



# Durham CoopMarket

Everyone Welcome

• ANNUAL REPORT •

**AUTUMN**  
2018

# FROM THE **BOARD** OF **DIRECTORS**

Fellow DCM Owners,

2018 has been another fantastic year of growth and learning for the co-op. We are thrilled with our growth in sales, membership, and the operational improvements and investments that lay the groundwork for years of growth ahead.

It goes without saying that owners, both consumers and workers, are the backbone of DCM. We are incredibly grateful for our owners, without whom we would not exist. Your continued loyalty and patronage propel our business forward and create the kinds of opportunities that allow us to fulfill our shared goals of a stronger, more inclusive community nourished by good food, a healthy local economy, and sustainable environmental practices. We were excited to welcome 558 new owners over the past year, an impressive growth rate of +14.4%. Though our sales

growth is strong, store profitability is a work in progress. We hope to be able to report improvements on this metric next year.

Earlier in the year, the board identified several areas of prioritization to improve board capabilities, owner relations, and connectivity within our community. We've worked diligently to create opportunities for directors to attend trainings, conferences, and store events to engage with and hear from other owners. For the first time ever, we're conducting annual elections for new directors using an online system (in addition to the usual in-store voting). We've focused more on proactively reaching out to our neighbors and community so that we may begin to learn about the issues that are most important to them. When the opportunity arose this year, we took advantage of an interest rate reduction on our equipment-based loan to increase its size and extend its maturity. We know we've got a lot more to do, but 2018 marks a good start to becoming a board that, similar to store management, focuses our priorities and activities on the Ends in forward-looking, growth-oriented ways.

It seems like every year we call out the increasingly competitive grocery industry as a subtle reminder to our owners and customers that the success of our co-op depends on growing our ownership base and our business with each of you. But, after our third full year in operation it also makes sense to emphasize how unique and differentiated our store is. Our \$3 Thursday dinners are just one example of how we put our shared values into action. We have also been making continuous operational improvements, investing in our staff, investing in a remodel that enhances store shop-ability, and strengthening board governance and capabilities. Heading into our fourth year, DCM is positioned better than ever to deliver on the promises we've made to our neighbors and community.

Grateful for your continued ownership and support,

The DCM Board of Directors

*The DCM Board of Directors*

# ENDS POLICY

The Durham Co-op Market Board of Directors establishes the goals and values of the organization in a statement called our Ends Policy. This policy is then passed to the General Manager and the staff to operationalize.

Our Ends Policy, written and adopted by the Board of Directors, reflects the intended results of the Co-op's efforts. Our Ends policy provides the framework through which our co-op will prioritize its efforts, evaluate its impact, and measure its successes.

This Policy was adopted in July 2017.



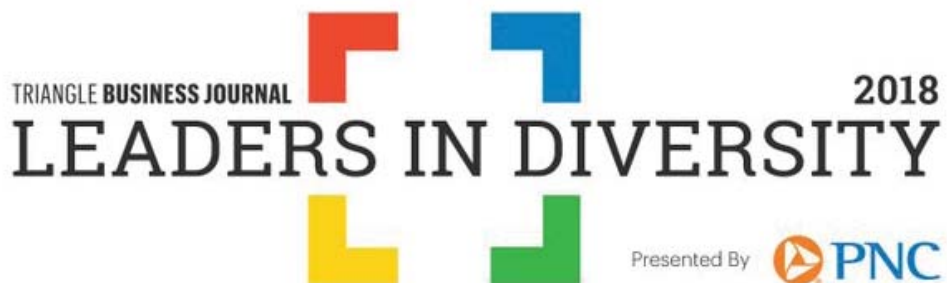
## The Durham Co-op Market will:

- **Create an open, inclusive, and diverse store that welcomes our community.**
- **Make high-quality, nourishing food affordable and accessible.**
- **Support the local economy and local food systems.**
- **Model environmental sustainability in our practices and products.**
- **Foster a healthy workplace based on dignity, opportunity, and fair compensation.**



# THE CO-OP IS 4 EVERYONE!

## END #1: THE DURHAM CO-OP MARKET WILL CREATE AN OPEN, INCLUSIVE, AND DIVERSE STORE THAT WELCOMES OUR COMMUNITY



### Equity Commitment

At our store, we focus on making Durham Co-op an equitable place for people to shop and to work. We recognize that we live in a society where race, gender, gender identity, sexual orientation, socio-economic background or other personal characteristics can impact a person's access to resources, opportunities, or healthy food.

An equitable store would be one in which all customers have equal access to healthy food and all members of staff have equal access to opportunity regardless of

their personal identity characteristics.

An inclusive and equitable culture demonstrates behaviors that value and respect individuals and groups with different backgrounds, as well as recognizing the specific challenges and circumstances experienced by different groups.

We also realize that natural food stores have not always been welcoming and accessible places for every member of our community. At DCM, we realize that overcoming this history will often require intentionally inviting and welcoming people who may have felt excluding in

the past. And we know that we will not be fulfilling our mission until all facets of Durham feel at home here.

A DCM we seek to offer support, training, skills and resources, based on our staff's individual needs. And we value the contributions that each member of staff's back-ground and personal experience can bring to our whole organization.

As part of our pursuit of this goal, our whole top management team, most of our board members, and many members of our staff participated in racial equity training this year.

These trainings increase our shared knowledge about the nature and extent of racial inequity in our community, which allows us to draw on a shared language as we seek to incorporate and equity lens into our decisions and actions as an organization.

### Awards

This year, we received several awards that applauded our commitment to equity, and the work we have done to make our store open and welcoming to a diverse community.

These included the Triangle Business Journal Leaders in Diversity award, which "recognize[s] the accomplishments of Triangle companies as they strive to reflect the rich tapestry of our community."

We were also flattered to be held up among our food-co-op peers by the Consumer Co-operative Management Association and the Food Co-op Initiative. FCI described us as "carving a path others can follow into the future."

We still have so much left to learn and accomplish as we pursue the goal of

contributing to an equitable community, but we are delighted that this work has encouraged other co-ops to adopt similar goals.

