



BRATTLEBORO FOOD CO-OP ANNUAL REPORT 2024



CELEBRATING OUR IMPACT



President's Report

Jerelyn Wilson,
President of the Board

As I think back over the past fiscal year for the Brattleboro Food Co-op (July 1, 2023 through June 30, 2024), I would be less than truthful if I didn't start out by saying it was a challenging year for the Board of Directors. The year pushed our capabilities and tested our stamina. But in a real way, the year pulled us together as a team and your Co-op emerged stronger and better able to meet the challenges ahead.

But let me start at the beginning of the fiscal year. On July 1st we were rolling into our second year with General Manager, Lee Bradford, who had been hired 15 months earlier. We had come out of an engaging search process that hired Lee and were feeling really great. Lee did a good job of showing the way to an authentic relationship with the Union and a positive employee culture. He lifted all workers by increasing pay and establishing paths to growth and professional development.

Then, a month into the fiscal year, Lee gave notice – not due to anything Co-op-related but rather because of a family decision to accept an unsolicited job offer – and within a couple of weeks

he was gone. The Board and the employees were in shock and emotionally grappling with moving forward. The Board dove back into a second general manager search having just caught our breath from the first.

This search was to be different, though. With input from Lee and with the leadership team he had cultivated, we made two key decisions. First, we decided to do our own recruitment rather than hire an outside executive search firm (as we had done for the previous search). That would save the Co-op tens of thousands of dollars.

Second, rather than hire an interim general manager, we would support the Core Team of Co-op managers to run the Co-op as a team. This decision both saved the Co-op money directly (by not hiring someone for the role), and it also significantly strengthened the Co-op's Core Team, deepening their ability to communicate with each other and work together. In his last weeks at the Co-op, Lee worked with the Core Team, mentoring them and putting them onto a strong trajectory for playing this role.

While the General Manager search was managed internally by our Director of People and Culture, Emilee Hobbs, it was a full search that brought us excellent candidates from throughout the U.S. Emilee's outreach received 261 direct applicants, and she did more than 30 phone interviews. The Board led in-person interviews and store tours with three finalists, one of whom, Anthony Santorelli, had stepped forward from the Core Team. Following much consideration, the Board chose to offer the position to Anthony, who was our Chief Financial Officer at the time. Anthony's background and interests went beyond finances, and he expressed a strong passion for serving the community in a way that is crucial to the Co-op's values and Ends. As Anthony was a member of the Core Team as well as an active member of the recent union contract negotiations, the Board felt he would also continue the trajectory that had been set collaboratively by Lee and the Management Team.

The search process was thorough and successful—but it took a lot of effort by the Board. During the interim period between when Lee gave notice and Anthony was hired—a period of five months—two Board members met weekly with the Core Team. And this was the time when the Board was also serving as the GM Search

Committee—meeting every week during much of this period. Whew!

The Board really stepped up to the plate.

Anthony officially stepped into his new role as General Manager on January 10th, 2024, and two weeks later we held our Board Retreat—delaying that annual gathering a month so that whoever we hired as GM could participate. Since then, the Board has been building a very productive relationship with Anthony—who, for four-plus months, continued in his role as Chief Financial Officer even as he served as General Manager. He consistently kept the board informed, shifted into his new role with the Management Team, and built relationships daily with employees on the floor.

We feel highly fortunate to have someone as steeped in finances as Anthony, particularly as the Co-op navigates increasingly complex challenges balancing shareholder debt service, bank loans, and supply chain realities. With Anthony's able leadership and passion for community, a strong and capable Management Team, and an amazing, dynamic staff, we feel that the Co-op is well-positioned to embrace the future.





From the GM: The Year in Review

Anthony Santorelli, General Manager

Greetings fellow Co-operators! We highlighted fiscal 2023 as a “year of investment” as we looked to reset our path forward after the “Covid years,” and I would say that FY 2024 (July 2023 – June 2024) was a “year of transition.” We had numerous changes and just as many hurdles to work through. Our prior GM, Lee Bradford, left in September and our Core Team managers shared the General Manager responsibilities until I was selected to take the position this past January. Our new catering business went into full swing, and we had to deal with numerous unforeseen costs tied to the aging of the infrastructure of our beloved building.

