2014 Annual Report

GreenTree Cooperative Grocery
Since 1970

• Fun Facts •

Top 5 Selling Items

1. **Organic Bananas:** 9,359 pounds
2. **Local Eggs**: 3,744 dozen
3. **Organic Avocados**: 6,751
4. **Equal Exchange Chocolate Minis**: 4,471
5. **Buckeye Bark**: 2,822

This was our 4th year working with the City of Mt. Pleasant's PEAK program. We helped plant a school garden at Mary McGuire Elementary.

We brought out the **Smoothie Bike** seven times in 2014— *for the my104.3 Kids Expo, Mt. Pleasant Environmental Education Day, Morey School, as a special treat during road construction, the NEDA Walk, Fancher Elementary, and the National Day of Play.*

The Plant Swap

After 40 years in the food co-op business, we are a source of not only food but also nutrition and Co-op information. In 2014 GreenTree sponsored the following events:

- Annual Owner Meeting
- 3rd Annual Plant Swap
- Spirit Week and Birthday Celebration
- 2nd Annual Fantasy Food Off
- Annual Tasting Day
- Summer Concert: The Mudpuppies
- 4th of July Specials & Picnic Give-away
- December Can Drive

We also held two Owner Drives in 2014!

Mudpuppies Concert

• Events •

GreenTree is always working to improve—our staff, our Board, and our community!

Secret Shopper- We believe that one of the things that sets us apart from other grocery stores in Mt. Pleasant is our customer service. As a way to back up this belief with data, we enrolled in a secret shopper program. Through this program we get monthly feedback about our store conditions, product availability and staff friendliness. In 2014 our average score for Secret Shoppers was 95%.

GreenTree's GreenSprouts Program-For the 5th year in a row, we continued to provide a free piece of fruit for any child 12 or under who came in shopping with their family. We give out approximately 75 pieces of fruit (and a few carrots) per month.

NCG's National Development Advisory Committee- GreenTree's General Manager, Sarah Christensen, served her second year on the National Development Advisory Committee for the National Cooperative Grocers. This committee gives feedback to NCG management on national meetings, programs, and events.

City of Mt. Pleasant's Downtown Development Board- GreenTree's General Manager, Sarah Christensen, also served her 3rd year on the City of Mt. Pleasant's Downtown Development Board.

Connections That Count- In 2013 we began providing free lunches to CMU's Connections That Count, a service learning program that supports families who have children with special needs. We continued our support of the program in 2014. We typically provide 14 lunches per week.

Downtown Mt. Pleasant

good co+mpany

Cooperation Among Cooperatives is one of the seven cooperative principles. We believe strongly in the cooperative business model and we value our relationships with the following Co-ops and organizations:

- National Cooperative Grocers (NCG)**
- Cooperative Grocers Network (CGN)
- National Cooperative Business Association
- Co+op Metrics
- The Great Lakes Co-ops Group
- The Cornucopia Institute (an organic watchdog group)
- North Country Cooperative Development Fund
- Frontier Natural Products Co-op

We have also partnered with a group of local businesses **(Community Partners)** to provide additional value to our Owners and improve awareness of the great variety of goods and services that these locally-owned establishments have to offer. *(Visit http://greentree.coop/ownership/community-partners/ for a full list.)*

***Through our participation in NCG, we are members of the Organic Consumers Association (OCA)*

• Memberships •

• Contributions •

2013/2014 Contributions, Donations, and Sponsorships

Walk for Warmth, **Isabella County 4-H Awards**, Isabella County Health Fair, WCMU Public Radio, my104.3 Kids Expo, Orchestral School Fundraiser, Cooking Without a Kitchen, Chippewa Watershed Conservancy, Mt. Pleasant Discovery Museum, Morey School, Ganiard Teacher Appreciation, Max & Emily's Concert Series, Movies By Moonlight, Veteran's Memorial Library, Art Walk Central, Mt. Pleasant NEDA Walk, Run on the Rez, National Day of Play, Ladies' Night Out, CMU Earth Week, Mt. Pleasant Drillers Fundraiser, Mt. Pleasant Rotary Auction, my104.3 Boo Bash, United Way Festival of Trees, **Isabella Community Soup Kitchen**, Connections That Count, and the Mt. Pleasant Area Chamber of Commerce Rollie Denison Leadership Institute