## Diversity of Staff

Our staff continues to be one of the most diverse among food co-ops. More than 60% of our staff are people of color, 15% identify as queer, gay or transgender, 15% have primary or native languages other than English.

Because of our commitment to providing viable work opportunities to people for whom English is not their primary language, we have invested in translations of major store documents and in live translators to facilitate communication between team members.

Working with Tilde, a local worker-owned translation service, we have been able to support staff conversations, and regular training and feedback meetings.

By employing staff who primarily speak languages other than English, including Spanish and Arabic, we are able to better reflect our whole community and also incorporate more perspectives into our decision-making and product selection.

We were certified this year as a Fair Chance Business by the Southern Coalition for Social Justice, which identifies companies that use "inclusive hiring practice[s] that selects candidates on their qualifications, rather than reject[ing] them for their past mistakes."

## Store Reset

This year saw the long-incoming reset of the store layout. The ultimate purpose of this reset was to readjust the physical store to better reflect the needs and preferences of our customers.

In November, December, and January we reset the Grocery and Produce Departments to adjust the flow of product and the amount of space given to each section. This allowed us to reevaluate the

items we carry, make additional space for types of items that appealed to customers, and to shrink space for products customers seemed less interested in.

Over the summer, we finished the front of the store, with the more substantial change to the deli, wine, and wellness sections.

This change represents a drive to make the store welcoming and shoppable for everyone who enters.

As a community partner we do as much as we can to provide support, services, and donations to help our community partners, organizations, and charitable groups succeed and affect actual change in our city. Our donations, use of our conference room, hosting of community groups, help us stay connected to our community. This year, we have partnered with or donated to dozens of organizations, including:

NAWIC  
LUEWWD (the League of Upper Extremity Wrestling Women of Durham)  
Immaculata Catholic School  
Racial Equity Institute  
Fresh Food Program  
Durham Community Land Trustees  
Preservation Durham  
Don't Waste Them  
Farmer Foodshare  
Triangle Vegetarian Society  
The Clearing  
Durham Lunch Debt Reform  
Durham Peoples Alliance  
Durham For All  
Habitat for Humanity  
The Carrack  
Carolina Farm Stewards  
WUNC  
Community Empowerment Fund



**Drew Peng (DCM Board President), Beth Hopping (DCM Board Member), and Leila Wolfrum (DCM General Manager) accepting the Consumer Co-operative Management Association Award for Co-operative Innovation**

# GREAT FOOD FOR EVERYONE

## END #2: THE DURHAM CO-OP MARKET WILL MAKE HIGH-QUALITY, NOURISHING FOOD AFFORDABLE AND ACCESSIBLE

**558**

new owners

**4425**

total owners as of June 30

**385**

items on Co-op Basics

**353**

total FFA owners

**13,751**

FFA transactions this year

**\$33,297**

und-Up dollars collected

**W**e are incredibly proud of our community's effort to give more people access to healthy, local, and organic food. Offering Food For All (FFA) ownership to anyone that qualifies for SNAP benefits or other assistance programs helps us fulfill our mission to create an open, inclusive and diverse store that welcomes our community.

By offering full ownership for \$15 and providing a 20% discount on all products all the time we ensure that we are making high-quality, nourishing, and affordable food accessible. FFA is the largest

needs-based discount at any food co-op in the country.

FFA is supported primarily by our Round Up Program where we ask patrons if they'd like to round up the change of their purchases to the nearest dollar.

During the fiscal year ending June 30, 2018, one out of five new consumer members was a FFA owner, and we collected nearly \$33,297 in register Round Up through our collective generosity.



## FRUIT for the PEOPLE



Every summer, the Durham Bulls welcome almost half a million people to share some good-old Americana. Where better than there to show off healthy, seasonal, delicious, joy-filled fruit?

Honestly, our fruit stand was kind of a home run! (Ahem...)





# CO+OP BASICS low prices for everyone every day

**Co-op** Basics was started with the intent to fulfill our mission to make high quality nutritious food affordable and accessible. Co-op Basics ensures that our customers can fill their pantries with excellent, delicious, high-value, low-price necessities at prices they can count on every day.

Co-op Basic items are organic or all-natural, and cover a wide variety of nutritional needs. Staples include organic beans, pasta, milk, breakfast cereal, peanut butter, baby formula, and frozen vegetables.

We understand that groceries often represent a large

portion of our customers' weekly budgets. We want to support customers who are committed to making healthy choices by providing lots of great options that help stretch those grocery dollars as far as possible.

This year we added several dozen "clean conventional" items. These products are made from all natural ingredients, with no artificial colors or flavors and no preservatives. Again, we focused on finding items that met our strict quality standards at budget friendly prices.

## coop™ basics



Organic beans

99¢

16,578

cans sold



Golden Barrel  
Coconut Oil

32 oz

\$7.99

Louisiana  
Hot Sauce  
\$1.29



Woeber's  
Mustard

20 oz

\$1.99

Homeland Creamery  
1 gallon milk



\$4.25 each

3,062

jugs sold

Organic Rolled Oats

\$1.49

2,326

pounds sold



Some outstanding

### Co+op Basics Items

Local Latta's Egg Ranch 18 pk	\$2.99
Golden Barrel Coconut Oil, 32 oz.	\$7.99
Organic Field Day Pasta, 1 lb.	\$1.99
Organic Field Day Beans, 15 oz.	\$.99
Organic Peanut Butter, 1 lb.	\$3.99
Organic Rolled Oats	\$1.49
Field Day 4 pk bath tissue	\$1.99
Free & Clear AP Cleaner	\$3.69

# LOCAL VENDORS

## END #3: THE DURHAM CO-OP MARKET WILL SUPPORT THE LOCAL ECONOMY AND LOCAL FOOD SYSTEMS

### Co-op Team Testimonials

Though we carry a myriad of local vendors and products few know the vendors, their products, and the vendor's dispositions like the team members of the many departments at the Co-op. The personal experience of our team members gives them the insight into the people and their drives that create the quality products we carry from all over our fair state. We want our community, our vendors and products to not

# \$1,150,071

In purchases of locally produced products

just be diverse, but authentic towards their missions as well as ours. Carrying Local vendors continues our mission to support the local economic structure and food systems North Carolina has in place. The Durham Co-op is operating within this economy to close the cycle of our owners' dollars by providing them

local options that keeps money in the state and within the community. These vendors are not only business people, but members of our NC community and reflect the owners and neighbors we invite into the market everyday.

