



WE HELPED SHOPPERS
SAVE
\$25,404.96
ON GROCERIES
WITH OUR
AFFORDABILITY
PROGRAM

SHOPPERS
RAISED
\$28,639.62
FOR LOCAL
ORGANIZATIONS
BY ROUNDING UP



WE STOCKED
OUR SHELVES
WITH OVER
4,783
CERTIFIED
ORGANIC
PRODUCTS

WE WELCOMED
698
NEW OWNERS
TO EASTSIDE



EASTSIDE
FOOD CO-OP

ANNUAL REPORT

2022

BOARD REPORT

How wonderful that once again we can come together and share a meal at our annual meeting! I find myself reflecting on the difficulty of the last few years and am impressed with what the co-op does to facilitate healing and community care. Eastside helps us feel connected at a time when Covid has kept us so isolated. Going to the co-op is intimate- the space itself invites people to linger, the produce has just left the hands which carefully picked it, many people there are your neighbors and remember you.

The hectic world may be speeding by, ever faster and ever changing, but our needs have not changed. Reflection, nearness, care, and love are found in community. A community can be as intimate as who you live with or as large as our planet. Community can be as simple as sharing a meal or being an owner in a fair and equitable food system. Community is where we are renewed, where we sense ourselves in the world, and where it is possible to explore the boundaries of our existence.

As a resident of Northeast for three decades I observed that as soon as Eastside opened in 2003 the store became a neighborhood mainstay. Years later, Eastside owners came together to build a sizable base of funds which was then used to undergo an ambitious store remodel. With the expansion in 2015 it became even more of a meeting point and supportive pillar for the neighborhood.

Why do we do this? To better serve the community, participate in democracy, and to demonstrate the power of cooperation! We are generating community wealth by providing local jobs and we are backing global fair-trade practices. Our staff are members of a union, we are a democratically owned business, and we prioritize buying from local vendors and farmers whenever possible. Eastside actively seeks out and supports BIPOC owned vendors and works to foster diversity across the organization. With the guidance of a DEI consultant the board has been rewriting and reframing our policies, systems, programs, and services with an eye towards inclusivity. We believe we are bridging cultural connections through organic, natural food.

Owners, shoppers, and staff may have differing opinions about many topics these days, but all unite as stewards of our environment. We recently conducted an energy audit for the store to identify opportunities to further improve our energy efficiency and learn how solar can most impact our store's energy consumption. The updating of our current solar array will move us closer to our sustainability goals and reduce our monthly energy expenses.

By supporting organic food farming practices, we are contributing to building biodiversity, conserving resources, and creating ecological balance. As such, our community is backing small farmers that restrict the use of pesticides and dangerous fertilizers to produce their food.

We feel that community connected spaces like Eastside make a difference to the planet and its people. Thank you for being an owner and for shopping at Eastside. Being "here for good" is something that truly makes a difference.



-Amanda Degener
Board President

LETTER FROM THE GM

To our owners, shoppers, employees, partners, and others,

Eastside Food Co-op is your community owned grocery store located in the heart of Northeast Minneapolis and Eastside is Here for Good! I'm pleased to share the results of our 2022 fiscal year, July 1, 2021, to June 30, 2022.

Throughout this report you will find information about our fiscal performance and evidence of our commitment to being part of a more equitable food system that builds community and brings diverse people together to celebrate shared values. Eastside Food Co-op defines an equitable food system as a system that from farm-to-table, and from processing to disposal, ensures economic opportunity and high-quality jobs with livable wages and safe working conditions. This system provides healthy, affordable, culturally appropriate foods while also supporting environmental stability. Eastside Food Co-op owners and shoppers can feel proud that they are helping to support this system each time they shop their vibrant, thriving community-owned store!



The need for businesses that measure their success by more than their profitability is as great as ever. We see the impact profit driven companies have on our food system all the time. Factory farms polluting the environment, global companies taking advantage of developing countries' labor markets, and small dairy farmers being told they need to either get big or get out of the way are all inevitable conclusions of this type of thinking. Instead, your Eastside Food Co-op is measuring the impact it has on the environment and the "good" it creates in its community when evaluating its success. By doing so, we put people and planet on an equal footing with profit. Isn't this a better way of doing business that all companies should adopt?

