

A photograph of the Maple City Market building. The building has a distinctive Art Deco style with a tall, white, stepped tower section featuring vertical red stripes. The main entrance is a glass door with a black frame, and a black sign above it reads "Maple City Market" in white. To the right of the entrance are large display windows. Outside, there is a small patio area with black metal chairs and tables, and large planters with greenery. The scene is set against a clear blue sky with some trees visible in the background.

Maple City Market

2023 Annual Report

Maple City Market

Message from the Board Chairs

By Darin Short and Malinda Berry

Governance...board of Directors. While those things can sound daunting they don't have to be. But of course, they are fundamental to a well-run, successful food cooperative.

It's tempting to think you have to be a well-connected, "experienced", and "intelligent" person to be able to govern or be on a board of directors. While those are certainly great qualities to have for serving on a board of directors, we've learned they are not pre-requisites for serving on the board at Maple City Market. In our case, we have a board with various levels of experience and plenty of wisdom but just as importantly we bring a diverse set of skills, perspectives, and experiences as well as a passion for the cooperative movement and a willingness to learn. For sure, our board is in a continual state of learning.

We learn from each other, from Brad Alstrom our general manager (who is also one of the more experienced GM's in the industry) and our consulting group, Columinate. Collectively these three sources of learning provide new and existing board members with a tremendous

amount of support as well as on-going learning opportunities which were a focus of the board during 2023 and continue to be in 2024.

So what is governance and how do we approach it at MCM? Quite simply, governance involves providing oversight.

The general manager (GM) is the only person we oversee...that's it. No one else.

As a board we basically put-up guardrails and ask the GM to stay within those guardrails as they (and not the board) operate the store. The GM is generally in charge of store operations, hiring employees and managing all the employees. The guardrails come in the form of policies and are the "what" that the board oversees. While this list is not comprehensive these policies cover things like staff treatment, fiscal responsibility, facilities maintenance, store operations, growing sales, and having a positive social, environmental and healthful impact on/in our

community. In summary the board hires a qualified GM and lets the GM do what they do well. If the GM stays within the guardrails our job as a board is easy and we are very happy to say that during 2023, our job was easy because Brad Alstrom is doing a phenomenal job running the store.

An outcome of good governance and a very well-run store is that they have allowed the board to focus on continual improvement. To that end during 2024 the board is conducting a critical review of our existing policies to make sure they are current, relevant and meaningful for our context. Additionally, we have been able to have on-going conversations about what growth of the store might

look like and mean (hopefully you were able to complete the shopper survey conducted near the end of 2023 - which has provided great insight for these conversations - and remember the questions about growth and expansion). All that to say, good governance has had at least some impact on the health of our cooperative and the potential for having a greater and sustained impact in our community.

Thank you for allowing all of us on the board to serve in this way!

MCM Ends Statements

Because of MCM, there will be a healthy community nourished and educated by:

- 1. EQUITABLE** *economic practices.*
- 2. REGENERATIVE** *environmental impacts.*
- 3. INCLUSIVE** *socially responsible relationships.*



General Manager's Report

By Brad Alstrom

Hello Maple City Market Co-op member-owners and stakeholders! Thank you for taking the time to read our 2023 Annual Report to our member-owners. 2023 was a year of building capacity and store improvements, setting the stage for the growth we're currently seeing in 2024.

If you're reading this report, we know you're interested in learning about Maple City Market's condition and trajectory. And if you've really been paying attention, you may have noticed this is the first time in three years that we have published a full-scale Annual Report. The past two years, we instead only published abbreviated financial reports. If you're curious, you can view all our past Annual Reports at www.maplecitymarket.coop underneath governance archives in our top down menu.

Since we had a gap in reporting, let's rewind three-years back to 2021. The pandemic had fueled a year of strong sales growth and helped us put some money in the bank, but we all felt beleaguered and the economic and cultural conditions around us were changing dramatically.

First came the Great Resignation of 2021. Like many workplaces, especially those in the service industries, MCM felt the impacts. Many of our grocery worker-heroes that endured the stresses of the previous 1-2 years were ready for change. 71% of our staff turned over in 2021, and then another 57% in 2022. We had months without a single job application. High rates of turnover left us understaffed and in need of rebuilding.

Then came inflation. First there was the challenge of keeping up with price changes. Week after week we saw dozens of price hikes from our farmers, producers, vendors, and distributors, who themselves were being challenged by product and labor supply chains. It felt like we were playing catch-up for almost two years.

Inflation also changed customer shopping patterns. With grocery prices on the rise, it was difficult to attract customers. There was a period when inflation had already started to impact grocery, but not so much food service establishments. After many months of restaurants having been closed or at limited capacity, eating out had never been more attractive. And a store like ours that focuses on local, organic, and high quality foods, we know we don't have the lowest prices in town, which presumably served as another deterrent during the months of high inflation. Many other food co-ops felt the same stresses.

The combination of high employee turnover and high inflation took a toll on our sales growth and profitability starting in late 2021 on through 2023. Fortunately, the food inflation rate has settled down from its highpoint of 11.4% in August of 2022 to 2.2% today.

