



2020

**SNO ISLE
FOOD
CO-OP**

**ANNUAL
REPORT**

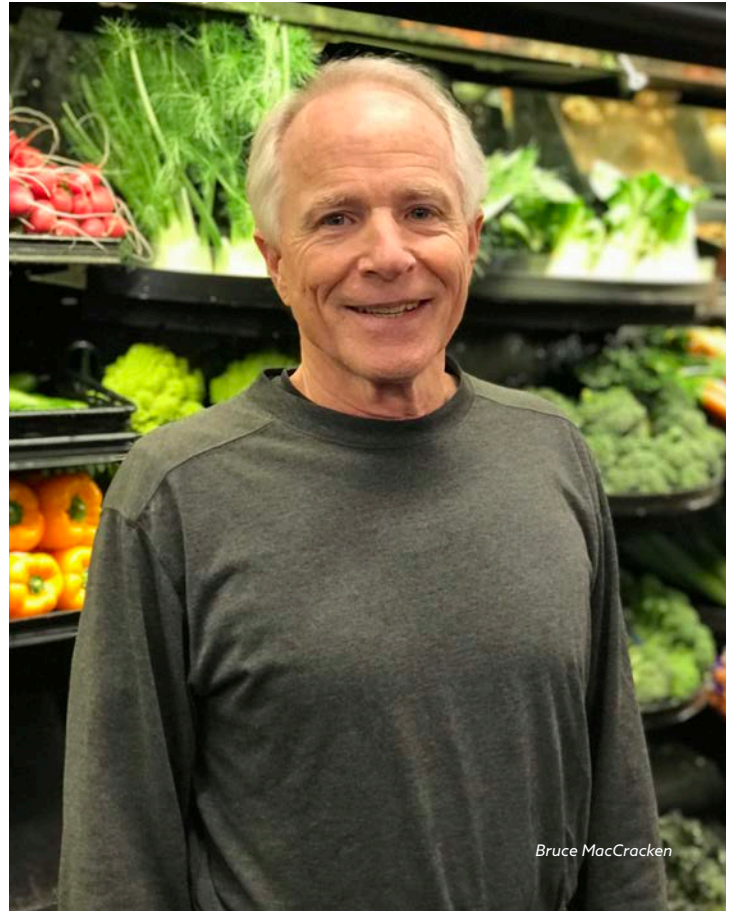
2020 In Review

BRUCE MACCRACKEN, BOARD PRESIDENT

As president of The Sno-Isle Food Co-op Board of Trustees, I would like to thank the staff and the GM for their work during the COVID-19 epidemic. Every individual involved worked hard under extremely difficult circumstances to keep the Co-op running smoothly and safely.

I also want to honor our owners and suppliers who have maintained a strong relationship with the Co-op through these difficult times, wearing masks and ensuring social distancing and providing the products and services needed.

The Board and GM continue to search out expansion opportunities. We worked with National Co-op Grocers on feasibility studies on the Goldfinch and Potala Place buildings. Those locations did not meet our needs. Now with our experience and the support of NCG, we have all the resources needed to be supported and successful in our search. Interesting possibilities continue to come available.



Bruce MacCracken



Exemplary Workplace

SUSIE CARCIONE, HUMAN RESOURCES

Sno-Isle Food Co-op is a great place to work.

In addition to being a supportive, fun place to work, we offer a wide variety of great benefits. Our benefits include free Co-op membership, a generous employee discount, medical, dental, vision and supplemental insurance, paid holidays, vacation and sick time, a 401k program with company match, wellness programs, profit sharing, a work from home option for qualified positions and flexible scheduling. Over half our employees are full time and eligible for healthcare benefits.

We believe in paying our staff a competitive, livable wage. We are invested in the people who work for us and want them to consider a career with the Co-op. The majority of the lead positions within the store are currently filled by someone who started at the Co-op in an entry role. We take pride in the development of our staff and offer all employees free access to wide range of comprehensive online professional development courses.

We believe the health of our employees comes first, especially during the pandemic. We've taken a proactive approach to keep our employees healthy and feeling safe by implementing polices such as mandatory masks in the building, enhanced hourly and daily sanitization, social distanced work stations, staggered schedules and working from home.

