

HIGH FALLS FOOD CO-OP



VISIONING | SHARING VALUES | STRENGTHENING | COLLABORATING

ANNUAL REPORT FOR 2023



VISIONING

WHEN I THINK of the co-op, I envision a tree. At nearly 48 years old, this co-op has deep roots, planted by a community that desired wholesome foods at affordable prices. Over the years, while vendors, product mix, and costs have changed, our original mission to provide healthy food for the community has not changed. The world has changed and our cooperative values are more important than ever.

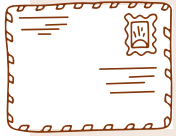
Nationally, we are seeing a surge of urban food co-ops starting up in order to fill the need in food deserts and LILA (low-income, low-access) areas. All around our area we have seen an abundance of food purveyors spring up in the last several years. There are now more small boutique markets, local shops, farm CSA's (community supported agriculture), and farmers market offerings than ever. As a result, the co-op is undergoing the important process of taking stock of who we are in this modern age. We have spent the last year listening to member-owners and embarking on a visioning project. As noted in the Board Presidents' report, this process was kicked off at the board level. Later in the year, I met with the management team to do a similar brainstorming exercise. How do we see the co-op in 2034, and, more importantly, for what purpose do we exist? We came up with a great list out of which our vision emerged. We met with all staff to get feedback, which is incorporated into the vision.

We are eager to share this vision with member-owners, incorporate your feedback as well, and then set our sights on bringing this vision to fruition! ~Lucy



SHARING VALUES

IN EARLY MAY of 2023 board members Aditi Goswami, Rose Anderson, Jerrie Gullick, Ginny Redgate, Jan Melchior, Amie Worley, Zack Brown, Donna Perry, General Manager Lucy Georgeff, and Columinate Consultant Molly Snell-Larch gathered at Aditi's home to put our collective attention to the future of our beloved HFFC. We spent the morning on a visioning exercise, where we each wrote a "postcard" from a future HFFC—a blast from our hoped-



for future. We wrote down many aspirations that may resonate for members—wider aisles! A seating area! An abundant deli/cafe! Huge product selection! Community classes!

Growing sales! And all of these things pointed to a reality we've known for some time but was made particularly stark in this exercise—such visions of our co-op depend on our stretching beyond the current small space, leading us to the current expansion conversation.

We spent the afternoon doing a S.W.O.T. (Strengths, Weaknesses, Opportunities, Threats) analysis of the co-op. Some of the strengths identified included our passionate and skilled GM, a committed Board, members who really value HFFC as a part of the community, and HFFC's unique position as a values-driven business. Some of the weaknesses identified included product inconsistency, limited prepared food options stemming from a lack of sufficient food prep areas, and declining sales. (A note that these weaknesses have been a focus of the GM's in recent months and we've seen some progress due to these efforts.)



In examining opportunities, we reflected on the incredible farmers and producers in our area, and the vibrant community in which we are located, which may make new partnerships possible. Our discussion of threats touched on the fact that there are now many places where the community can find local and/or organic food, presenting a different reality and market than when the co-op was first founded. We agreed that the co-op needs to find a new way to stand out, and to ensure that we are communicating our unique story to our community. Taking stock of the day's discussions and reflections, the Board left the retreat clear that expansion—and the first, vital step of exploring the feasibility of an expansion—should be the Board and GM's focus going forward.

To begin that effort, Lucy started working on a vision project—what we all, members, board, and staff want the co-op to look like in ten years. To move the expansion/relocation discussion forward, we identified and completed a grant application for the next steps of a market study and pro-forma financial study. In order to complete that grant we had to identify both the market study consultant and the proforma consultant that we want to work with. It also required incorporating the vision project.



In order to continue our work of reaching out to members, we established a Member Engagement calendar. The Calendar included attending a number of farmer's markets in Rosendale, board tabling at the Rosendale street fest, and more board tabling in September & October. We sent letters to prior members asking them to sign up again. Jan Melchior organized a film series for January & February 2024, where both members and non-members got a chance to speak with local farmers and vegan activists.



All in all, 2023 marked a significant period of attentive listening and responding to our members' needs, aligning with both their immediate grocery requirements and their broader principles for healthy eating. Our efforts included extensive initiatives to engage with members and operationalize their needs, notably the conducting of a comprehensive Shopping Survey and direct 1:1 interactions with members through tables set up at our store and various Co-op events. These engagements, coupled with feedback received via email and other channels, provided invaluable insights into the preferences and priorities of our diverse membership base.

Through these interactions, we gained profound insights into today's desires of our members, including a strong demand for locally-sourced foods and at the same time products that are healthy, organic, and cultivated using sustainable practices. We recognized more about what it means to cater to the needs of lower-income members and ensure affordability without compromising on quality.