We are at a pivotal point in the life cycle of the Brattleboro Food Co-op. The economy as a whole



has stressed the entire retail sector and the supply chain that was so severely affected by Covid is still sorting itself out. Food prices have increased 24.6% from March 2020 through June 2024 vs. the 20-year historical average of 2% annually. Food inflation for 2023 alone was reported as 5.8%. Over this time span, we have continued our focus on investing in our employees, keeping up with our building operational infrastructure, and holding to our cooperative values. These are all truly investments and these investments have a cost in terms of both time and money.

Is all this challenging? Yes, it is! Are we up for the challenge? Yes, we are! People know us as the Brattleboro Food Co-op, that grocery store downtown. We are more than a typical grocery store. And what does that mean exactly? A co-op is an organization founded and focused on cooperative principles and values. It exists to service its shareholders’ collective needs. In our case, those collective needs equate to our Ends.

Brattleboro Food Co-op Ends:

1. An open, inclusive and welcoming marketplace

2. Access to and education about goods and nutritious foods that are ecologically sound and responsibly sourced
3. An organization that contributes to a just and resilient local economy
4. An enterprise that engages in sustainable and regenerative environmental practices

Cooperative Principles:

- Voluntary, open ownership
- Democratic owner control
- Owner economic participation
- Autonomy and independence
- Education, training, and information
- Cooperation among cooperatives
- Concern for the community
- Diversity, equity, and inclusion

How do I see our BFC—our past, present, and future? We are the downtown source for local, organic, sustainable products at a fair price. Fair price meaning... having the availability of different price points to meet the needs of a range of economic circumstances. We are the cornerstone of the downtown Brattleboro community and the things we do are reflective of that. We invest in our staff, our building, our shareholders and our community. We employ 160 individuals, source products from

hundreds of local vendors, and we contributed over \$400,000 to our community via our shareholder discount programs, sponsorships, and donations. We work with 30+ community partners through donated shareholder time and our round-up program. Our Community Outreach team has dedicated their efforts to assisting those less fortunate by working with other local organizations and offering access to services that some individuals might not be able to find on their own.

So, yes, we are a grocery store, but we are, and will always strive to be, much more than that. And we couldn't be without your continued support.

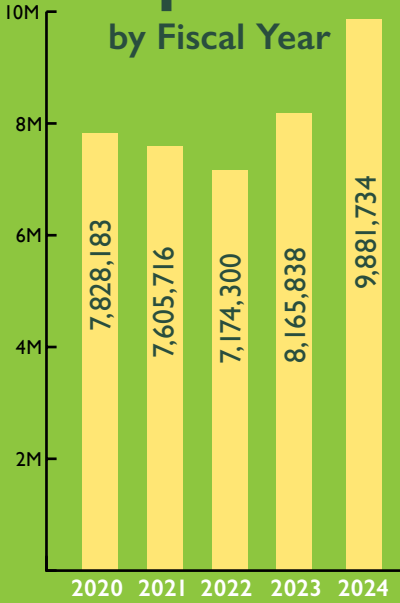
108
 people are employed by the Co-op, full-time