We've built the Co-op into an amazing community. We are like family.



of full-time staff
(30+ hours/week)

29

of part-time staff
(<30 hours/week)

22

total staff

51



earn livable wages



eligible for healthcare

Community Owned

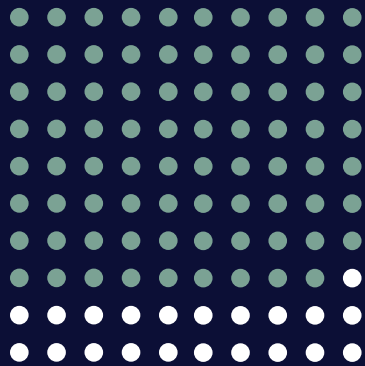
LAURA FINLEY, MARKETING MANAGER

We welcomed nearly 1,200 new owners in 2019! With each new owner we grow stronger in our ability to provide wholesome products to our community, contribute to our local economy through fair wages for staff and producers, and support non-profits that serve our fellow neighbors. Owners value our trusted sourcing and owner specials, and it shows – owners account for a majority of our annual sales. This growth keeps Sno-Isle Food Co-op anchored in community right here in Everett.

In 2017, owners voted to implement patronage to share in the profits of the Co-op. Patronage is one way you, as an owner, reap the benefits of owning a grocery store with your friends. Each year the Board, along with input from our CPA, determines the total amount of profit that will be distributed to owners in the form of patronage. Each owner receives a share of those profits in relation to their spending in the fiscal year (September – August).

As a cooperative we are guided by our owners. Our growth is a testament to those who shop and participate, through voting or volunteering, in the Co-op.





79%
of sales come from
co-op owners

21%
of sales come from
other shoppers



patronage paid | **\$24,645.60**

\$11.26 | average patronage
earned by owner

Giving Back

REBEKAH WEST, OUTREACH COORDINATOR

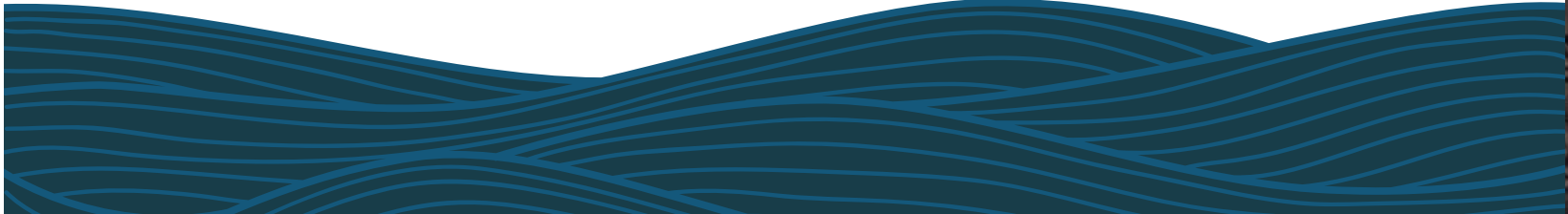
Despite all of the changes and challenges that 2020 has brought, the Co-op's commitment to supporting our community through our donations program has remained strong over the last fiscal year. In response to the Covid-19 pandemic, we reallocated our outreach budget to increase our capacity to donate.

The Co-op is now able to match customer contributions to Register Roundup up to \$500 per month, beginning March 2020 through 2021. Our customers rounded up \$14,904.41 over the last year and the Co-op matched \$2,161, with a total of \$17,065 going out into our community through Register Roundups!

In April, we donated \$1000 of grocery items between 4 organizations: YWCA, Hand in Hand, Familias Unidas, and the Everett Food Bank (VOA). We donated an additional \$2000 in August for hunger relief to the Marysville Community Food Bank, the Everett Food Bank, Homage Senior Services (Meals on Wheels), and Familias Unidas (\$500 each).

In July, the Board of Trustees donated 2019's unclaimed patronage dividends, voting to split the amount of \$1701.95 between the local branch of the NAACP (for their pandemic relief fund) and the Washington Kids in Transition (KIT) program, which supports local students experiencing housing insecurity get the resources they need to stay in school.

All in all, the Co-op has raised and donated over \$22,500 to local nonprofits, making this our biggest year of giving EVER! We couldn't do any of this without the support of our loyal and generous owners and shoppers, and we are grateful that the Co-op is a place that allows us to make a difference in our community!





\$14,904.41

in roundup donations
from co-op shoppers



\$7,595.59

in other donations from the Co-op to local
non-profits.

2,270.30 lbs

of healthy, edible food diverted from landfill
and given to those in need.



Supporting Local

IAN DAWE, RETAIL MANAGER

At Sno-Isle Co-op we are excited to offer a variety of local foods and products. We see the great benefits of supporting local and small, independent growers and producers as integral to the community and environment.

This year the Co-op saw an 8% decrease in sales of local products from last year. This is due to the unprecedented hardships faced by many of these smaller local producers and growers from the COVID-19 outbreak. Globally and locally, producers faced a myriad of problems: supply chain strain, production facility closures, illnesses, selling out of crops well ahead of forecast, packaging shortages, and staffing shortages.