#### Homeland Creamery

Julian, NC

"They treat people like they're family. We want to treat our shoppers like that as well."

-Yamina, Refrigerated



#### Gaia Herbs, Bervard, NC

"They allow you to look up the quality of individual batches of their product on the website"

-AJ, Grocery



#### Nailah's Shea

Greensboro, NC

"I just like knowing a black, Muslim woman sells her products here."

-Rose, Grocery

#### Charlie Soaps

Mayodan, NC

"The value is there, 100 loads for \$16, it is great, and I use it for everything. It takes a few washes, but it removes the residue from other brands"

-Tracie, Wellness



#### Imagine That Gluten Free

Durham, NC

"They understand that not everyone knows their product and the are always happy to help people learn about it."

- Matt, Deli





# Featured Vendors

At DCM, we represent our values through the products we choose to sell. Local, organic, fair-trade, ethically sourced, innovative, delicious-- there are so many ways our vendors can be so great.

Visit with these vendors at the annual meeting. See the map on the following page to find your favorites.

## Prodigal Farm (7)



We are proud to sell cheese from Prodigal Farm, a local goat cheese dairy right here in Durham County! Just down the road in Rougemont, Prodigal Farm is an Animal Welfare Approved farm, which means that everything they do centers

around the welfare of their goats.

This happy herd grazes rotationally in the woods and on pasture, and when they need a break from eating, the goats relax in school buses that serve as movable shelters around the farm. Prodigal Farm make farmstead cheeses from their own goats' milk in a licensed dairy facility right on the farm.

Prodigal Farm embodies many of the Co-op's key missions – to support the local economy, and to support farmers that are working to be environmentally sustainable and steward the land.

## La Riojana (6)

It's always exciting when the ethical choice is also the most affordable choice – which is why we love being a co-op and supporting other co-operative businesses! La Riojana wine embodies so many of our values as a Co-op – they are Argentina's largest wine co-operative, and their wines are fair trade and organic, which means they value their workers, local farmers,

and the health of the environment. La Riojana also gives back to Argentinian communities through their fair trade Projects, through which they've funded a new secondary school, provided sources of clean water, and refurbished recreation centers for local villages.



## Harlem Brewing Company (9)

Harlem Brewing Company was founded in 2000 by Celeste Beatty, who made the first brews in her studio apartment in Harlem. The company has been growing and winning awards since then.



The Co-op is proud to support black-owned and women-owned businesses right here in North Carolina, that help create a stronger and more diverse local economy, with more great beer in it.

## Alaffia (4)

Alaffia products are a staple of our Wellness Department because they fulfill so many of our core values as a community.

They are a fair trade certified company, which guarantees that they pay producers a fair price for their goods, provide good working conditions, and meet standards of environmental stewardship.



Beyond that, Alaffia's mission is to support and improve the Togolese communities where their products are sourced and made.

## Resistor Brews Kombucha (5)

Resistor Brews Kombucha is made locally by Rajeev Rajendran, whose team makes and bottles their kombucha in the kitchen at Vimala's Curryblossom Café in Carrboro. Vimala's Curryblossom Cafe is run by Rajeev's mother Vimala



Rajendran, who (in addition to being an amazing chef) has been a long time advocate for sustainable agriculture, food justice, and worker's rights. Her restaurant has been a staple of the community for many years, and it is so exciting to see Rajeev's business grow out this beloved community space.

# Tasting

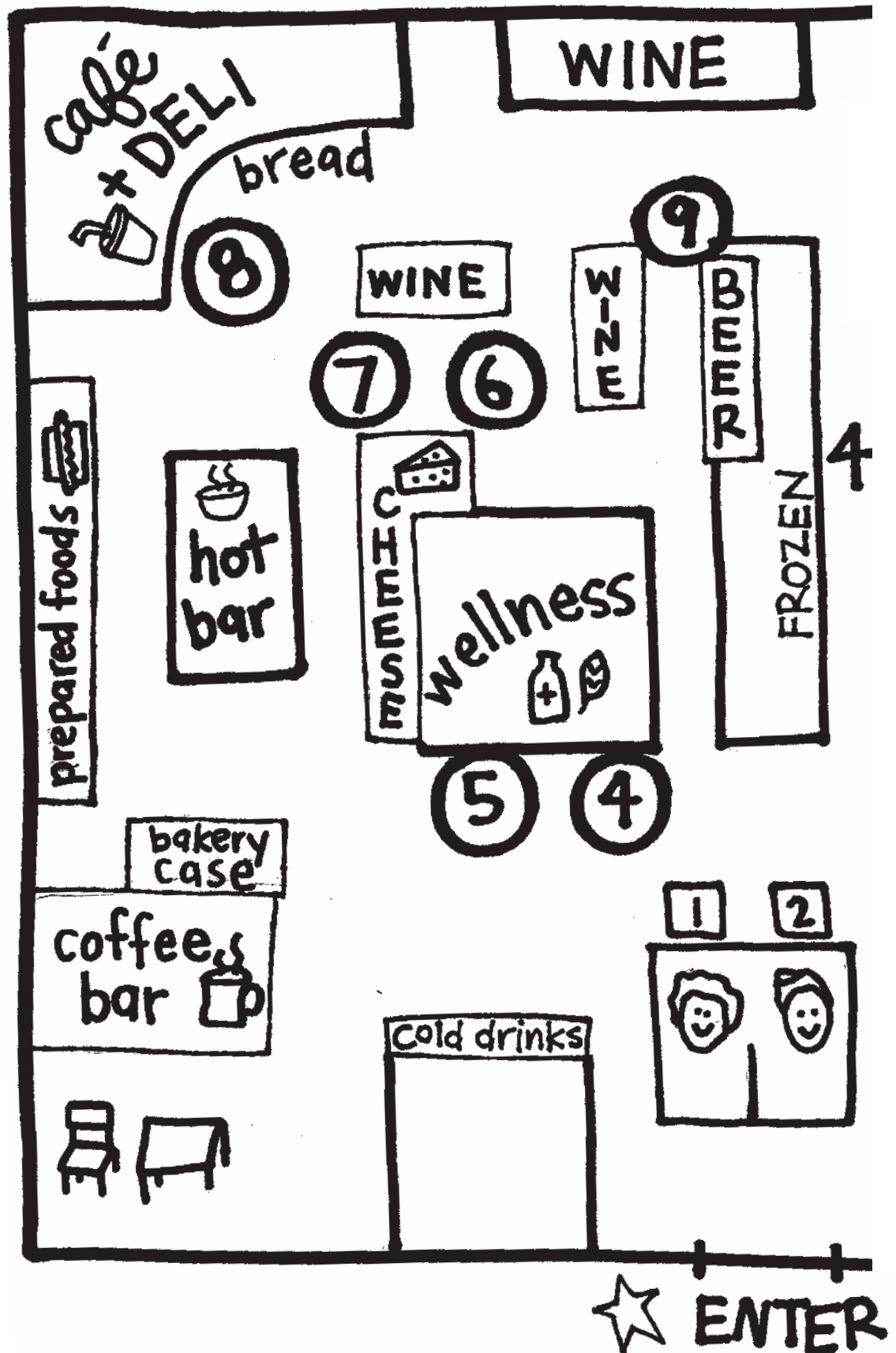
## Hector Suazo (8)