During the last fiscal year, Eastside faced tremendous headwinds. The financial statements for the year reflect this with the co-op ending the year with a small loss and having spent more money than it brought in. However, we continued to provide support to organizations who protect the environment and make our communities a better place to live, and we invested in making our co-op a great place to work. We can point to over \$150,000 in investments, donations, and sponsorships to support our people and planet bottom lines. You made this possible!

As we turn our attention to the future, I look forward to continuing to work with the Board of Directors on the major investment we plan to make in solar energy. We are also exploring improvements we can make to the store that will improve the shopping experience. The shopper satisfaction survey we conducted gave us much inspiration to pursue. Thank you so much for sharing your opinions with us!

I will conclude this letter by thanking the 115+ employees who I get the pleasure of working with every day. They are such a remarkable group of diverse people and their commitment to their community is inspirational. Thank you, Eastside Food Co-op staff!

-John Lacia
General Manager

FINANCIAL REPORT

FISCAL YEAR 2022
JULY 1, 2021-JUNE 30, 2022

STATEMENT OF CASH FLOW

	2022	2021
Operating Activities Cash Flow	\$243,268	\$532,345
Investing Activities Cash Flow	\$(125,790)	\$(58,425)
Financing Activities Cash Flow	\$(252,158)	\$(321,784)
NET INCREASE IN CASH	2022	2021
Beginning of Year	\$2,249,177	\$2,097,041
End of Year	\$2,114,497	\$2,249,177
CHANGE	\$(134,680)	\$152,136

STATEMENT OF INCOME

PROFIT

	2022		2021	
GROSS SALES	\$17,875,675	100%	\$17,784,934	100%
Less: Member Discounts	\$(187,613)	-1.0%	\$(187,388)	-1.1%
Less: Other Discounts	\$(1,234)	0.0%	\$(30,238)	-0.2%
NET SALES	\$17,686,828	98.9%	\$17,567,308	98.8%
Less: Cost of Goods Sold	\$11,209,310	62.7%	\$11,012,512	61.9%
GROSS PROFIT	\$6,477,518	36.2%	\$6,554,796	36.9%

OPERATING EXPENSES

Wages & Benefits	\$4,326,730	24.2%	\$4,423,981	24.9%
Depreciation & Amortization	\$430,108	2.4%	\$443,043	2.5%
General & Administrative	\$1,614,189	9.0%	\$1,502,539	8.4%
TOTAL OPERATING EXPENSE	\$6,371,027	35.6%	\$6,369,563	35.8%

OTHER INCOME & EXPENSES

Other Income	\$73,739	0.4%	\$799,598	4.5%
Interest Expense	\$(225,832)	-1.3%	\$(240,301)	-1.4%
Provision for Income Taxes	\$(5,107)	0.0%	\$(194)	0.0%
NET INCOME	\$(50,709)	-0.3%	\$744,336	4.2%

PATRONAGE UPDATE Net income from owner patronage was negative in FY2022. As a result, the board of directors is unable to declare owner patronage for FY2022.

BALANCE SHEET

ASSETS

	June 30, 2022	June 30, 2021
Total Current Assets	\$2,588,947	\$2,694,943
Total Fixed Assets	\$4,381,132	\$4,686,476
Total Other Assets	\$825,917	\$774,900

TOTAL ASSETS \$7,795,996 \$8,156,319

LIABILITIES

Total Current Liabilities	\$1,160,907	\$1,273,841
Total Long-Term Liabilities	\$4,255,652	\$4,472,498

TOTAL LIABILITIES \$5,416,559 \$5,746,339

EQUITY

	June 30, 2022	June 30, 2021
Ownership Stock	\$1,066,282	\$1,014,632
Class B Stock	\$266,759	\$266,759
Stock Subscriptions Receivable	\$(68,006)	\$(64,987)
Class C & D Stock	\$652,100	\$653,100
Retained Earnings	\$462,302	\$540,476

TOTAL EQUITY \$2,379,437 \$2,409,980

TOTAL LIABILITIES & EQUITY \$7,795,996 \$8,156,319