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 & 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.

Co-op Values

Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity.

Kindness
Be genuine, have concern for ourselves and others, and build meaningful connections with all those around us

Diversity
Respect and acceptance of all; individually and collectively

Responsibility
Hold each other accountable for consistency with our behaviors and actions

Fun
Maintain a happy and healthy work life balance that fuels creativity and enjoyment

Learning
Be courageous and curious to learn, listen, grow and better ourselves, our colleagues, organization and the community

Positive Impact
Embody our purpose from the smallest to the most worldly; be optimistic
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.
What a year it has been! As I reflect on the past year, I am struck by the feeling that collectively we have navigated many years’ worth of challenges and triumphs in just twelve months. The “year” that we are reporting on in this Annual Report is our fiscal year, which began in July 2019. It’s hard to believe that the defining factor of the year for the Co-op - the Covid-19 pandemic - arrived more than halfway through the year. It’s important for us to take stock of the full year, however, without diminishing the sheer magnitude of how our Co-op and our community has been impacted by the pandemic.

In March, at the onset of the Covid-19 pandemic, the Co-op’s role as a community resource became all the more evident as an essential business, remaining open as the rest of the community was instructed to stay home and stay safe. As Board Members, we were in awe of the ways in which the Co-op was able to provide for the community during the early days of the pandemic, exemplifying the Co-op principle of *Concern for Community*. We applauded the work of Prepared Foods staff who shifted their work to providing meals for the community through a partnership with the City of Burlington, the Grocery staff who made sure we had shelves stocked despite product shortages and delivery delays, and every one of our staff members who helped provide for their neighbors in ways they never imagined.

Our staff of over 300 exemplified the cooperative spirit during this time and we are grateful for the many ways they showed up for all of us this year. We’re also grateful for our Members who shared feedback, ideas, and suggestions during a time of critical change. At a time when more people are focusing on staying local, the value of member-ownership and the opportunity to have a voice in your community has become all the more evident.

As we look to the year ahead, our practices continue to evolve with the latest guidance, and I am so proud of our Co-op for continuing to prioritize safety and implement measures that exceed the state’s guidelines. This work, like much of our work, is not contained to a single fiscal year, and I know that we will keep our diligence and our standards high as we continue forward.

Thank you for being a part of our Co-op and this cooperative journey! Together, let us continue to prioritize our entire community’s safety, health, and vibrancy - and to learn and grow from the challenges and the triumphs of the year.

In cooperation,

Faye Mack
Board President
As we near the end of 2020 and reflect on our fiscal year in this annual report, I am reminded of the many ways that the spirit of cooperation was on display over these past many months. There’s no question that 2020, and the final months of our fiscal year (March through June) brought their fair share of challenges. When the coronavirus pandemic drastically altered all of our lives in March of 2020, we saw our community and especially our staff rally to the moment and provide for their neighbors. From coordinating food donations to working with the city on meal distribution, implementing safety measures and navigating supply chain shortages, launching a curbside program and enhancing delivery capacity, our staff worked together to ensure everyone in our community had access to resources.

This emphasis on providing for the community is not a new focus for the Co-op, but one that became all the more evident during the second half of our fiscal year.

Earlier in our fiscal year, we completed an extended Union negotiation that concluded in a three-year contract, held our Annual Member Meeting at the ECHO Leahy Center, hosted our Annual COTS Tree Sale, distributed funding to our Co-op Seedling Grantees, and more. But the year brought challenges even before the onset of the pandemic with water boil alerts and advisories that led to the closing of the Co-op on two separate occasions during our fiscal year.

Despite the obstacles that these closings posed, I remain proud of the swift action that our leadership team took to prioritize community safety. In retrospect, those instances prepared us well for the many tough decisions we would make later in the year with the onset of Covid-19. Some of the over 30 operational adjustments we made in response to the state of emergency declaration in March included transitioning to pre-packaged items in Bulk and Prepared foods, installing plexiglass barriers at the registers, limiting capacity, mandating face coverings for staff and customers, and more.

As we look to the year ahead, I am proud of the ways we have adapted to changing realities, consistently prioritizing safety and remaining accessible to all with the expansion of our curbside and delivery program and our continued cautious approach. We’re also proud that we’ve maintained over 300 jobs in the community throughout the pandemic despite declining sales and unforeseen challenges, offering an appreciation bonus to our staff for almost 10 months of the year (spanning two fiscal years).

I am deeply grateful for all the people who choose to work at our Co-op and for you, our Members and your dedication to the Co-op that allows us to continue to serve the broader community.

Thank you all for your continued support and we look forward to serving you, our Members, customers and broader community in the year ahead.