Utilizing the fresh and quality ingredients from our many vendors Hector is the man behind our Meatless Mondays plant based menus that showcase delicious vegan food.

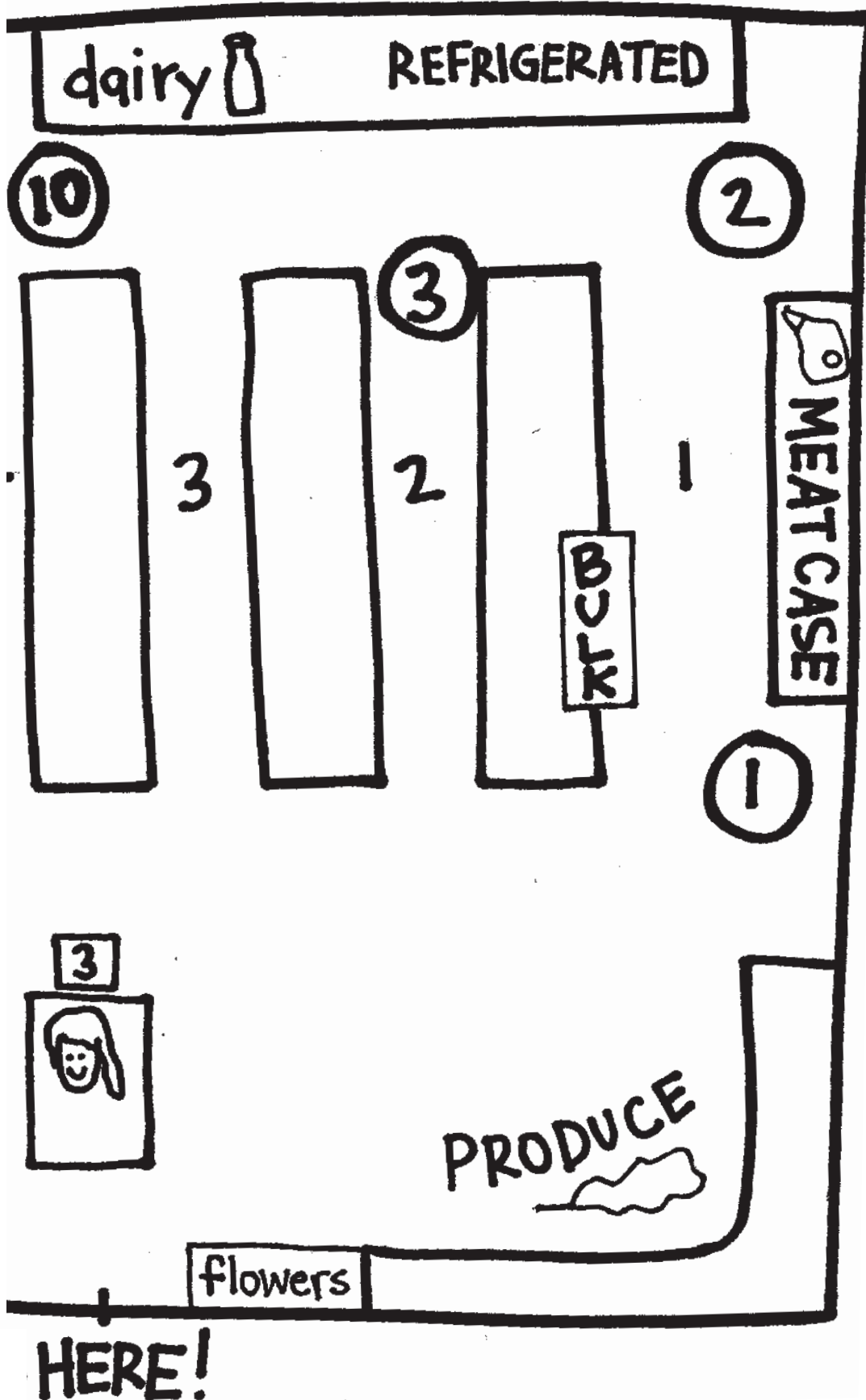
## The Parlour (10)

Yoni and Vanessa Mazuz make the best ice cream around, with the best ingredients.