Total Owners: 1567

Total Equity Invested: $143,777.44

Total Owner Discounts: $14,340.68
(via Owner Appreciation Day)

Net Profit: $4,306.36

Percentage of Sales to Owners:
60.58%

The first half of 2014 was great for our store. We achieved 11% sales growth storewide, our deli and bakery were leading the way with 22% growth, and we were gearing up for a great summer and fall. Then road construction began and we watched our sales drop steadily over a 6 week period. We went from 11% growth to a 14% decline (that's a 25% difference) equating to approximately a $60,000 loss in sales. We adjusted accordingly, reducing labor and inventory throughout the decline. Kudos to our staff for staying positive throughout the transition. We unloaded trucks on cross streets, carried groceries to far away cars, and endured days without running water. Despite the challenges that road construction brought on, we ended 2014 profitably.

• Report of Condition •

Fiscal Year 2014

Owner Transactions: 38,516
Non-Owner Transactions: 33,855

Income Statement

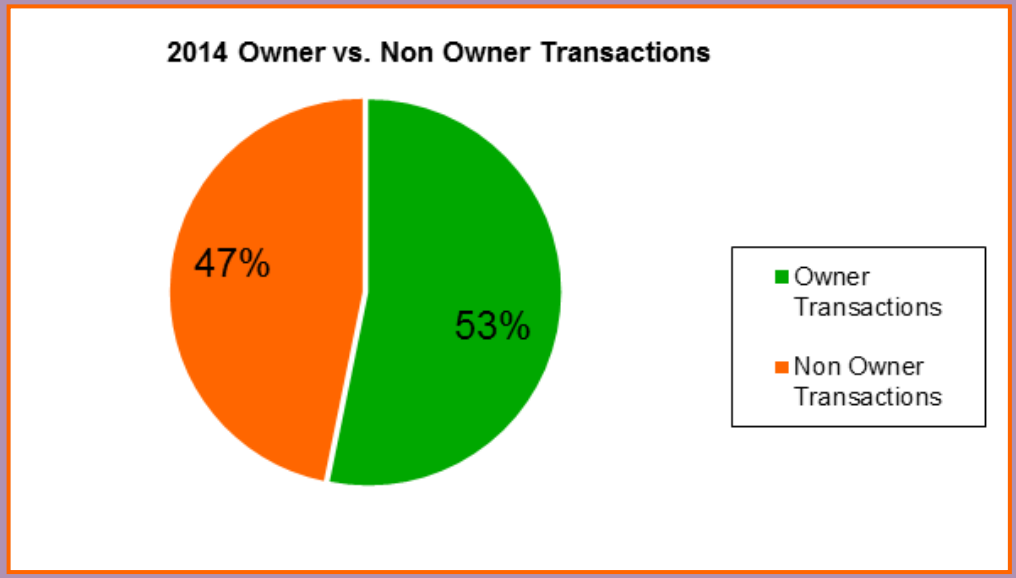
Total Income: $1,620,140.29
Cost of Goods: $1,039,060.86
Gross Profit: $581,079.43

Expense

Personnel: $398,434.12
Occupancy: $58,832.47
Operating: $54,191.60
Administrative: $20,879.65
Governance: $13,956.85
Discounts: $18,055.13