At the Co-op we continue to strive to provide local options when they meet our clean ingredient standards and we can make them affordable for our owners. The pandemic overwhelmed a lot of local growers and producers preventing them from being able to continue making their products. While we found alternative sources to ensure we have the products our owners need, we are also keeping updated on the statuses of local producers and growers to ensure we can bring their products back in when they become available. Our support of them is more important than ever and we look forward to being able to continue growing our support of local.



Sales from WA products total:

1.4M | **28%**
in revenue dollars | of total sales

Olsen Family - Olsen Farm - Colville, WA



Gene M - Goldent Catch - Bellingham, WA



20%
of our total sales
were made from
Washington state
products

Sustainability at the Co-op

GRETCHEN WEIMER, GENERAL MANAGER

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93% 
of our waste was
diverted from the
landfill. That's
61 tons!

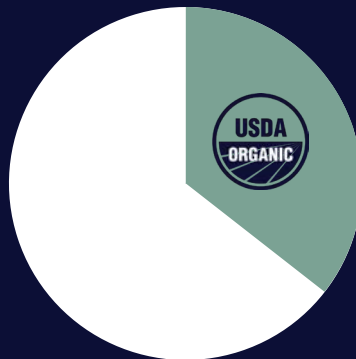


kWh used
in 2020:

175,901



Cedar Grove organic compost



39%
of total store
sales
came from
organic products

\$2.6M

Fiscal Year Finances

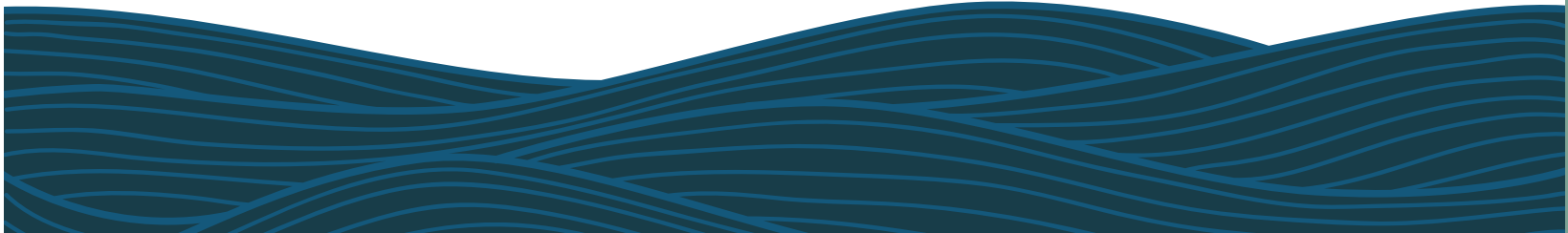
AMBER KREISHER, FINANCE & GENERAL MANAGER

This last fiscal year has had its challenges presented to the Coop, as it has with many business and families around the world. During the first quarter of the Coop's fiscal year we encounter declining sales due to the Rucker Avenue Road Closure project. Quarter one was budgeted for a growth of 7% and in turn ended up producing a decline in sales of -0.9%. Once the project was coming to completion the Coop started to see a positive sales growth trend, and then COVID hit. Since then the pandemic has greatly affected sale trends across the retail grocery industry. At fiscal year end the Coop had a -.3% sales decline from the previous year.

Despite the ups and downs in sales during 2020, the Coop was able to produce a positive net income of 3.3% and continued

to grow our cash position by 45.3%. We have paid off all outstanding debt and have increased Coop equity by 24.7%. Gross profit maintained at 37.6% while expenses were under 1% from the previous year and controlled at 34.5%.

Remaining profitable while having a negative sales trend is an incredibly difficult feat and is an accomplishment Management is very proud of. The profitability could not have been accomplished without our dedicated team. Your Coop Team has been working hard to make the best purchasing decisions and ensuring expenses are controlled; all while providing amazing customer service. For that we owe the Coop staff a round of applause, because truly, without them this year might not have turned out in a positive light for the Coop.



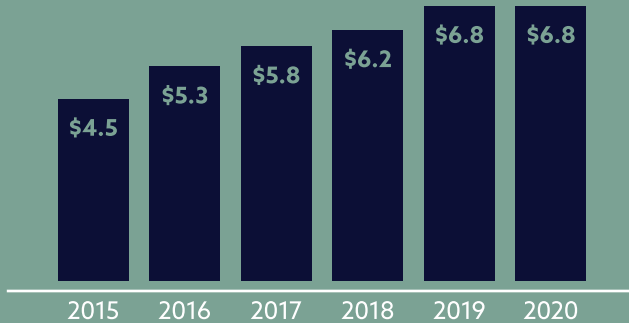
Steve Moore - BOT



expense overview

37.6% Cost of Goods Sold
25.2% Payroll
34.5% Other Operating Expenses
3.3% Profit

annual sales
in millions



\$ 6,781,764.15

TOTAL SALES

.3%

SALES DECREASE

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MEETING

Q & A