Their flavors are inspired by the seasons, their favorite cookbooks, and their childhood ice cream memories. We make our ice cream with 18% butterfat and the best quality ingredients. They offer vegan options, including fruit sorbets, creamy flavors made from coconut milk.



# Tour Map



## Cilantro (3)

Long time friends Maria Pacheco and Martha Arango met in Durham, NC and started a journey through food flavors imported from Mexico and Colombia ...

Maria, a Guanajuato - Mexico transplant, created Cilantro's unique menu by bringing her childhood flavors to North Carolina.

## First Hand Foods (2)

An incredible company born right here in Durham and supporting small family farms across the state. By sourcing directly from small-scale farmers that are raising their animals humanely and on pasture, Firsthand Foods has created a network that supports farmers who would otherwise struggle in a global supply chain.

## Red Hawk (1)

Red Hawk Farm is located just down the road in Hurdle Mills, NC. Their mission is to provide sustainably grown vegetables to the Triangle year round. Red Hawk Farm is located just down the road in Hurdle Mills, NC. Their mission is to provide sustainably grown vegetables to the Triangle year round.



# EVERYWORM WELCOME

## END #4: THE DURHAM CO-OP MARKET WILL MODEL ENVIRONMENTAL SUSTAINABILITY IN OUR PRACTICES AND PRODUCTS

The DCM employs a commitment to sustainability everyday. We try to reduce the negative environmental impact of our whole community by offering products and services to help our customers move towards more sustainable practices and also by building environmental consciousness into the layout and habits of our co-op, staff, and community.

### Talk about it, and BEE about it!

The space the Co-op, known affectionately as our "MULCHITORIUM", is a popular destination for those who choose to attend \$3 DINNERS, Winesdays, or other store events, or for any community member in need of a table and a space to relax.

This year we added some upgrades to the environmentally friendly landscape design. To our existing pollinator garden, we added a rain garden and a dry-river bed.

Since we installed it two years ago, our pollinator garden has provided a supportive environment for butterflies, bees, and other beneficial insects. (In other words, making the Co-op welcoming for six- and eight- legged members of our community as well) Filled with native and environmentally friendly plants, the pollinator garden has offered both beauty and function.

While creating visual interest, our new rain garden and dry-river bed assist managing storm water run off and erosion. Some rainy day, check it out, and you will see the water flowing off the roof and winding its way through the river stones

"The Sustainability Committee is a group of Co-op employees which focuses on environmentally conscious programs and standards at the store. This group addresses ways we can develop current store practices as well as initiate new efforts to create a sustainable work environment.."

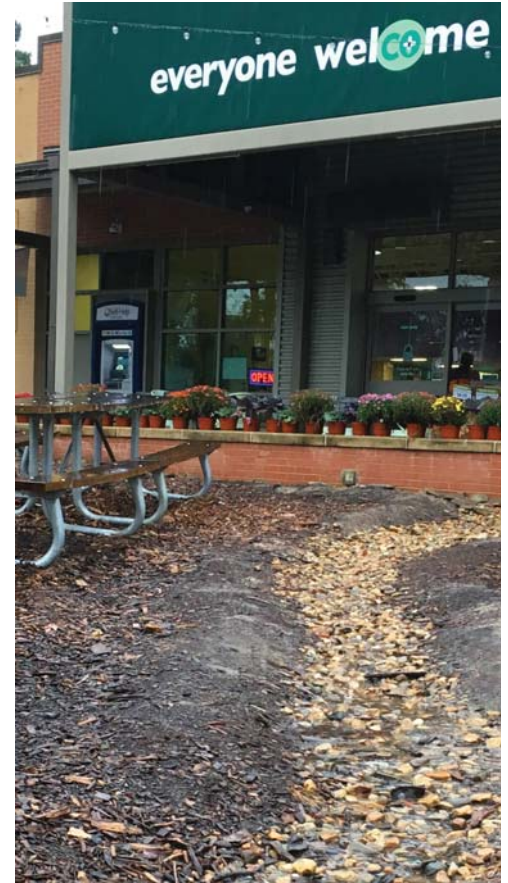
-Elizabeth Figgie, Graphics & Media Coordinator, member of the Sustainability Committee

### Reduce, RE-USE, Recycle... Rhianna!

The Co-op provide our owners and our community with various ways to help reduce our everyday waste, reuse household containers, and recycle their food waste.

One of our vendors, Fillaree, has a refilling station for all their household cleansers and soaps.

This year, we re-organized our bulk aisle and re-built our spice set. We added a full line of value-priced bulk spices, to offer great value and encourage customers to buy just what they need. As always, we encourage you to bring re-useable containers, which can be weighed before



filling, to reduce wasted packaging.

Green-to-Go containers can be used with our hot bar and deli counter as an alternative to our in-house compostable to-go containers. And we recently installed a shadow-box display above our cafe compost receptacle to help customers figure out which items can be composted.

### If you can't sustain, refrain and try again.

In our three years we have made a many efforts to become more sustainable and listen to the suggestions of our owners. Last year we followed the nation by implementing the use of non-plastic biodegradable straws. We quickly found out, by listening to our owners, that the performance of these paper straws was not adequate, and so we have begun to switch out the former straws for a sturdier alternative biodegradable plastic. lifestyle choices.

# STOCK, SHOCK, AND AWE!

## END #5: THE DURHAM CO-OP MARKET WILL FOSTER A HEALTHY WORKPLACE BASED ON DIGNITY, OPPORTUNITY, AND FAIR COMPENSATION

### Staff Working Groups

We believe that the people who best know their jobs are the people who are doing the jobs. So when we want to tackle a problem, we put a team of staff on it.

This year we started up our Sustainability Team to look for ways to improve on our commitment to sustainability. We also inaugurated our Work and Workers Working Group to help steer our benefits dollars in directions that best met the needs of our staff. And our Food Access Team to discuss methods and products that could help us meet our goals of being affordable and accessible to our whole community. Our goal is to eventually have a staff working group to connect with each one of our ends.

