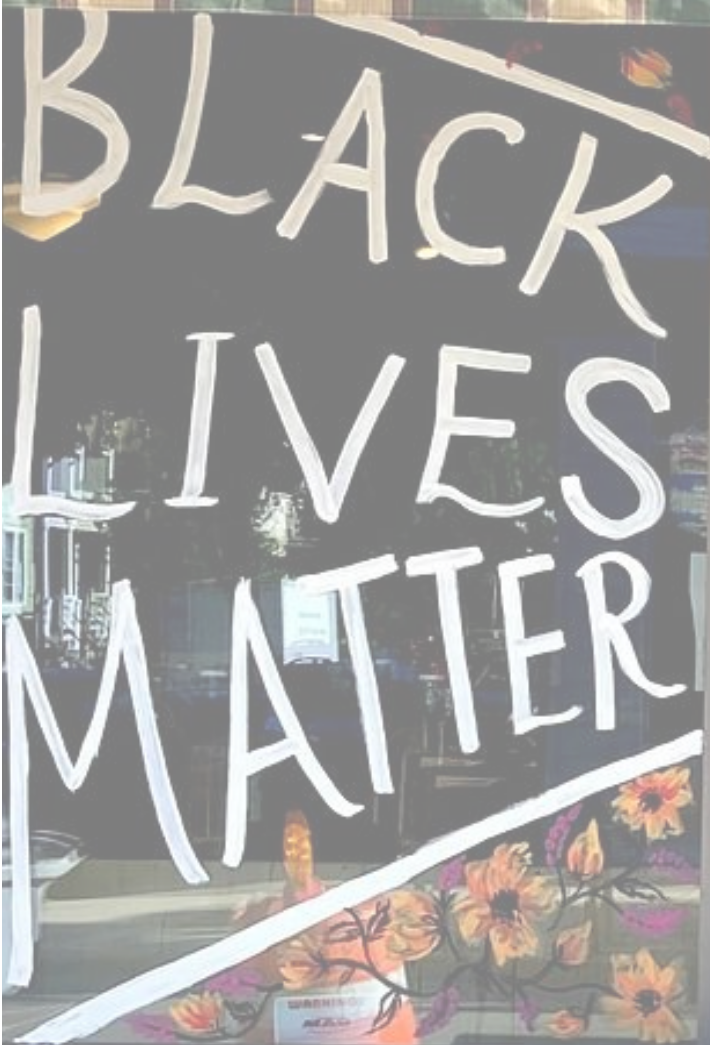


Riverwest Co-Op Grocery & Cafe 2020 Annual Report



RIVERWEST CO-OP

733 E. Clarke Street, Milwaukee, WI 53212 • 414-264-7933

Letter from the Board of Directors

By Debbie Powers, President, and Karen Reynolds, Vice President

Hey there members, shoppers, volunteers, friends, neighbors, and cooperators of all varieties,

I think we can all agree that 2020 was a doozy... I'd like to take a second to transport us all back to the early months of 2020 – a time before the madness, before face masks, and before curbside pickups... In January of 2020, the Riverwest Co-Op Grocery and Café was busy planning our annual Spaghetti Dinner, and it went off without a hitch! Trio du Monde serenaded us with beautiful tunes while we all stuffed our faces full of pasta in the ballroom of the Falcon Bowl. We used that opportunity to finally make a public announcement about our REFRESH campaign, which the coordinators, staff and board spent many, many months planning. The REFRESH was a plan on how to revamp our store layout, add café seating, update our product selection, signage, and pricing to be relevant and successful in the new decade. The REFRESH campaign was nearly complete and ready to launch mid-March; we all know what happened next.

When COVID hit everyone and every business was forced to make some drastic decisions. As both an essential grocery store and a restaurant, the Co-Op had some unique choices to make. We needed to determine how to best serve our community while also protecting and supporting our staff and volunteers. We closed the doors for about a week or so to give us time to assess the situation and come up with a plan. When we re-opened, we did so with strict safety precautions, limited hours, and hazard pay for our staff. We were devastated to lose our volunteer base and our social atmosphere that

we spent nearly two decades establishing, but we needed to prioritize our role in the community, and do our best to roll with the punches.



We were allotted nearly \$60,000 in grants to help cover our payroll and business expenses. These funds helped to keep us afloat during difficult times, but we still struggled to generate revenue while we had limited hours and were unable to open the cafe. We also had some cushion with our finances due the support of our community purchasing memberships over the years. We were able to open the cafe for take-out orders for a short period of time, but had to go back to grab-n-go options because of limited staff capacity and a lack of cafe sales.

