

2019 ANNUAL
2020 REPORT



A MEMORABLE YEAR

Friendly City Food Co-op exists so that the Shenandoah Valley has: a vibrant, local economy; fair and friendly relationships; healthy, informed consumers and producers; and a healthy environment.

A milestone year for the Co-op: we reached our goal for owner loans, and were able to start our expansion. Arguably the most exciting thing to happen this year, it was somewhat overshadowed in early 2020. February brought the coronavirus, along with its many challenges, seemingly overnight. And yet we found our local community coming together, even with more distance between us.



HELP US BE SAFE!

Wash Your Hands Before Shopping

Wear a Mask While in The Store

Consider Using Curbside Pickup

Practice Social Distancing

HELP US GROW!

CURBSIDE PICKUP MEALS TO GO

SALADS
Chef Salad with Ranch Dressing
Greek Salad with house-made dressing
Kale Chickpea Salad with house-made Tahini Dressing (Vegan)

SOUPS
The soup offerings change throughout the week. Each day there will be a meat option, as well as a vegetarian option.

COLD MEALS
Thai Noodles with Tofu
Thai Noodles with Chicken
Mediterranean Meze Bowls

READY-TO-HEAT MEALS
Layered Chicken Enchiladas
Spaghetti and Meatballs
Spinach and Mushroom Lasagna
Southwest Chicken Bowl
Southwest Chicken Breast
Mac and Cheese
Seared Salmon on Orzo "Risotto"

THANK YOU FOR SOCIAL DISTANCING!

friendlycity.coop everyone welcome

GRACIAS POR EL DISTANCIAMIENTO SOCIAL



September 30, 2020

Dear Friendly Citizens,

Has it only been a year since our last annual report? Feels like a lot more!

The first half of the year (July-December) was focused on expansion planning and finalizing funding sources for the project, all while growing sales at a higher rate than most recent years. Thanks to good "word of mouth" promotion by our owners and shoppers – and a couple of crazy weeks in mid-March – sales in 2019-20 grew by 8% over the previous year. The last few months were challenging for many reasons: closing on a \$1 million+ loan from our large *commercial* lender, the COVID-19 pandemic, which turned our whole world upside down, and the launch of our expansion project in June. Some exciting and positive events, with one that we all could have done without.

Demolition in the space between our current store and the new Gamer Oasis began for real in June, and by month's end it was completely cleared out and ready to start building our future vision of a bigger/better co-op to more fully serve our whole community. More of all that you love about Friendly City, still in a small, convenient, shopper-friendly storefront. The whole store is flipping on the diagonal with aisles running North-South vs. their East-West configuration now. New windows on the south side will brighten our days with more daylight. And yes, the pandemic means that we are adjusting our plans to keep everyone safe and healthy. Full-service food bars and coffee. More gravity bins in bulk foods and less scoop bins. And, of course, more elbow room for safe social distancing!

There is a lot of uncertainty these days, and we believe that now is the right time for us to grow. By this time next year, we will be fully operational in the new, larger store and settling in for a long and successful future. Looking forward to seeing you all at the Grand Re-opening!

In Cooperation,

A handwritten signature in black ink, appearing to read "Steve Cooke".

Steve Cooke
General Manager

FRIENDLY CITY FOOD CO-OP
GOOD FOOD

It all started with a desire to make fresh, local and organic food available to all in our community. **We saw the importance of sourcing locally from farmers and producers.** It's been nine years and we now have a full-scale grocery store, and so much more!

Our salad bar, with all organic ingredients, and our hot bar, with different offerings each day, are immensely popular with our shoppers. Due to the coronavirus and safety concerns, the salad bar and the hot bar were closed down in March.

We are looking to the future and our newly expanded space to best bring back a safer full-service offering for our customers.



7.78
TONS OF
HOT BAR SOLD

125+
NO. OF LOCAL
VENDORS



FARMER SPOTLIGHT

Season's Bounty Farm
Harrisonburg, VA

Radell has a passion for tomatoes and this year he is growing 17 different varieties. Throughout the season, you will find all the varieties sold here. Colorful tomatoes are what he enjoys growing more than anything else. Try out a new tomato variety today!



CURBSIDE PICKUP
MEALS TO GO

In response to the coronavirus, we realized the need for an online ordering application and curbside pickup in order to help our customers feel safe. It has been a great success and we're working on a plan to increase its capabilities and make it easy to use for all.



GOOD COMMUNITY

More than a grocery store, **the co-op strives to give back to the community**

through education and outreach, as well as through sponsorships and donations.

We support schools, non-profits and local businesses that are working to improve our daily lives.

The co-op offers field trips and in-store tours for schools, Girl Scout troops, summer camps, and other groups.

\$7,413

GIVEN BACK IN DONATIONS & SPONSORSHIPS



36

NO. EDUCATION AND OUTREACH EVENTS



The **SNAP Match** program was modified due to the pandemic.

Restrictions were eased so shoppers could purchase frozen fruits and vegetables, as well as fresh produce

using their SNAP Match.