### Dignity and Opportunity

One of the advantages (there are many!) of having so many different backgrounds and experiences on our staff is the opportunity to encourage people to express their passions and perspectives



**dignity?**

to make the Co-op better and more welcoming for more people.

Staff ideas, recipes, and critiques have enabled our team to expand the products we offer, and the foods we cook. Our collective insight helps us see obstacles and barriers that might be invisible to some of us but off-putting to others.

For example, recently, several of our Latinx staff members have taken over the brunch menu. Janette and Maria have been sourcing ingredients, bringing in recipes, and cooking up a feast on weekend mornings. Last week it was papusas, tamales the week before that.

This summer, when we were cutting SO MANY watermelons for our Durham Bulls Ballpark Fruit Stand, Janette started making the cuttings into Aguas Frescas. You will now find her aguas frescas at the Coffee Bar every day in a wide variety of rotating flavors.

### You've Gouda Brie Kidding Me

Our new reset in-store has added to the size, visibility, and shopability of our two specialty departments. Our two experienced and informative coordinators in our Cheese and Beer & Wine departments are boasting big sales and making appearances at local events everywhere. Zac Schell, DCM Beer and Wine Coordinator, has been stepping out to host in-home wine tasting parties for fundraising events, and selecting wine by the case load to stock weddings, big parties and



### espresso training with Counter Culture Coffee

fundraisers at local institutions. You can find him every WINEsday evening educating crowds in the Co-op and making the world just a little "ros  ier".

And not to be out done by his partner in specialty items, Josh Collier, DCM Cheese Coordinator, has been out in the world providing tasty sampler trays and knowledge at Durham County monthly educational events. Josh has also brought a parade of cheesemakers, local and international, into the store to offer samples and answer questions. Visitors have included Boxcarr Farms, Prodigal Farms, and Neal's Yard.

All of this is right on time for the upcoming holiday season where wine and cheese pairings and pre-orderable party platters will be the must haves coming out of our prepared foods and deli department this season.



# FRESH FACES

Our staff is made up of almost 50 part-time and full-time employees. We are so proud that our team reflects our Durham community. We prioritize staff development, inter-departmental communication, and transparency to create educated staff across all departments. Please ask anyone with a name tag for help or what their favorite product is!

## Marketing Team

Destiny's Child, The Three Stooges, Alvin & The Chipmunks, S'mores these famous trios don't begin to compare to the newly formed DCM Marketing Team. Taking on the task of telling all the stories about products, projects, and principles that DCM cares about and provides.

Meredith Cohen - Product & Vendor Ambassador, joined the team to help tell the world about all the great items we sell, and all the amazing stories and values that go into them. She is most excited to talk about local vendors and the many local farms that we work with, as she is also starting her own farm this year. This isn't her first ambassador gig either. As she put it, "I was a goat ambassador for a Jewish farm."

Raafe-Ahmaad Purnsley - Community Outreach Coordinator, is looking forward to engaging with our owners, community groups, and customers. He will be co-ordinating donations, guiding tours, hosting events, and talking about all the ways we are working to make the Co-op and Durham a better place for everyone. As a former environmental science educator, informing communities of their impact and telling the stories that can lead to solutions has always been a goal of his career. "Our co-op is not the building, but the people who use it. By welcoming many peoples into our endeavors, we ensure the shared responsibility of our mission reflects the people who deserve the successes."

"Writing this report has informed me of the goals and end policies of the DCM, but also of the ways our staff and community work together to make them live and breath. I wasn't aware that a 20

something year old was leading a plant-based vegan menu every week here or that we now feature food from our latinx staff's family recipes. There are so many good things going on here, and knowing now how much I wasn't aware of before I came on staff makes me hungry to inform our community." Raafe said.

Elizabeth Figgie - Graphics & Media Coordinator, has been a key part of our

marketing team for almost two years. Whether it is the vibrant sales flyer or the drool worthy social media coverage of our delicious meal options, Elizabeth loves showing us all what the co-op has to offer. "We are doing a lot of good things already, and I feel what's next is ever-better practices and more intentionality, doing the things we have been doing, but more deeply. I believe in this team to do that."





## A.J. Alana Ka'imi Bryce, Grocery Manager

AJ came to DCM from Weaver Street Market where they spent over a decade learning the positive impacts co-ops bring to their local communities.

Their concurrent work as an artist and activist taught them the value of community building and collective justice. AJ has collaborated on books and CD's that focus on the creative contributions of the LGBT community.

Excited to be welcomed into the DCM community, AJ is motivated to cultivate an environment that creates opportunities for workers to develop career building skills, as well as bridging the market gap for small local businesses, especially those owned and run by historically marginalized communities.

Recently their native Hawaiian heritage has found it's voice in our store as well. Several books by native authors will be featured at the Co-op in November in honor of our nation's many indigenous communities. These books will find space on the shelves alongside products that highlight the creative works and traditions of native people. AJ is stocking products that give literal voice to the diversity of our nation.



## Phanessa McKoy, Front End Manager

Though not new to the DCM family, Phanessa is a new edition to our management team. A Raleigh native, born in Fuquay Varina, Phanessa came to the DCM with significant register and front end experience and if the front end is the smile of the DCM team, than Phanessa is the warmth of that positivity. "Meeting new and different people, and often" is what makes working here her favorite position she has ever held. Phanessa not only recalls individual owners, but also their habits, favorite products, and which members of their family come to the Co-op to shop. "When the owners get to know you, then it is like family. ". And for someone who is celebrating their first year anniversary as a DCM employee, alongside of a promotion, Phanessa is a growing and thriving part of this community. "We sell good quality food but it isn't just about the food it is about the quality of the experience too."

## Zac Schell, Beer & Wine Coordinator

No stranger to the world of beer, wine and cheese Zac is the person to pick when pairing drinks with food for your next event.

Zac has been working with wine, beer, and specialty foods for almost 15 years. He is and American Cheese Society Certified Cheese Professional, a Cicerone Certified Beer Server, an introductory level Sommelier, and a Lustau Certified Sherry Wine Specialist. (Seriously, ask him to show you his pins; he loves that!). Zac feels wine lets you travel the world through flavor. His vision for the DCM wine department is to build a solid base of customer favorites, and also bring in new, sometimes odd wines that push the boundaries of people's expectations.