In cooperation,

John Tashiro
General Manager
### Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>FY 2020</th>
<th>FY 2019</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>7,424,879</td>
<td>5,084,635</td>
<td>5,469,508</td>
</tr>
<tr>
<td>Property &amp; Equipment</td>
<td>19,828,726</td>
<td>20,358,687</td>
<td>21,211,617</td>
</tr>
<tr>
<td>Other Assets</td>
<td>2,053,197</td>
<td>2,379,345</td>
<td>2,875,275</td>
</tr>
<tr>
<td>Total Assets</td>
<td>29,306,802</td>
<td>27,822,667</td>
<td>29,556,400</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 2020</th>
<th>FY 2019</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Liabilities</td>
<td>3,778,662</td>
<td>3,863,747</td>
<td>4,156,518</td>
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<tr>
<td>Long Term Debt</td>
<td>13,008,936</td>
<td>11,055,095</td>
<td>12,023,946</td>
</tr>
<tr>
<td>Deferred Income Taxes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Members' Equity</td>
<td>12,519,204</td>
<td>12,903,825</td>
<td>13,375,936</td>
</tr>
<tr>
<td>Total Liabilities &amp; Equity</td>
<td>29,306,802</td>
<td>27,822,667</td>
<td>29,556,400</td>
</tr>
</tbody>
</table>

### Income Statement

<table>
<thead>
<tr>
<th></th>
<th>FY 2020</th>
<th>FY 2019</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>52,781,511</td>
<td>52,086,091</td>
<td>47,382,068</td>
</tr>
<tr>
<td>Cost of Sales</td>
<td>33,590,960</td>
<td>33,260,461</td>
<td>30,163,775</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>19,190,551</td>
<td>18,825,630</td>
<td>17,218,293</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>20,076,013</td>
<td>19,292,385</td>
<td>17,885,045</td>
</tr>
<tr>
<td>Interest &amp; Other (Income) Expenses</td>
<td>203,456</td>
<td>353,670</td>
<td>170,853</td>
</tr>
<tr>
<td>Patronage Refund Expense</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Provision for Income Taxes</td>
<td>(577,444)</td>
<td>(213,200)</td>
<td>(262,981)</td>
</tr>
<tr>
<td>Net Earnings</td>
<td>$(511,474)</td>
<td>$(607,225)</td>
<td>$(574,624)</td>
</tr>
</tbody>
</table>

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 Madelyn Cataford, Director of Finance & IT, at mcataford@citymarket.coop.
Sales & Performance

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Annual Revenue (before discounts)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2017</td>
<td>$41,985,792</td>
</tr>
<tr>
<td>FY 2018</td>
<td>$47,382,068</td>
</tr>
<tr>
<td>FY 2019</td>
<td>$52,086,091</td>
</tr>
<tr>
<td>FY 2020</td>
<td>$52,781,511</td>
</tr>
</tbody>
</table>

FY 2020 Breakdown

- **Members**: 64%
- **Non-Members**: 36%

- **Local**: 38%
- **Non-Local**: 62%

- **Downtown**: 59%
- **South End**: 41%

Local Products

- **$20.4M in Local Sales** of all sales (last year: 41%)
- **3,000+** local products

Support & Partnership

- Product Pre-Buys
- Crop Planning Meetings
- Ingredients for Prepared Foods
- Crop Mobs
**Covid-19 Impact & Adjustments**

**30+ Operational Adjustments**

**Limited Capacity**

**Plexi Glass Barriers**

**Successes**

**Age Well** added as a Community Outreach Partner

Worked with the city on Meal Distribution

Continued settling into Two-Store Format

Increased Activity at our South End store

**Challenges**

**Covid-19 Adaptations**

**Unpredictable Sales & Trends**

Store closures due to Water Boil Advisories & Alerts
Committed to Our People

320+ people
80% full time
20% part time

Average Tenure
3.2 years
6.7 years

General Staff
Managers

Employee Wellness & Diversity Initiatives

20 employee wellness initiatives

476 activities logged throughout the year

Staff Learning Library
expanded with a focus on
Racial Justice

Sponsored VBSR
Racial Justice series

Free yoga with Sangha Studio
Free climbing at Petra Cliffs
Prior to COVID-19 Stay Home, Stay Safe order:

86 classes

1,158 attendees

Shifted to outdoor programming after a three month pause

Pivoting with support from local partners
Environmental Commitment

Earth Week Bags postponed until 2021

Developed our Environmental Framework

Paper-Only at the Registers

Compostable Produce Bags and storage guide

Environmental Commitment

241,240 gallons of reverse osmosis water equivalent to over 1.5M plastic 20 oz bottles

50% of our waste diverted to compost and food scraps

50%  34%  16%
Donations & Sponsorships

Meal Distribution with the City of Burlington

Increased Product Donations in light of Covid-19

Community Food Pick-Ups in the South End

Community Donations & Sponsorships

$57,856

Co-op Seedling Grants

$40,000

Rally for Change

$234,648
FY 2020 Membership

11,659 Members

Challenges
- New Member retention with annual equity installments
- Period of unprofitability with pause on patronage checks
- Lack of clarity around Member differentiation

Opportunities
- Increased education around cooperative membership
- Revamping Member Benefits in FY 21
- Hosting Member Drives
- Working with Co-op Partners
**Member Work in the Community**

- **Member Workers completed 16,653 volunteer hours**
- **24 non-profit community partners.**
- **This the equivalent of 8 extra full-time workers in our community.**
- **The average discount was $1,459 per Member Worker for the year!**

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**Food Access**

- **$237,185 saved by Food for All Members**
- **400 Co-op Basics items on our shelves**

- **15% in Produce and Bulk**
- **10% Storewide* **

Food for All offers everyday savings for shoppers who participate in 3SquaresVT, WIC and SSI/SSDI.

*Discount excludes alcohol, newspapers, bus passes and stamps.*
Gratitude for essential workers by Bonnie Acker