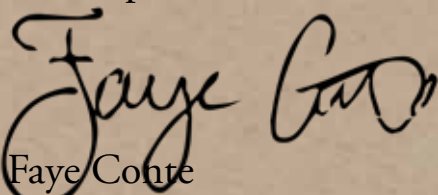
Our Co-op benefits each of us and the larger community in more ways than we can list here. The Co-op creates good jobs; staff earn a livable wage and receive a generous benefits package while we also pay local farmers and vendors fair prices. We strengthen our community via donation and sponsorship programs, through Member volunteer work with non-profit partners, and by partnering with other cooperatives and like-minded businesses. And we strengthen our local food system in many ways – not least by creating markets for our producers' goods.

As we settle into being a two-store Co-op, your Board of Directors is focused on continuously educating ourselves and working closely with the General Manager so that we're ready to make key decisions and monitor financial indicators. Just think what our Annual Report will share next fiscal year when our South End store has been open for seven and a half months (mid-November through June 30)!

Your participation and engagement drives our success. At whatever level you're involved, we want to make sure you feel connected to our staff, other Members, our community, our farmers and producers, and our non-profit partners. We welcome your feedback throughout the year, so please reach out to connect at any time!

This Annual Report shows how your involvement has helped the Co-op to have an amazing impact on our Membership and our community. We hope you have great Co-op stories to share, whether you joined this year or many years ago. And we hope your Co-op experiences offer plenty of opportunity for daily pride and appreciation. We're certainly grateful for your part in our continued success!

In Cooperation,



Faye Conte  
Board President



# City Market's Global Ends

The Onion River Co-op will be central to a thriving and healthy community, where:

- Consumers have local access to progressive social, environmental and healthful choices;
- Residents enjoy an enhanced quality of life;
- The local food system is strengthened;
- The cooperative model is supported; and
- Our owners have a sense of pride in their cooperative.

## The Cooperative Principles

The cooperative principles are guidelines by which cooperatives put their values into practice.

### 1. Voluntary and Open Membership

Cooperatives are voluntary organizations; open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

### 2. Democratic Member Control

Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions.

### 3. Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their cooperative.

### 4. Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members.

### 5. Education, Training and Information

Cooperatives provide education and training for their members, elected representatives, managers, and employees, and they inform the general public about the nature and benefits of cooperation.

### 6. Cooperation among Co-operatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.

### 7. Concern for Community

While focusing on members' needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.



In FY2017 Membership at grew to

**12,359**  
**Members**

an increase from FY2016 of **5.9%**

We had almost

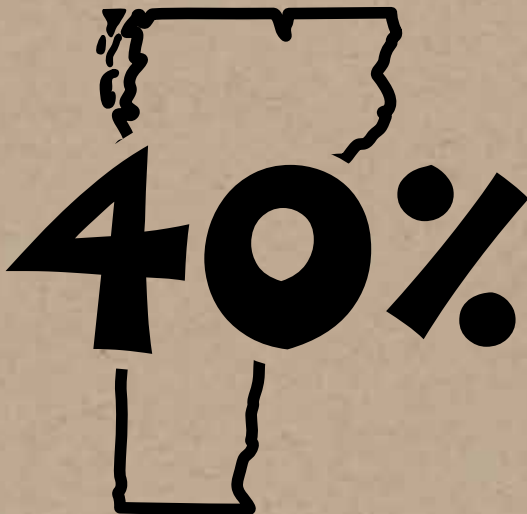
**\$42 Million**

in total sales



**69%**

of sales were  
to Members



of sales were  
**Local  
Products**







# Financials

## Balance Sheet

	FY2017	FY2016
Current Assets	\$4,619,106	\$8,350,204
Property & Equipment	\$13,956,748	\$8,195,385
Other Assets	\$3,167,573	\$1,256,271
<b>Total Assets</b>	<b>\$21,743,427</b>	<b>\$17,801,860</b>
Current Liabilities	\$3,047,002	\$3,291,588
Long Term Debt	\$4,685,556	\$1,694,443
Deferred Income Taxes	\$219,700	\$243,700
Members' Equity	\$13,791,169	\$12,522,129
<b>Total Liabilities &amp; Member Equity</b>	<b>\$21,743,427</b>	<b>\$17,801,860</b>

## Income Statement

	FY2017	FY2016
Net Sales	\$41,985,792	\$41,212,385
Cost of Sales	\$26,104,834	\$25,749,386
<b>Gross Profit</b>	<b>\$15,880,958</b>	<b>\$15,462,999</b>
Operating Expenses	\$14,217,466	\$13,064,594
Interest & Other (Income) Expenses	(\$36,073)	\$4,676
Patronage Refund Expense	\$1,162,177	\$1,643,384
Provision for Income Taxes	\$223,340	\$290,356
<b>Net Earnings</b>	<b>\$314,048</b>	<b>\$459,989</b>

*For additional information regarding the Co-op's financial performance or to receive a detailed copy of the Annual Financial Statements, audited by Gallagher, Flynn and Company, LLP, please contact Tim George, Director of Finance, at [tgeorge@citymarket.coop](mailto:tgeorge@citymarket.coop).*



# 16,983

volunteer hours were completed by Member Workers,  
many with our **22** non-profit community partners.

This is the equivalent of **8 $\frac{1}{3}$**  extra  
full-time workers in our community.





# 1,347

people **tasted** new flavors  
and **learned** new skills

at our low-cost cooking and wellness classes.



Over **\$330,000**

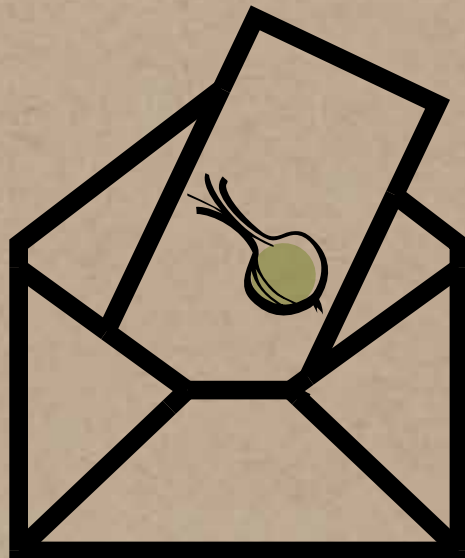
was recirculated as Patronage Refunds to

**9,500 Members**

with an average check of

**\$35**

That's about **1.2¢** of every **\$1.00** spent  
returned to our Members.





# Food for All Members

saved a total of

# \$196,558



Our donations to  
local non-profits last year alone totaled

**\$333,203**

including

**\$131,266**



**\$171,897**

**Rally  
for  
Change**

**\$56,063**



Co-op Patronage  
Seedling Grants



We diverted over **84%**  
of our waste to  
composting or  
recycling facilities.



of reverse osmosis  
water was sold in bulk.  
This took the place of  
**995,200**  
plastic 20 oz bottles!



## Your Community-Owned Grocery Stores

### **Downtown**

82 S. Winooski Ave

Open 7am - 11pm every day

(802) 861-9700



### **South End**

207 Flynn Ave

Open 7am - 9pm every day

(802) 540-6400