The Co-Op was planning our General Membership Meeting (GMM) to happen in early April, 2020. The board spent many months floating ideas of how we could address membership and have some sort of re-envisioned GMM while we were unable to safely gather in person. Finally, in December, we were able to create a virtual meeting to recap 2019, give updates about where we were at in

2020, and address questions that were submitted in advance. Our bylaws state that members must be present at the GMM to vote for board candidates; since it was difficult to understand how that could work in a virtual setting, we opted to introduce our interim board member and wait until our next in-person GMM to formally run an election.

For all of the troubles and heartache that COVID brought to this world, it also opened the door to challenge old ways of thinking. After some coordinator, staff, and board turnover, we were faced with an opportunity to reconsider our structure, roles, and expectations, and work together to find solutions. With all of the players at the table, we analyzed what we love about the

Co-Op, what is working well, and what we want to change. After pulling apart our organization and rebuilding the future we wanted to see ourselves in, we realized that what we have is truly special and doesn't need a big overhaul; what we needed was clearer communication, more realistic responsibilities and expectations, and better accountability. Co-Ops are notorious for slow processes, but it's largely due to diligent efforts to be equitable to our staff, membership and community, and to come to consensus about what the best path to take is; so, yeah, we think it's worth it.

Thank you for supporting our special little corner cooperative! We couldn't be here without you!



Debbie Powers - 2020 President
- 2018–Present (running in 2021)



Karen Reynolds - 2020 Board
Member - 2018–Present
(running in 2021)



Wendy Mesich - 2020 Treasurer -
2019–Present (will serve until
2022)



Vince Bushell - 2020 Vice President
- 2018–2021



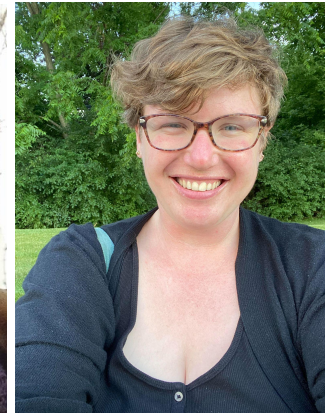
Alex Handwerker - 2020 Board
Member - 2019–2021



Rhiannon Kurtz - 2020 Secretary -
2019–2021



Collin LaVallee - 2017–2020



Jeannie Stranzl - Interim Board
Member 2020–2021

Cooperative Principles

For nearly two decades, we have been dedicated to providing the community with nutritious, wholesome food and support organic and local producers. We are also committed to supporting the principles of organic farming, urban agriculture, workers rights, environmental sustainability, and equality.

Mission Statement in the Bylaws:

“The primary mission of the co-op is to operate a financially sound grocery store in the Riverwest neighborhood of Milwaukee, Wisconsin. Cooperative

philosophy and values are an essential part of our enterprise; therefore, the co-op will operate in a fully democratic manner.”

We strive to follow the Seven Cooperative Principles:

- Voluntary and Open Membership
- Democratic Member Control
- Members’ Economic Participation
- Autonomy and Independence
- Education, Training, and Information
- Cooperation Among Cooperatives
- Concern for Community



History and Volunteerism at the Co-Op

November 3, 2021 marks the Co-Op’s 20th anniversary. Several years before the big opening, Riverwest neighbors met in a basement apartment and started to talk about opening a community-owned and run, healthy grocery store in Riverwest. The talk that began there finally became action. Bylaws were created, a location was found, donations and loans were given, memberships were sold at the first Spaghetti Dinner, and thousands of hours were volunteered. After a year-long rehabilitation of the building, much of which was done by volunteers, the store opened in November of 2001 with a small amount of merchandise, three sets of shelves, no refrigerated or frozen items, no cafe, and no employees.

Eventually, we grew enough to hire the first two employees. Among these was a Volunteer Coordinator,

to nourish the roots of the Co-Op’s community involvement through volunteering. This story was the heart of the Riverwest Co-Op: coming together to do something different in an economy that was usurped by capitalist big box grocery stores with no investment in the daily life of community members.



The initial efforts that made the Co-Op possible 20 years ago are as true today as they were then. As a community-based, member-owned, and volunteer-run organization, the spirit of the Co-Op thrives from the time, energy, and love of its community of volunteers.

Store Report

By Sara Schueneman, Inventory Coordinator

Mission

It is our goal to provide our community with local products and other merchandise suggested by our members. We strive to provide a welcoming, inclusive, and safe place for the people of our neighborhood.



The pandemic posed many challenges to the operations of the Co-Op. We met these challenges to the best of our abilities, while keeping the safety and wellness of our community and staff at the forefront of our minds to guide us in making these difficult choices.

