



# FREE RANGE FOOD CO-OP 2017 Annual Report



# AGENDA

- 5:30 pm Voting & Social Hour
- 6:00 pm Welcome
- 6:05 pm Presentation
- 6:30 pm Speaker: Emil Slack
- 6:35 pm Speaker: Becky Semmler
- 6:40 pm Speaker: Will & Brynden Lenius
- 6:45 pm Welcome New Board Members
- 6:55 pm Wrap Up
- 7:00 pm Meeting Adjourned

# FREE RANGE FOOD CO-OP MISSION STATEMENT

A member-owned grocery store that will increase access to local foods and goods, provide a foundation for educational activities, enhance health and well-being, and promote sustainability within our community.

## COOPERATIVE VALUES

self-help  
self-responsibility  
democracy  
equality  
equity  
solidarity  
honesty  
openness  
social responsibility  
caring for others

# SEVEN COOPERATIVE PRINCIPLES

## VOLUNTARY & OPEN MEMBERSHIP

1

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.

## DEMOCRATIC MEMBER CONTROL

2

Democratic organization controlled by members. Members actively participate in setting policies & making decisions.

## MEMBER ECONOMIC PARTICIPATION

3

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

## AUTONOMY & INDEPENDENCE

4

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

## EDUCATION, TRAINING & INFORMATION

5

Provide education and training for their members, board members, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public, about the nature and benefits of cooperation.

## COOPERATION AMONG COOPERATIVES

6

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

## CONCERN FOR COMMUNITY

7

Cooperatives work for the sustainable development of their communities through policies approved by their members.

# BOARD REPORT

**Sarah Verke**

**Free Range Food Co-op owner and Board Chair**

Over the last couple years as part of the organizing team, I have seen examples of strong, resilient co-ops that are an integral part of the communities they serve. They are sustainable businesses that contribute to the economic health and well-being of their communities. They serve as my inspiration to keep going until that day we can walk in and shop at our co-op for the very first time. Throughout the process, we have evaluated our progress and the community response to the co-op through tabling, events, and volunteer involvement. We would not have kept going if we felt that there wasn't sufficient support for a food co-op in Grand Rapids. But, building a modern food co-op is a complicated, and lengthy process. We have to keep in mind that this is a serious, expensive business endeavor.

Over the next year we will enter into a stage of development that will be higher pressure than what we have experienced to date. We will most likely narrow down a location based on the results of our market study, we will start securing contracts with local growers and producers, and we will begin the discussions on how we will run our capital campaign. But these tasks are directly related to growing and strengthening our organizing team, and consistently building ownership so we can continue to move forward.

I would like you to know that your positive support as owners is important to us. It keeps us going. We talk about you at our meetings and events, and we consider you when we make decisions for the co-op. Our job as volunteers and board members is to build this co-op successfully for all of us as owners. That means you!

As we move into our third year of development, let's all work together to build this co-op. In fact, we'd like to increase the size of our outreach team to 366 volunteers! Every one of us has people in our lives, who share the same values as the co-op. There are hundreds of people who have yet to join, they either just haven't been asked, or possibly they don't completely understand what the co-op is. We challenge you to talk to your family, friends, co-workers, neighbors and church members. I can tell you from personal experience – it is gratifying when someone joins the co-op based on your actions! So, here's to looking forward to our third year of development. Let's build our co-op together!

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## **Corinn Tiwari**

### **Free Range Food Co-op Owner and Board Records Officer**

When I joined the co-op organizing team, I honestly had no idea what was in store for me. All I knew was that I was driving 75 miles for access to fresh, organic foods year round. Once on the team, it didn't take me long to figure out where I belonged. I have a passion for organizing and am naturally extroverted, so it was fitting that I slip into the role of secretary and outreach. My favorite part of being on the co-op team has been the outreach team! I love taking time to go out into the community, talk about the co-op and everything I have learned over the last couple of years. I enjoy the friendships I have made and look forward to the progression of our community driven effort to open a co-op!