44
 are employed by the Co-op, part-time

Staffing #'s in FY 24

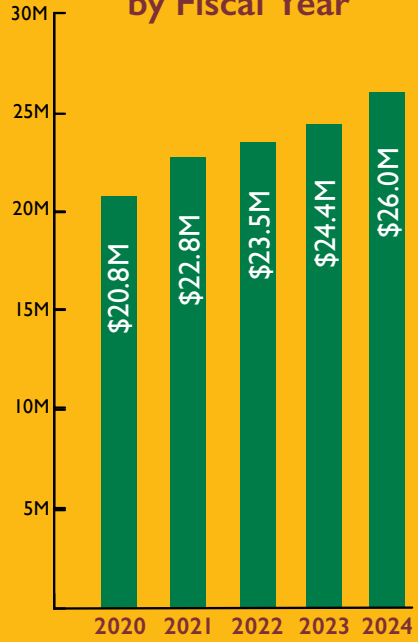
Operating Expenses

by Fiscal Year



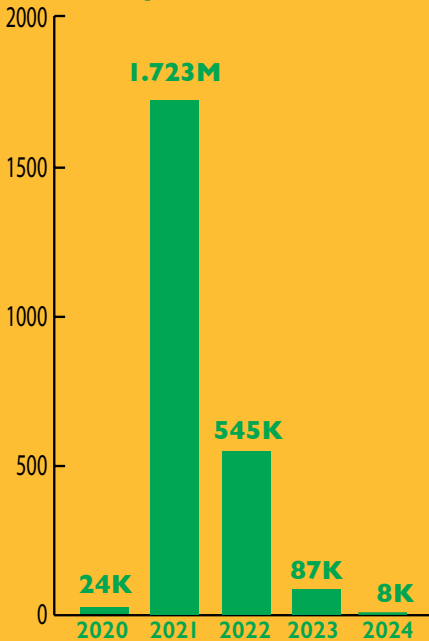
Sales

by Fiscal Year



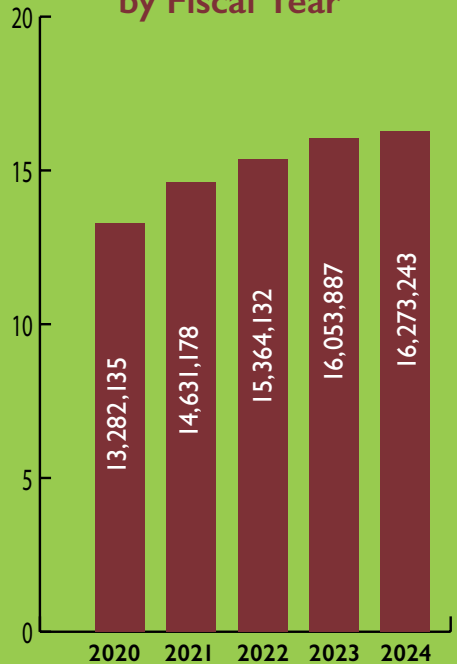
Net Profit (Loss)

by Fiscal Year



Cost of Goods

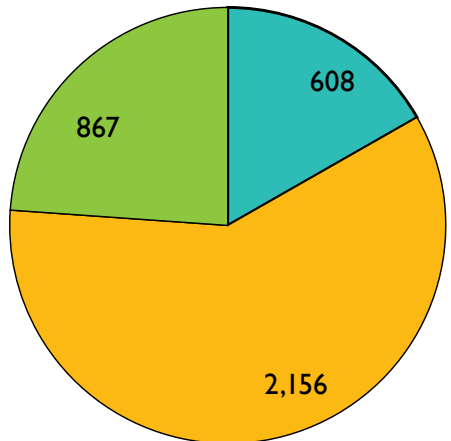
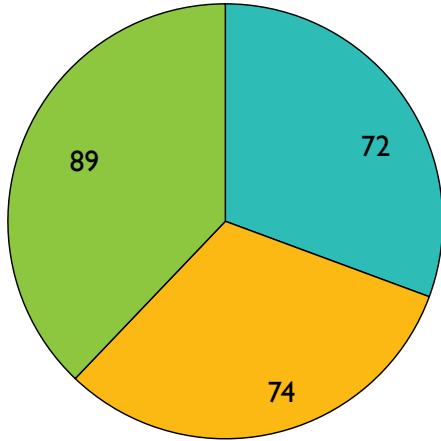
by Fiscal Year



25% OF FY 24 SALES WERE LOCAL PRODUCTS (from Vermont or within 60 miles of the Co-op)

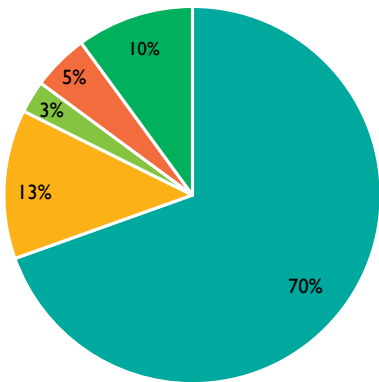
We sold products from 235 LOCAL PRODUCERS in FY 24

We carried 3,631 LOCAL PRODUCTS in FY 24



■ Grown/Raised in VT
 ■ Made in VT
 ■ Local 60 (60-mile radius of BFC)

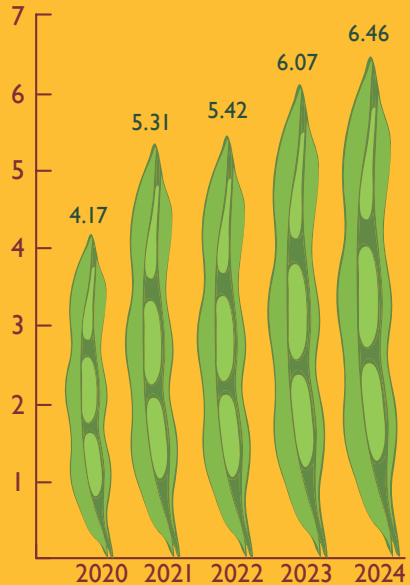
Gross Profit Distribution



■ Personnel
■ Occupancy/Depreciation
■ Debt/Taxes
■ Community
■ Day-to-Day Ops

5-Year Sales of Local Products

by Fiscal Year, in millions





Thank You for Rounding Up!