- Temporarily shutting down to setup the space to implement COVID protocols and create a better flow of foot traffic through the store setting a limit of 5 customers in store
- Reducing hours and days open to 5 days/week resulting in less sales overall
- Loss of staff due to burnout and temporary closing of cafe

- Loss of volunteers
- Hiring on past volunteers for LTE store positions
- Inability to get ahead to be proactive instead of reactive
- Lack of institutional knowledge on paper
- Restructuring management- plan started and on track to be implemented
- Supply chain challenges due to COVID, still ongoing. Can we rely more on local vendors?
- Last minute equipment failure, AC, oven, etc.
-



- Top 3 Selling Items from 2020: Bananas, Chocolate Chip Cookies, Avocados
- Promotion of Gift Memberships for holiday season





How We Give Back

Being a cooperative, we feel it's vital to contribute to our neighborhood and larger Milwaukee community. The community is what makes the Co-Op what it is. Here are some of the ways we try to give back to and support those who support us:

- Created the Sponsored Membership Program
- Member discounts
- Daily sales for everyone
 - Monday Produce
 - Tuesday El Rey
 - Wednesday Wellness & Body Care
 - Thursday Bulk
 - Friday Local Vendor Spotlight
- Special orders for members
- Supporting our local economy
- Carrying locally made gift items on consignment
- Supporting local farms and growers
- Round-ups for local non-profit total raised: \$3,025.38
- Listening to members
- Reducing waste/compost



We appreciate your patience and understanding as we navigate during these unprecedented times. Thank you for your continued support and feedback. We value the diverse voices of our community and look forward to seeing you in the store!

Cafe Report

By Shannon Garcia Martinez, Cafe Operations Coordinator

At the beginning of 2020, we had plans on re-working the menu into more meals & platters with less sandwiches to encourage slowing down and getting to know your neighborhood Co-Op. The world had other plans.

It has been a rough year for all of us with the hospitality industry being hit especially hard. We had a brief shutdown to reevaluate, this time in the other direction, and figure how best to serve *you* during uncertain times. We shifted our focus to giving a variety of options within our grab & go section so you could still enjoy our cafe food during the great shutdown. We kept some of your favorites like the bbq tofu wrap and the bagel that rules them all. We adapted our most popular menu item into the chilly Philly and spicy chilly Philly.



There was a brief period of brunch in the fall but with it still not being safe enough for indoor seating, this could not continue into the winter. While the sales were never going to be where they were with this model, we wanted to not only serve the community and provide a clean, safe environment but be able to provide jobs.



All staff in 2020 kept us going and we appreciate them all. Currently, we have a lot of experience in the kitchen with Todd, Rhiannon, Scott, Amanda, Elton and Shannon making your food with co-op love. Lastly, we will continuously work to offer as many natural, organic, sustainable and inexpensive options as possible.

Volunteer Report

By Wendy Mesich, Treasurer

In March of 2020, we shut down our in-store volunteer program for the first time in 20 years. It was the right choice and yet the community of volunteers was missed and felt by everyone. Annica Mandeltort, the Volunteer Coordinator was able to keep interest alive and implemented a program where our volunteers could help out other organizations to stay active.

As a result, the position was reduced in scope and hours as it became clear that it would be a significant amount of time before volunteers would be back in store. When Annica moved the position was not replaced as a cost-saving measure.

Finance Report

By Wendy Mesich, Treasurer

We went into 2020 off of a \$45,000 loss in 2019 and losses since 2016. This led us to implement a plan to refresh the store and cafe. More seating in the cafe, advertising changes, and store refresh were some elements of that plan.



We had many off-site volunteers working hard behind the scenes: our committees worked diligently, supporting the board and staff as the Co-Op made its way through 2020.



It was a hard year, pausing the level of interaction with the community that the Co-Op loves being the center of; having to pause the volunteer program was like changing the co-ops personality.

The first quarter of 2020 was showing an improvement: Cafe sales were up 15%, Store up 10% from 2019 in our slowest months. Then COVID stopped that in its tracks. At that point, we responded with reduced hours of operations, COVID restrictions, all in taking a cautious approach to shopping. Our goal was and is to keep our staff and community safe. We instituted a hazard wage that still continues today and had no onsite volunteers at all.

We ended 2020 down in sales 35% (Cafe down 62% and Store down 19%).

We were able to secure \$70,900 in the first round of the Paycheck Protection Program (PPP) and local grants which still left us with a \$50,369.30 loss for 2020. Thank you Collin LaVallee, 2020 Treasurer, for your work securing those funds!

Human Resources Report

By Debbie Powers, President, and Karen Reynolds, Vice President

2020 was a year where many businesses relied heavily on updates and protocols from Human Resources; at the Co-Op, we are extremely grateful to have had the skills, knowledge, and resources of Rachel Messenger. Traditionally, the Co-Op has tried to manage our Human Resources through committee work. However, it became apparent in 2019 that we would greatly benefit from having the support of an experienced HR Specialist.