# SOME STATISTICS ABOUT YOUR CO-OP:

NUMBER OF LOCAL BUSINESSES,  
ORGANIZATIONS & COMMUNITY  
GROUPS WORKED WITH:

TABLING  
PRESENTATIONS  
COLLABORATIONS  
OR PARTNERSHIPS

48

11

FARMERS & PRODUCERS  
PURCHASED FROM, OR  
WHO HAVE DONATED  
FOOD FOR CO-OP EVENTS

FOOD CO-OPS  
WORKED WITH:

MENTORING  
ADVICE  
INTERVIEWS  
PURCHASING

9

\$5,856

MONEY SPENT  
LOCALLY  
SINCE 10/2015



**\$4800**

**INVESTMENT IN  
VOLUNTEER  
TRAINING**

**VOLUNTEERS  
ON THE  
TEAM**

**17**

**366**

**OWNERS SINCE  
MARCH 29, 2016**



**EVENTS &  
MEETINGS**

**HOSTED OR  
ATTENDED**

**187**

**\$11,533.20**

**GRANT FUNDS OR SCHOLARSHIPS RECEIVED**

# INCOME STATEMENT FY2017

July 2016 - June 2017

<b>INCOME</b>	<b>4020.94</b>
<i>grants, other public support &amp; interest</i>	
<b>PROGRAM INCOME</b>	<b>17,934.50</b>
<i>ownership fees</i>	
<b>SALE OF PROMOTIONAL ITEMS</b>	<b>1230.00</b>
<b>TOTAL PROGRAM INCOME</b>	<b>23,185.44</b>
<b>COST OF GOODS SOLD</b>	<b>5292.73</b>
<i>co-op merchandise (t-shirts and cloth bags)</i>	
<b>GROSS PROFIT</b>	<b>17,892.71</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>13661.11</b>
<b>NET INCOME</b>	<b>4231.60</b>

# BALANCE SHEET FY2017

July 2016 - June 2017

## ASSETS

*checking*

13,110.30

*savings*

1408.06

*paypal merchant*

2702.31

**TOTAL ACCOUNTS RECEIVABLE**

**0.00**

**TOTAL ASSETS**

**17,220.67**

**LIABILITIES**

**0.00**

**EQUITY**

**17,220.67**

*net assets and income*

**TOTAL LIABILITIES & EQUITY**

**17,220.67**

# FREE RANGE FOOD CO-OP DEVELOPMENT TIMELINE

## STAGE 1: ORGANIZING

0 - 250 OWNERS

- ✓ Begin to organize and recruit volunteers
- ✓ Incorporate organization
- ✓ Form board of directors and finalize by-laws
- ✓ Set up financial and recordkeeping systems
- ✓ Start building community ownership
- ✓ Build website and social media pages

## STAGE 2A: FEASIBILITY

250 - 500 OWNERS

- Build strong organizing team
- Build local grower/producer relationships
- Conduct market and feasibility studies
- Develop capital campaign model
- Develop business plan



## STAGE 2B: PLANNING

500 - 700 OWNERS

- Finalize business plan
- Choose real estate agent
- Secure contracts with growers/producers
- Complete site analysis and secure store location
- Start process of hiring general manager
- Conduct owner loan campaign

# FREE RANGE FOOD CO-OP DEVELOPMENT TIMELINE

## STAGE 3A: PRE-CONSTRUCTION 700-900 OWNERS

- Recruit new owners based on store location
- Secure external funding and launch capital campaign
- Finalize plans for store design and renovations
- Hire general manager

## STAGE 3B & C: CONSTRUCTION & OPENING PREPARATION

900 - 1200+ OWNERS

- Finalize budget
- Work with general manager to hire and train staff
- Order and install equipment and inventory
- Open the store
- Grow, learn, educate!

# THE PLAN FOR THE COMING YEAR

- **Grow and strengthen the organizing team**
- **Implement new owner outreach structure**
- **Increase ownership to 500 - 600 owners**
- **Site selection based on recommendations of market study**
- **Finalize contracts for local purchasing program, and secure contracts with local vendors**
- **Begin communication with cooperative lenders at 600 owners**
- **Begin preparations for capital campaign**

**WE WANT TO**  
*Thank you*

We would like to take this moment to extend a heartfelt thank you to everyone who has been involved in the co-op, from shop owners, to volunteers, to community organizations and most importantly...to you, our owners.

Without your investment in our vision of opening a food co-op, we wouldn't be standing up here today sharing all of our wonderful progress. Thank you for your continued support as we move forward closer to open doors!