Round up
for change.

In FY 24, shareholders contributed \$63,280 to these local organizations through our Round Up for Change Program.



Find out more at  [.coop/roundup](https://www.bfc.coop/roundup)

Thank You for your Commitment to Community!

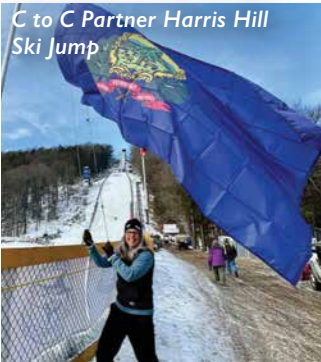
C to C Partner Loaves and Fishes



C to C Partner Loaves and Fishes



C to C Partner Harris Hill
Ski Jump



C to C Partner Halifax Community Club Café



Working shareholders can earn a 5% discount by volunteering at one of our Community Partner Organizations or by working in the store.

In FY 24, we had a **46% increase** in Commitment to Community hours worked!

4,402
total Shareholder
hours worked

1,968
Commitment to
Community hours

Visit brattleborofoodcoop.coop/community/commitment-to-community-2/ for more information and a list of our Community Partner Organizations.



Treasurer's Report

Aneka Kindler,
Treasurer of the Board

This past Fiscal Year (July 2023-June 2024) was once again a year of transition for our beloved Co-op. In the fall, Lee Bradford departed as General Manager. After a thorough search process, we welcomed Anthony Santorelli, previously the Co-op's CFO, as our new GM, at the end of January. In the interim, the intrepid Core Management team stepped up, divided the GM's duties, and did a fantastic job of keeping the store on course. During the past year, the Co-op completed the first full year of our catering business, an exciting new area of opportunity and revenue growth for us. We also made the difficult decision to phase out our long-standing elder discount, focusing instead on our needs-based discounts.

In terms of our finances, the news turned out a bit mixed. On the upside, FY 24 saw an increase in sales to \$26,298,407, +5.5% from FY 23. However, this amount fell just about \$80K short of what we had projected in our annual business plan and didn't leave much wiggle room at the bottom line. With smart purchasing, we were also able to keep the Cost of Goods steady, up just 1.4% from FY 23—no small feat considering today's inflationary pressures! The highly anticipated catering business generated \$450,000 in sales, ahead of our annual projection of \$160,000. Great news and a strong foundation for us moving forward.

On the downside, we faced some unusually large costs, some foreseeable, others not. In addition to the staff-wide wage increases implemented in FY 24, our personnel costs exceeded our plan by \$300,000, primarily as a result of increased health insurance claims. The Co-op is self-insured, meaning that we pay our actual claims, rather than higher amounts charged by commercial insurance providers. While over time self-insuring results in cost savings for us, variability in claims from year to year means costs in a given year may be higher or lower than our

budget projections, which wound up costing us more in FY 24.

We have also had to address a number of overdue building-related issues. In prior years, scheduled maintenance and capital improvements were sometimes deferred to stay on budget. In our 13th year in our "new" location, attending to the wear and tear on our building, HVAC, and refrigeration systems could no longer responsibly be postponed. Investments in repairing and replacing essential equipment was a hit to our bottom line this year, but will certainly benefit the Co-op going forward.

As of this writing, our year-end results aren't yet finalized, but we're projecting a net profit for FY 24 of about \$8,000. Not one of our best years, but with the investments we are making, we're optimistic that we'll be seeing improved profits by FY 26. Looking ahead, our finance-savvy GM is implementing a plan to keep us on track. We have applied for grant funding to help support a refrigeration system overhaul and are stepping up store-wide preventative maintenance programs. The plan also involves taking advantage of our new Point of Sale system to increase efficiencies.

As we celebrate the Co-op's impact, something we can all be proud of is our commitment to our shareholders and the community in FY 24. As an organization, the BFC returned over \$435,000 to our shoppers in the form of shareholder and other discounts, plus another \$31,000 via donations, sponsorships, and food support to the community. And let's not forget the close to 7,000 meals we prepared and distributed to those in need over the holiday season. We salute the support and generosity of our shareholders and shoppers, who collectively donated over \$63,000 to our community and community partners through our Round Up program.