Zac has enthusiastically stocked our expanded beer set with local and international brews. He recommends coming in often, as the selection is constantly changing as he loves seeks out the latest, greatest new brews.

Zac enjoys the freedom the Co-op affords him in his position. Just after he came to the Co-op this summer, Zac took the lead on reorganizing the Wine & Beer departments. "I feel respected and when my opinion is asked for it isn't fluff, it is truly desired."



# FINANCIAL REPORT

We had another great year in terms of sales and sales growth. In this highly competitive natural food retail climate, we were delighted to see our weekly sales and weekly customer count continue to rise.

We made major investments in the physical store and in our personnel, both of which cost money, but also represent our best strategy for the longterm health of the organization and commitment to our goals and values.

In February, we raised our base wage to \$12.50 for employees who have been with the Co-op for 12 months or more. While this number represents a substantial step in the right direction, it is not a resting place. We recognize that the cost of living in Durham continues to rise, and we continue to see compensation increases as a priority in our future.

The finance department shares information on sales, purchases and labor to all staff through Open Book Management meetings (the weekly “Bullpen”) and it is rewarding to see all levels of staff engage with the intricacies of budgets and forecasts. This year, we are projecting 8% growth over last year, and so far we have been exceeding this goal.

We juggle many financial priorities, as we manage the tension of wanting to keep our prices affordable, our wages livable, our farmers and vendors fairly treated. We are proud to be fully current on all our repayment obligations to creditors and lenders.

The continued growth of our sales and ever-better management of our resources will make it possible to serve all these

needs. We are cautiously optimistic that next year we will be able to report solid profitability for the first time. This would enable us to make good on another of our promises: paying patronage dividends to consumer- and worker-owners.

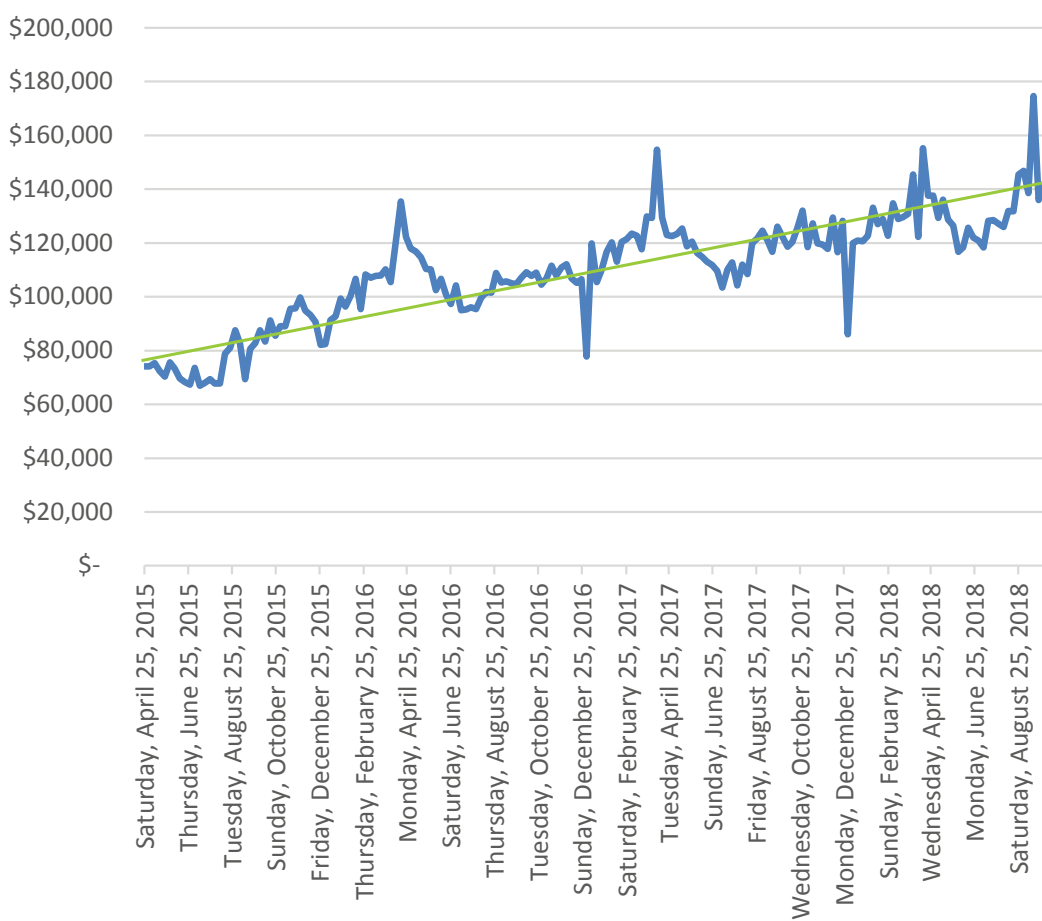
We are very aware that each of our owners invested their own hard-earned money in the co-op to help our organization exist and succeed. We take that investment seriously and look forward to being able to show you some financial return.

These payments split our profits back to our owners proportionately to each owner's use of the co-op each year. In other words, the more you spend at the

co-op this year, the larger your portion of our profits. (Don't get too excited... We do have over 4000 owners, and that's a lot of small slices of the pie...)

Equally important profitability represents the health and financial sustainability of the Co-op itself, and this is much more than a symbolic goal. The amount of positive impact we can have in our community is directly tied to our organizational strength.