\$9,192

MATCHED IN SNAP MATCH PROGRAM

GOOD PLANET



98%
**OF OUR FOOD
COMPOST
GOES TO
LOCAL FARMS**

DID YOU KNOW?

- We've switched to compostable packaging and containers for use in our deli.
- Non-food compostable items generated by our operation are now taken to Black Bear Compost.
- 98% of the food compost generated in our deli and produce departments is donated to local farms. The remainder is composted commercially.
- We carry a large array of bulk foods and encourage customers to bring in reusable containers to fill. Once the expansion is complete, our plan is to provide even more products in bulk – such as shampoos, soaps and detergent.
- For the expansion, we are spending wisely on green elements in construction, which have a high potential for reducing energy costs going forward.

WE BELIEVE IN:
LOCAL FOOD
NON-GMO FOODS
ORGANIC
FAIR TRADE
WELLNESS
ECO-FRIENDLY
SUSTAINABILITY

37
**NEW ITEMS
IN BULK
THIS YEAR**



del producto en el amarre

1) Tear off bag 2) Write bin # on twist tie 3) Fill bag

EVERYONE WELCOME



When we say everyone is welcome at the co-op, we mean everyone – regardless of race, nationality, religion, gender, sexual identity, sexual orientation, or military status. Everyone. **We believe a diverse community is a richer community.**

Although you don't have to be an owner to shop at the co-op, there are many benefits to joining.

The more owners we have, the stronger our co-op becomes.

978
NO. OF OWNERS
WHO RECEIVED
PATRONAGE
DIVIDEND

87.5%
OF OUR TEAM
EARNS AT
OR ABOVE
LIVING WAGE



Our team is invaluable. They have gone above and beyond in every way during this pandemic and words cannot express our gratitude. One of the ways we show our appreciation is to pay everyone a living wage. We offer a wide range of benefits and are always looking for fun-loving, passionate, hard working team members.



FRIENDLY CITY FOOD CO-OP

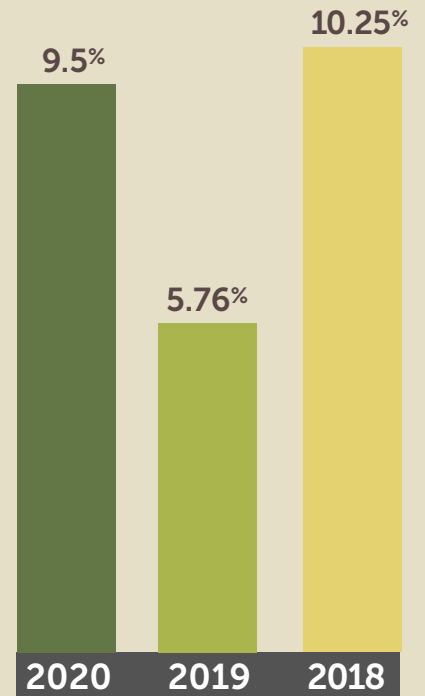
FINANCIALS

9.5%
INCREASE IN
SALES THIS YEAR

INCOME STATEMENT

	FY 2020*	FY 2019	FY 2018
Sales	\$5,394,461	\$4,926,744	\$4,650,030
Cost of Goods Sold	\$3,562,710	\$3,256,274	\$3,079,114
Gross Profit	\$1,825,958	\$1,663,647	\$1,565,274
Operating Expense	\$1,797,739	\$1,622,313	\$1,487,008
Other Income/Expense	\$ 37,796	\$ 36,520	\$ 33,495
NET INCOME	\$ 59,015	\$ 77,854	\$ 111,761

% OF SALES INCREASE PER FISCAL YEAR



52%
OF 2020 SALES
TO OWNERS

BALANCE SHEET

ASSETS	FY 2020*	FY 2019	FY 2018
Current Assets	\$1,136,973	\$851,124	\$396,364
Fixed Assets	\$ 474,889	\$406,602	\$434,544
Other	\$ 114,388	\$107,079	\$114,757
TOTAL ASSETS	\$1,726,250	\$1,364,805	\$945,665

LIABILITIES

Current Liabilities	\$ 467,413	\$510,445	\$398,671
Long Term Liabilities	\$ 882,753	\$568,002	\$374,591
TOTAL LIABILITIES	\$1,357,923	\$1,078,447	\$773,262

OWNERS' EQUITY

Member Equity	\$453,674	\$424,824	\$381,349
Retained Patronage	\$138,928	\$114,979	\$ 85,481
Accumulated Deficit	\$(224,275)	\$(253,445)	\$(294,427)
Total Owners' Equity	\$368,327	\$286,358	\$172,403
TOTAL EQUITY & LIABILITIES	\$1,726,250	\$1,364,805	\$945,665

BOARD OF DIRECTORS

Lindsay Martin, President
 Julie Jenkins, Vice President
 John Paul Ashenfelter, Treasurer
 Angelo Arcchi
 Allie Jensen
 Kelly Hilliard
 Noel Levan
 Liz Swank
 Jennifer Walsh

*Reviewed by Independent Auditor