Financials at a Glance

BALANCE SHEET

ASSETS	FY 2024	FY 2023
Current Assets	\$2,364,988	\$2,652,346
Property & Equipment <i>(net of depreciation)</i>	\$6,284,475	\$6,403,028
Other Assets	\$840,864	\$872,587
Total Assets	\$9,490,328	\$9,927,962
LIABILITIES	FY 2024	FY 2023
Current Liabilities	\$1,832,616	\$1,967,751
Long-Term Liabilities	\$3,840,635	\$4,157,978
Total Liabilities	\$5,673,251	\$6,125,729
Shareholder Equity	\$3,817,077	\$3,802,233
Total Liabilities & Equity	\$9,490,328	\$9,927,962

Note: FY 24 numbers shown on this report reflect preliminary, internally produced numbers and expense classifications, which are currently being reviewed by our external CPA and are subject to adjustments and deferred tax items that may be made as a result of that review. FY 23 numbers reflect adjustments made after final CPA review.

Statement of Shareholders' Equity

	Common Stock	Paid-in Capital	Retained Patronage	Retained Earnings	Total
Balance at June 26, 2023	\$815,987	\$11,250	\$1,027,367	\$1,947,629	\$3,802,233
New Shares Issued	7,166				7,166
Donated Capital		(500)			(500)
Net Income/(Loss)				8,178	8,178
Balance at March 24, 2024	\$823,152	\$10,750	\$1,027,367	\$1,955,807	\$3,817,077



Education Outreach

Lisa Nichols, Education Outreach, Demos, and Events

Brattleboro Food Co-op has the best customers. This is the consensus of vendors who have visited the store to do tastings, cooking class participants, and employees. Thank you to everyone who has engaged in our Co-op community by trying a sample, taking a cooking class, and serving as a volunteer.

This year has been particularly successful for our educational and outreach initiatives. We have ramped up our mobile cooking classes, making regular visits to schools and services organizations. Our popular Cheese Madness event has continued to be a favorite, and we've introduced new tasting events such as the Hot Sauce Showdown, where customers can taste and vote on their favorites. A notable highlight was the "How to Toss Pizza Dough" class led by Paddy from our Deli, which was well-received by participants.

Thanks to the support of our shoppers, the Board, and General Manager Anthony Santorelli, the Brattleboro Food Co-op has brought educational experiences to many people over the past year:

- 1,427 plates: folks of all ages (mostly kids) who experienced a mobile cooking class

- 346 conversations: folks of all ages who met us at a fair or festival
- 334 plates: members of our community who attended cooking classes at Brattleboro Food Co-op
- 173 tastings: total number of product demonstrations offered in the store at Brattleboro Food Co-op



BFC's Outreach Programs

Brattleboro Food Co-op offers free outreach to local schools and other service organizations. Younger children have the opportunity to create art using food, which gives them the chance to try new flavors in a low-pressure, fun, and creative environment. Older children and adults are given the opportunity to each become a chef, measuring, mixing, and tasting their creations until they get the seasonings just right. Cooking is a mindfulness and sensory activity, and our goal is for every participant to succeed, have fun, and create something they enjoy. In addition to developing cooking skills, participants of all ages learn about co-ops, nature, emotional regulation, health, and sustainability topics through age-appropriate conversations and songs.

Notes from the Field:

“Lisa’s programs have become an integral part of our educational program over the last two years and the kids and staff alike look forward to her visits.”

-Farm-to-School Educator Sarah Rosow, Guilford Central School


“We had a great time last week at the Co-op. Thank you again for doing such a great job engaging the kids.”

-Eighth-Grade English Teacher Ellen Rago, Dummerston School

“Thank you! That was so fun, plus an amazing way for them to work on teamwork and collaborative skills. It’s only our 3rd day of class so I feel like I saw them interacting much more than before, and very positively!”

-Science Teacher Clare Knowlton, Northfield Mount Hermon School

“We love having you come, you are organized and engaging, the kids and adults love it!”

-Second-Grade Teacher Liz Casarella, The Academy School 



Sustainability

*Sarah Brennan, Board Admin/
Sustainability Coordinator*

Inspired by Ends Policy #4, which calls for us to be an enterprise that engages in sustainable and regenerative environmental practices, we created the first-ever Sustainability Coordinator position at the start of FY 24.