Our learning continues today. Importantly, we reaffirmed the cherished sense of community that our members value, highlighting the Co-op as not just a grocery store, but a collective endeavor where shared values are celebrated. These insights have been integral in shaping 2023 and our current Vision Project. For 2024, we remain committed to evolving along with the needs of our members, ensuring that the Food Co-op remains a vital resource for our community.



Thank you for your continued support and collaboration.

**JERRIE GULLICK & GINNY REDGATE,
CO-OP BOARD CO-PRESIDENTS**

COLLABORATING

The Member Engagement Committee has been busy this year, creating more opportunities to engage with our members and shoppers in the community. One of the most significant projects the committee undertook, in cooperation with the board of directors, was to work with experts from the University of Wisconsin to conduct and interpret a customer satisfaction survey of our members and shoppers. We learned many things from this survey, and one message that came through loud and clear, was how important local products are to you. As a result, we increased the number of local growers and producers we buy from and put in a system to track our local product selections.

Another thing Member Engagement worked on this year was creating more opportunities for community engagement between board members, staff, and co-op members. Sometimes, in our tiny little store, it's hard to do much more than shop. We all express a desire for community, but there is not much space to have it in. In the warmer months, the parking lot can be a lively social space, but Member Engagement decided we wanted more opportunities. In 2023 we

created a calendar of ideas and dates. We worked with Luke Sarrantonio to develop an educational class about fungi, held at the Kiva behind Mama in Stone Ridge. Our Annual Meeting at the D&H Canal Museum was warm and lovely. We had a table at the Rosendale Street Festival, and at several of the Rosendale Farmers Markets, we hosted a Wellness Fair, and a Meet the Farmers event. We held several summer cookouts, a lively Member Appreciation Day, and a very well-attended Kimchi-making class with Madelyn Warren and Maria Reidelbach at the Marbletown Community Center. Finally, we had a tastings evening in November and an Open House around the December Holidays.

We also began work on a food justice film series in collaboration with a number of local non-profits—the Rosendale Theatre and the Holistic Health Community co-produced, and Woodstock Farm Sanctuary, Institute for Animal Happiness, and People's Place as well as a number of our local farmers agreed to participate. As a additional means for our members to engage with us, both movies were followed by panel discussions where audience members could ask questions.

JAN MELCHIOR, MEMBER ENGAGEMENT



What else happened in 2023?



We sold over 3,561 pounds of sweet potatoes



We received three generous donations into the solidarity fund from member-owners



We sold 3,845 breakfast sandwiches



We sold nearly \$46,000 of products from suppliers whose businesses are cooperatives



We carried 334 different bulk food items

STRENGTHENING

AFTER A COUPLE years of rebuilding*, 2023 was our year for strengthening. We focused on staffwide training & professional development, systems refinement, shopper & member-owner communication, as well as workplace communication & culture change. And we also started to look up from our internal work, and out—the visioning which started at the board retreat and which we did with the management team and staff also. Thank you to everyone who participated in the shopper survey last spring. Some of the changes we have made in response:

- improving quality control for all our products and especially produce
- increasing our local purchasing
- trying new recipes with a focus on vegan & vegetarian in our prepared food section
- re-opening the bulk room
- cleaning up aisles to relieve congestion and improve the flow of shopping.

We shared this work and our responses to the survey in our monthly newsletters throughout the year, which are archived on our website at highfallsfoodcoop.com/monthly-newsletter

In 2023, we collaborated with other community organizations. A few highlights were co-sponsoring a kimchi-making workshop with farmer Maddalyn Warren, tabling at the Rosendale Street Festival and Farmers Markets, hosting a “wellness fair” with the Holistic Health Community practitioners and some of our local medicinal crafters, hosting a talk on medicinal mushrooms by Luke Sarrantonio, and having sampling by local vendors throughout the year. We’re excited for future collaborations and community fun!

LUCY GEORGEFF, CO-OP GENERAL MANAGER

** In 2021-2022, as the pandemic waxed and waned, we invested in a lot of capital upgrades: septic system, parking lot, new compressors & evaporators for our coolers and freezers, walk-in storage cooler and bathroom renovations. We also rebuilt staffing & programs: ramping up the kitchen, resetting areas of store layout, management restructuring, bylaws & membership restructuring.*



What else happened in 2023?



We purchased over \$422,000 from local and regional farmers and producers (local is defined as within 50 miles of High Falls Food Co-op, regional within 100)



We raised \$6,000 for local non-profit organizations in our Roundup program.