Advertising: $15,260.59
Other Expenses: $4,053.52
Total Expenses: $583,663.93

Other Income: $6,890.86
Net Profit: $4,306.36



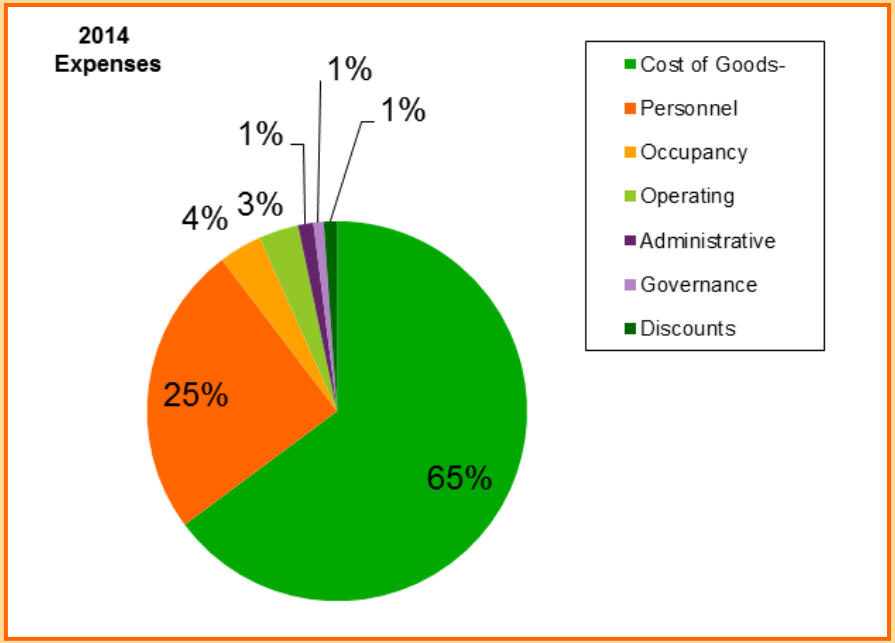
Balance Sheet

Current Assets: $278,471.85
Fixed Assets: $199,904.64
Total Assets: $478,376.49

Liabilities
Current Liabilities: $53,856.84
Long Term Liabilities: $6,974.68
Total Liabilities: $60,831.52

Equity
Unallocated Equity: $84,679.50
Retained Earnings: $332,865.47
Total Equity: $417,544.97

Total Liabilities & Equity: $478,376.49



• Report of Condition •

Board Information 2014

Officers:

Jay Fields, Chair Term Ends: 2017
Sam Jones, Vice Chair Term Ends: 2017
Talat Halman, Secretary Term Ends: 2016
Liz Conway, Treasurer Term Ends: 2017

Directors:

Liz Busch Term Ends: 2015
Ray Davies Term Ends: 2015
Mark Fairbrother (Resigned) Term Ended: 2015
Wilma Blackman (Resigned) Term Ended: 2016
Kimberly Crandell (Resigned) Term Ended: 2016
Gary Kramer (Appointed) Term Ends: 2015
Sharon Avery (Appointed) Term Ends: 2015

Jay Fields, Board Chair

Sam Jones, Vice Chair

Compensation for Officers/Directors:

Chairman, Vice Chairman, Secretary, Treasurer receive a monthly stipend of 30 dollars in-store credit.
Other directors receive a monthly stipend of 15 dollars in-store credit.

Memberships:

Number of new Owner shares granted in 2014: 225 (32 lifetime Owners)
Total number of Owner shares: 1567
Number of Owner Shares terminated in 2014: 13
Owner capital paid into GreenTree in 2014: $28,996.44

Talat Halman,
Secretary

Liz Conway,
Treasurer

What's New?

Beer & Wine sales **grew 16%** and we hosted quite a few **tastings** too.

2014 was the first year we started tracking sales of local items. We sold **$215,755.85** worth of **local** products which equals **13.4% of our total sales.**

We did a comprehensive reset of our Wellness Department and brought in **makeup from ZuZu Lux.**

The deli added **dinner entrees** to the daily offerings and **Buckeye Bark** was the first deli item ever to **hit the Top 5 list**.