We’ve been focused on reducing our greenhouse gas emissions and living up to the mantra “reduce—reuse—recycle.”

Our primary source of emissions is leaks in our aging refrigeration system. To that end, we have applied for funding from the USDA’s Rural Energy Assistance Program (REAP) to overhaul our system (stay tuned!).

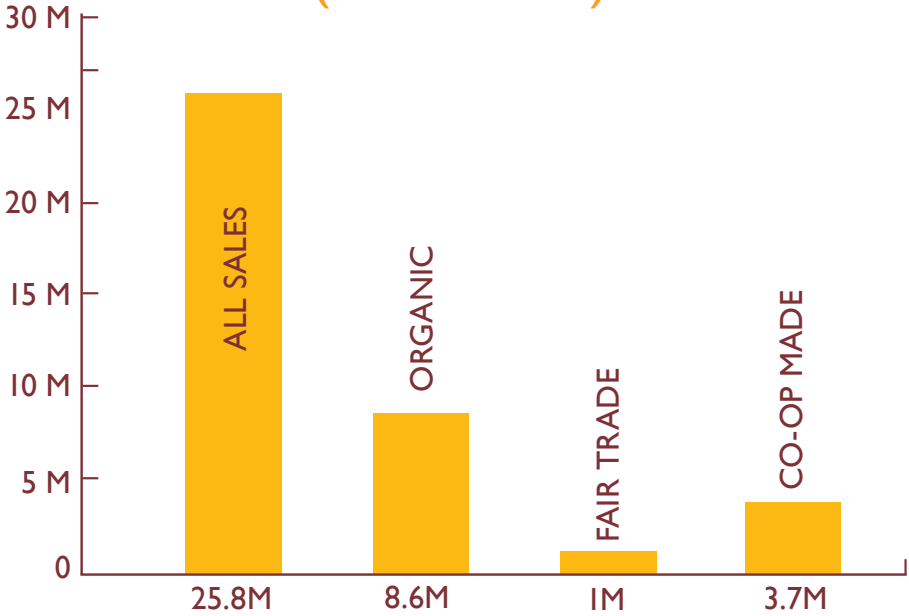
Our Deli team has identified numerous ways to reduce their use of plastic bags and cling wrap, and we’ve been phasing out plastic bags throughout the store, replacing them with compostable alternatives.

We are back to offering reusable plates and cutlery in the Deli—a practice we had discontinued during the pandemic.

We donated 5,864 pounds of unsellable food to local pantries and food shelves.

We launched a staff Green Team in March. The team is charged with identifying opportunities, launching new programs, and engaging staff and shareholders to make a positive difference. Green Team members serve as knowledgeable ambassadors who are aware of where we want to go and where we are now, and champion efforts on the floor and throughout our operations. Their energy and enthusiasm propel us forward! 

Organic, Fair Trade, and Co-op Made (Includes Deli)

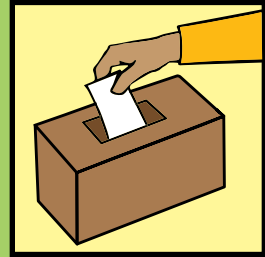


Organic, Fair Trade, and Co-op Made			
	ORGANIC	FAIR TRADE	CO-OP MADE
# of products	5,780	1,074	1,123
# of producers	793	123	18
% of all products	24.36%	4.53%	4.73%
% of all sales	33.16%	3.94%	4.73%
sales	\$8,557,035	\$1,017,324	\$3,676,437
Note: a product can be one or more of these, and may also be local.			

VOTING

for the Brattleboro Food Co-op
BOARD OF DIRECTORS
starts on Saturday, September 21 and
runs until Saturday, October 5.

Visit our website, click on the voting email we send, or vote in store.



Scan this QR code, or go to bfc.coop/elections/ for more information about Board candidates, proposed bylaw changes, and how to vote.

Annual Meeting

Saturday, September 21st, 10am–2pm
at Retreat Farm, 45 Farmhouse Square, Brattleboro.

Free activities for kids 4-12

Business Meeting at 10:30am

Lunch at 12:30pm

Meet our Commitment to
Community partners, and learn
how you can get involved!



**3 ways to
RSVP:**

Scan this QR Code,
go to [bfc.coop/
annual-meeting/](http://bfc.coop/annual-meeting/), or
call 802-246-2821.

**VOTE for the Board of Directors and
Bylaws from September 21 through
October 5, in store or online.**