We funded 10 member-ownership shares out of our solidarity fund

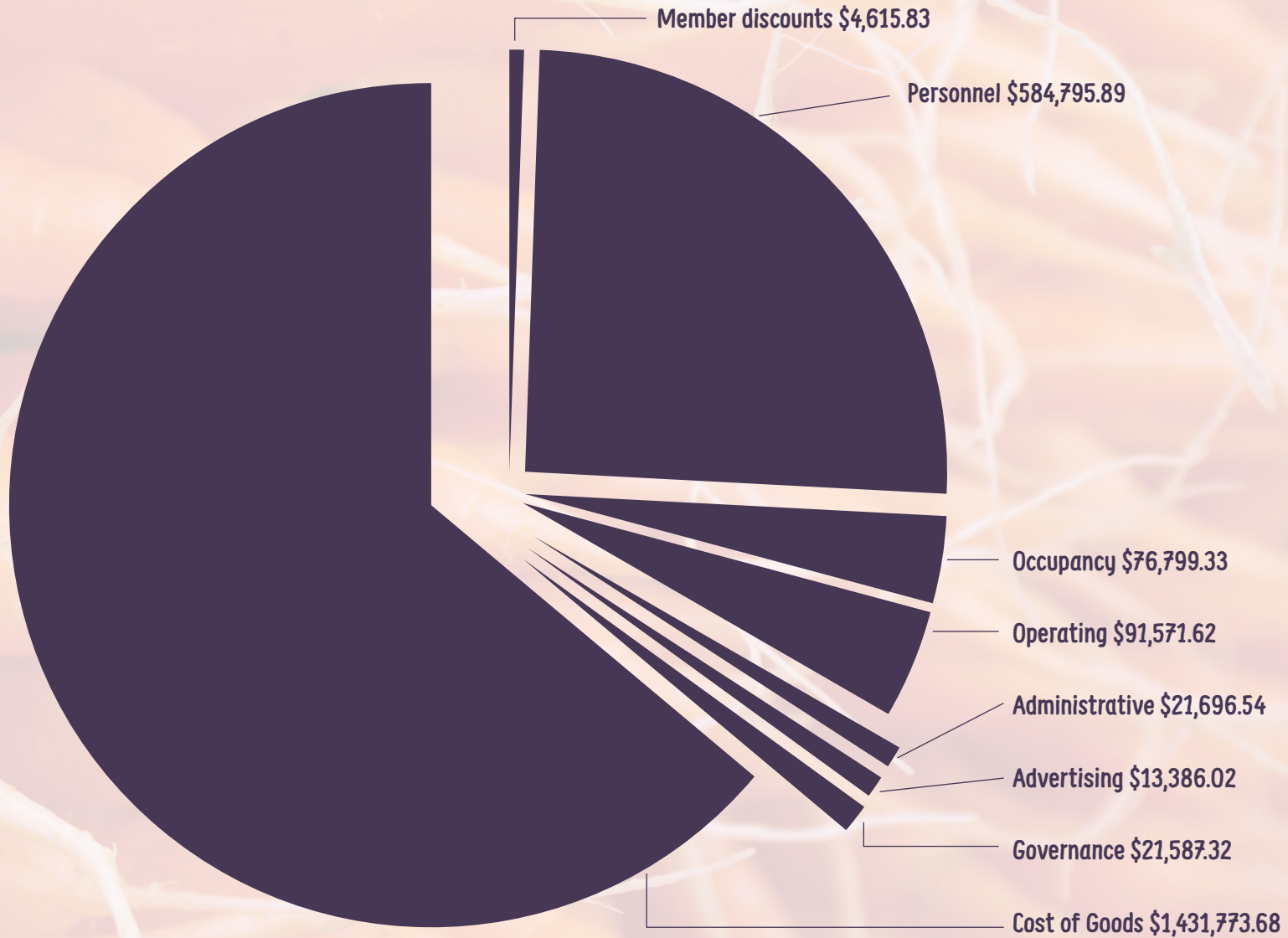


We sold 3,751 bunches of kale

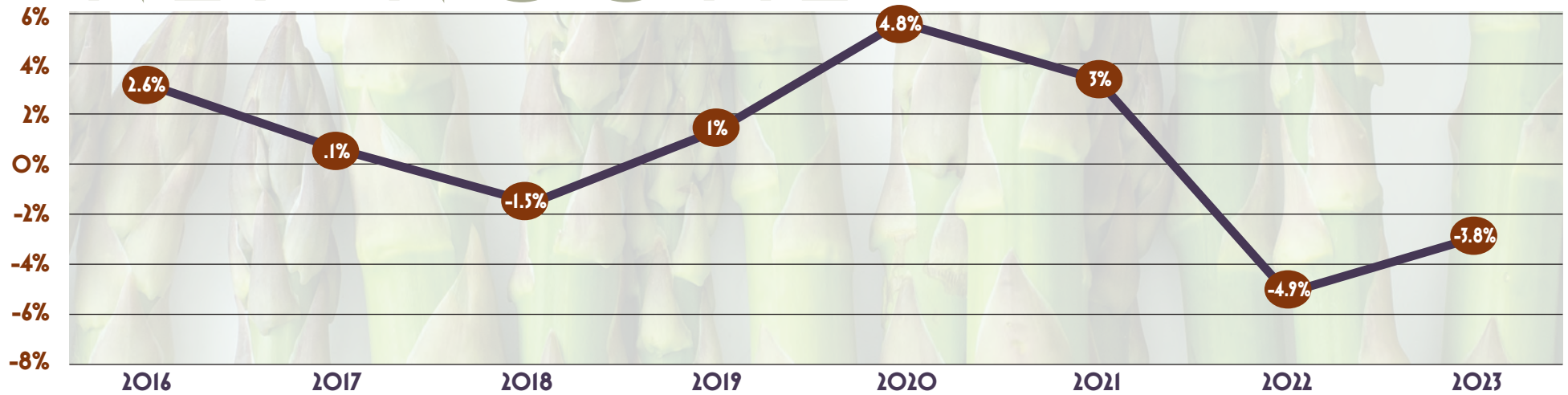


We paid out nearly \$800 in Food For All discounts

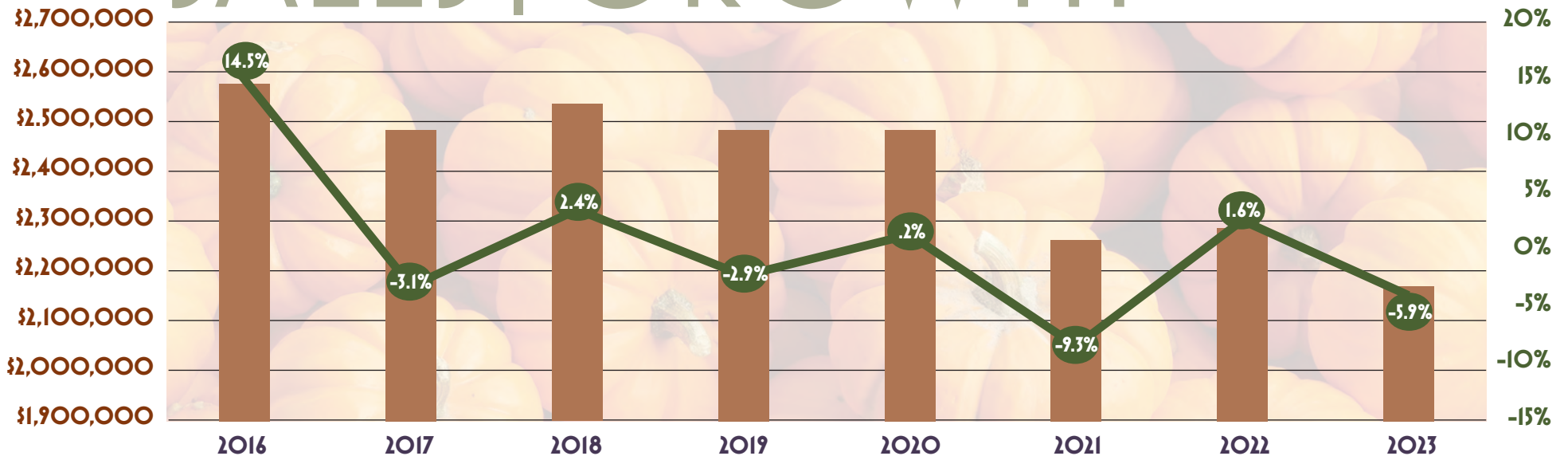
EXPENSES 2023



NET INCOME 2016-2023



SALES | GROWTH 2016-2023



OUR ENDS POLICY

High Falls Food Co-op will center, participate in, and uplift local movements for food sovereignty and justice. To this end, the Co-op will be:

A source of local, conscientiously-sourced, affordable, nourishing food

A community of engaged and educated member-owners who embody the Cooperative Principles

An equitable, safe and sustainable work environment for employees

Accessible and welcoming to those who interact with the Co-op

A contributor to a thriving local economy

In active conversation with the community about the Co-op's role in serving community needs

Warmest thanks to the members of the 2023 co-op board.

Rose Anderson, Zack Brown, Jerrie Gullick, Aditi Goswami,
Jan Melchior, Ginny Redgate and Amie Worley