Not only does the Co-Op rely on HR to assist with the hiring process, on-boarding and off-boarding staff and board members, personnel conflicts that arise, updating the employee handbook and organizational policies, and completing annual reviews, but we also relied on that expertise in a time of crisis.



When COVID hit and we were faced with some heavy decisions to make regarding our staff, Rachel led a series of emergency meetings to ensure that the board and coordinators came to an agreement on how to go about the transitions that needed to be made.

While we kept the store open (aside from a brief closure in March), closed the cafe, temporarily eliminated volunteer shifts, established rates of hazard pay, and assessed the safety concerns of current staff, HR was there to help navigate all of the moving pieces.

As local and federal laws and recommendations were constantly in flux, the Co-Op was kept apprised of current best practices. Finally, when we decided to move forward with a restructuring process for our business, Rachel was invaluable at facilitating tough conversations from all levels of the organization, which will help progress us into the future.

Communications Committee Report

By Karen Reynolds, Vice President

We started off 2020 strong with our annual Spaghetti Dinner in the Falcon Bowl ballroom; friends and neighbors gathered to celebrate their love for the Co-Op and our neighbors while enjoying a tasty plate of pasta made with love by our volunteers and being serenaded by Trio du Monde. Sadly, that would prove to be the only in-person event for the year. We spent the first few months thinking through how to best promote the REFRESH campaign, and considered what summer events we wanted the Co-Op to have a presence at.

With safety precautions in mind, the Communications Committee pivoted our focus to communicating with our membership and customers through social media, our electronic newsletter, ads in the Riverwest Currents newspaper, and store signage.



We notified the community about ongoing changes in hours and COVID protocols, highlighted discount

days and new products available, and promoted the brief addition of a Cafe brunch menu. We helped to promote the virtual GMM and made requests for members to submit questions in advance. We brainstormed ways to keep our membership informed and considered new opportunities to broaden our customer base.



Feeling the urge to reconnect with all of the lovely people who we could no longer bump into between aisles, we were determined to plan some sort of Spaghetti Dinner in January, 2021; ultimately, we invited everyone to pick up their spaghetti fixings and cafe-made desserts in advance, and join us for a virtual celebration that featured music by Trio du Monde. As special as it was to see everyone's faces through Zoom, we are excited to share with you all of the ways that we got to re-engage with folks in 2021!

Membership Committee Report

By Karen Reynolds, Vice President

First, thank you to all of our members! We wouldn't be here without you.

In response to the COVID pandemic store and cafe closures and reduced hours, the Membership Committee worked with the Board to postpone membership expirations. We felt that it was unfair to enforce renewals when our operating hours were so limited and many of our members were experiencing financial hardship. The expiration freeze ran from March through October, 2020 when we returned to our regular renewal/expiration process.



This year the Membership Committee started the planning towards increasing financial accessibility by offering community sponsored memberships. Starting in 2021, lifetime members and annual members donated to an equity fund. With this fund, people who experience financial hardship, but would like to become members, would be able to apply for financial sponsorship to cover the cost of an annual membership. This has been a goal of ours for many years and we were able to get this program jump started with the help of a team of staff and volunteers. We will continue to develop and raise community awareness of this project for many years to come.



In spite of all of the complications that COVID presented that year, 267 members renewed and 302 became new members and at the end of the year 1,018 members had reached lifetime status (10 of which purchased lifetime memberships outright). The member equity brought in, close to \$10,500, was substantial when put into perspective and only a few thousand dollars off from other years.



A big accomplishment for the committee this year was to digitize most of our records, forms, and advertising materials. Having e-materials and consolidated instructions has been very helpful when training new volunteers, has reduced data entry errors, and will allow for easier editing when they arise.

Sustainability Committee Report

By Karen Reynolds, Vice President

The Riverwest Co-Op Sustainability Committee is a group of volunteers committed to reducing our environmental footprint and educating our members about how to take care of our planet.



For years now, the Co-Op and its customers have enjoyed the convenience of the Boomerang Bag project - an initiative to reduce disposable bags by cycling through cloth bags which are “boomeranged” back to the store after each use. The Co-Op also offers recycled plastic bags that are donated by customers, but the Boomerang Bag project’s impact is two-fold,

as it also serves as a reminder to utilize cloth bags in your daily life outside of the Co-Op.

As part of our REFRESH project, the Sustainability Committee was working on expanding our bulk bin section.



In 2020, many of this committee’s projects and initiatives were put on hold when COVID hit; we made the tough decision to reduce the spread of germs by temporarily removing the Boomerang Bag rack and limiting our current bulk section to only be accessible by staff. One project that the committee did take on during 2020 was to introduce a slew of new plants to the store, which are not only beautiful, but help to purify the air and bring life into the space.

We are still adamantly committed to being more sustainable, and look forward to bringing back and growing these initiatives in the near future.