Weekly Sales 2015-2018



Durham Co-op Market, Inc.  
Income Summary

For the year ended June 30, 2018

**2018**

Total Sales	6,398,109
Total Donations and Other Support	33,499
Total Income	<u>6,431,608</u>
Cost of Goods Sold	<u>4,355,595</u>
Gross Profit	<u><u>2,076,013</u></u>
Expenses	
Personnel Expenses	1,260,071
Other Operations Expenses	674,630
Total Operating Expense	<u>1,934,700</u>
Net Ordinary Income	<u>141,313</u>
Other Income/Expense	
Other Income (interest/patronage div)	13,451
Depreciation Expense	(115,953)
Interest Expense	(67,197)
Taxes	(2,295)
Total Other Income/Expense	<u>(171,994)</u>
Net Income	<u><u>(30,682)</u></u>

**BALANCE SHEET**  
June 30, 2018\*

**ASSETS**

Current Assets

Cash and cash equivalents	466,578
Accounts Receivable	56,171
Grocery Inventory	90,095
Deli Inventory	30,878
Produce/Meat Inventory	27,008
Beer/Wine Inventory	46,981
Wellness Inventory	84,181
Other Current Assets	11,112
Total Current Assets	<u>813,005</u>

Leasehold Improvements	127,166
Furniture and Equipment	685,005
Accumulated Depreciation	(248,712)
Total Fixed Assets	<u>563,459</u>
Total Other Assets	<u>120,425</u>
TOTAL ASSETS	<u><u>1,496,889</u></u>

**LIABILITIES & EQUITY**

Liabilities

Total Current Liabilities	266,891
Total Long Term Liabilities	505,094
Total Liabilities	<u>771,984</u>
Total Equity	<u>582,415</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,354,400</u></u>

Current Ratio =	3.05
Debt/Equity =	1.33

\* Modified accrual basis. This balance sheet presentation excludes lease liability, leasehold improvements, and reduction in retained earnings related the lease agreement with Self-Help Credit Union. Management believes this to be a more accurate depiction of our current financial position.





**durhamcoopmarket** • Following  
Durham Co-op Market

durhamcoopmarket Y'all should stop by today, if not for the food, for Kat's dance moves and Janette's winning smile! Cook out, owner drive, board meet n' greet, and dance party (compliments of our Marketing department) from 12-4pm!



**durhamcoopmarket** • Following  
Durham Co-op Market

durhamcoopmarket Paul would like to humbly, but genuinely entice you to try some @equalexchange Bird of Paradise coffee! With notes of orange cream and chocolate, it's a delectable blend, sure to satisfy your morning caffeine and afternoon energizer needs.

#dcm #drinkdcm #durhamcoopmarket #everyonewelcome #experiencejoy

55 likes  
OCTOBER 25, 2017

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**Durham Co-op Market**  
Published by Betha Figue (7)  
Like This Page January 31 via Instagram

Fuzzy Donovan is pretty pumped about all the vegan goodness coming from our kitchen. Between baked goods, to-go snacks, and meat and cheese substitutes, he's been v' busy, and we're all excited to have more plant-based options for our shoppers. Check out our shelf of vegan specialties in the Deli case and find some goodies to take home!

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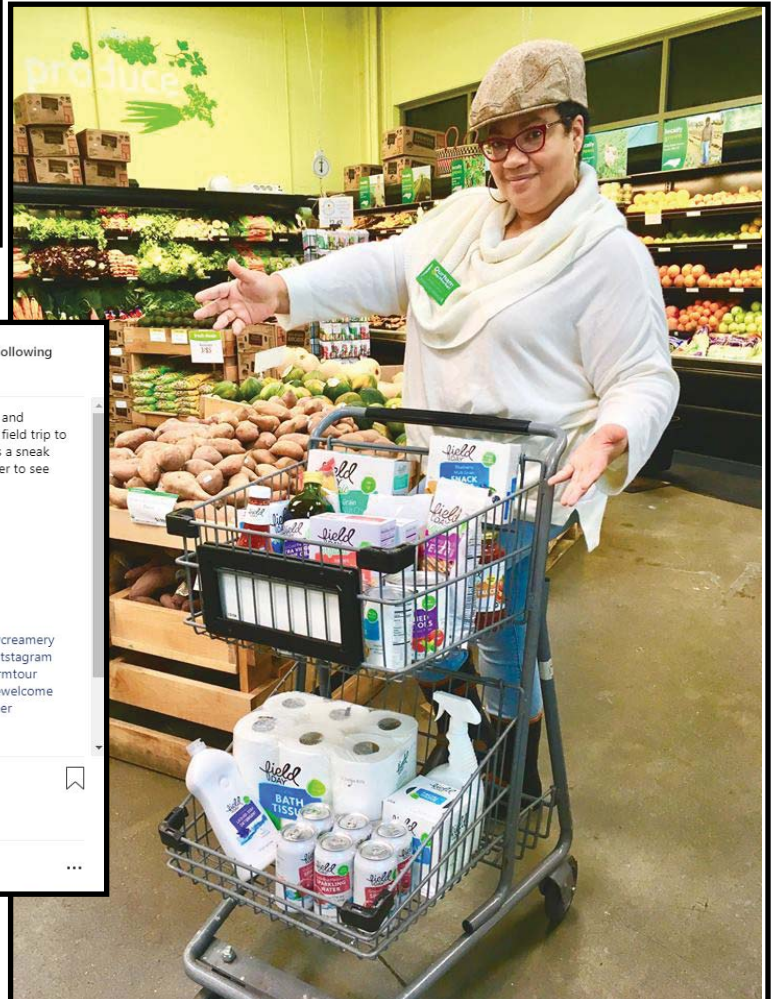
Neira Noland Yay Donovan!  
Like Reply Message 30s

Kurt Felden Will definitely check it out tomorrow!  
Like Reply Message 30s

Write a comment

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Regency  
Banks and 4 other friends like this.  
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**durhamcoopmarket** • Following  
Prodigal Farm

durhamcoopmarket Josh, Matt, and Elizabeth had a pretty awesome field trip to @prodigalfarm last night. Here's a sneak peek of our tour. Check back later to see more!

#prodigalfarm #prodigalfarms #creamery #goats #goatsofinstagram #goatstagram #goatmilk #goatmilkcheese #farmtour #durhamcoopmarket #everyonewelcome #experiencejoy #strongertogether #fieldtrip

loandbeholdnaturals Yay

43 likes  
JULY 19, 2017

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