By late 2022 our staffing had started to stabilize, with more and more qualified job applications allowing us to make some strategic long-term hires. In fact, in 2023, only 14% of our staff turned over, which is an extremely low rate for grocery industry. We continue to see strong interest from qualified

In addition to our staffing having stabilized, two events helped us to turn the corner and start to drive bigger sales. First off, our Deli Team, under the new leadership of our Prepared Foods Manager, Julia Beal, began to drive increasingly strong growth in the Deli & Bakery departments throughout 2023. New offerings attracted new customers and brought old lunch customers back to the store. Our deli now features a new bakery display case, and we have plans for a future reconfiguration of the deli service counters to include more hot food offerings. Meanwhile deli sales continue to grow at rate faster than we've seen in over five years.

Second, at the start of 2023 we put our Store Refresh project back on the table. We had started planning this project in 2019 with the support of our National Cooperative Grocer's Association, NCG. But just as we were ordering the new shelving in March of 2020, the sudden onset of the pandemic brought everything to a halt. The project



Chocolate Raspberry Tarts
Chelsea Risser, Lead Baker

included new grocery shelving, bulk bins, additional refrigeration, display cases, and a complete reset of all our center-store product categories. In July of last year, we finally tore down all of our very old grocery shelving and bulk-bin merchandisers, and installed new shelving, with more height to allow for extra product. We reorganized and resized all of our categories to help maximize sales refine our product offerings. The sales



Billy Woodruff (NCG) & Gretchen Krause (Grocery Manager)
Removing Shelving during Store Refresh



**Amber, Member Owner
First Beer & Wine Customer**

growth results started to show in the fourth quarter of 2023 and have been steadily building ever since.

Then, at the very end of 2023, we learned that the State of Indiana was making available several new grocery beer and wine permits at a state auction, including two permits within the City of Goshen. These types of permits are difficult to obtain due to a cap on the quantity available in any given jurisdiction. MCM Board and Management had been discussing the desire to sell beer and wine at least as far back as 2015, at which point we had conducted a member-shopper survey on the topic that showed strong support. Having unsuccessfully bid on a similar permit in 2017, this time around we were successful with our bid.

With our refreshed grocery departments, new shelving and fixtures, steady staffing providing a high level of customer service, and now the

addition of beer and wine into our product mix, we entered 2024 with strong winds in our sails. Year-to-date we're at 15% growth over previous year, about 5% over budgeted growth, and we expect the growth to carry us through most of the coming year.

**Thank you to all of Co-op
Members and shoppers
who support our co-op
throughout the year. We can't
do it without all you!**

An extra big thanks to our Board of Directors who steward our co-op using sound governance. and the SUPER BIG THANK YOU to our tremendous staff. We have a great team of employees and we look forward to continue serving the Goshen community for years to come with Fresh, Local, Organic food!



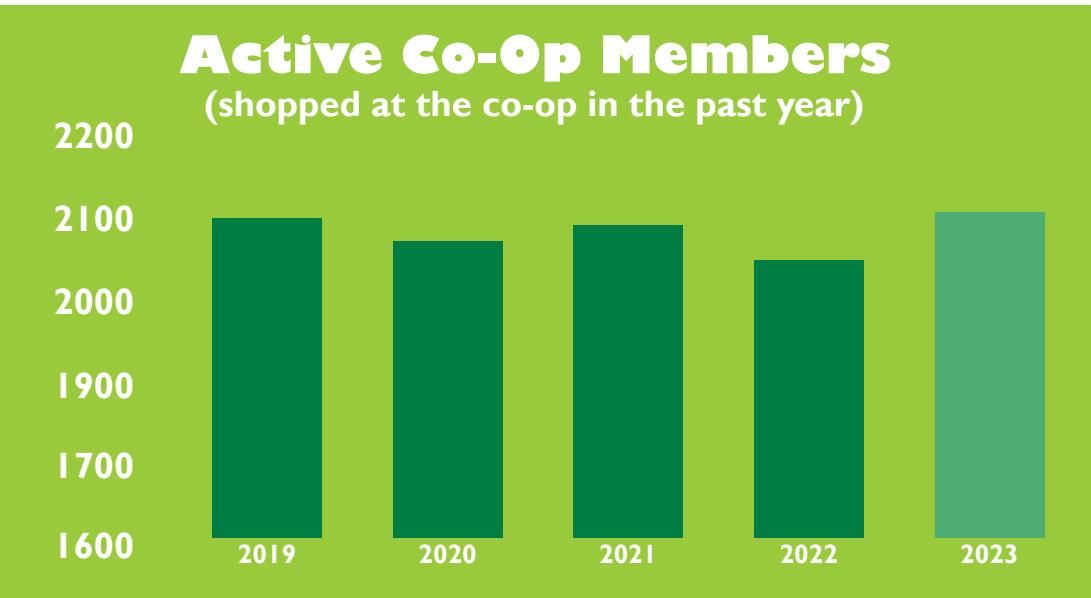
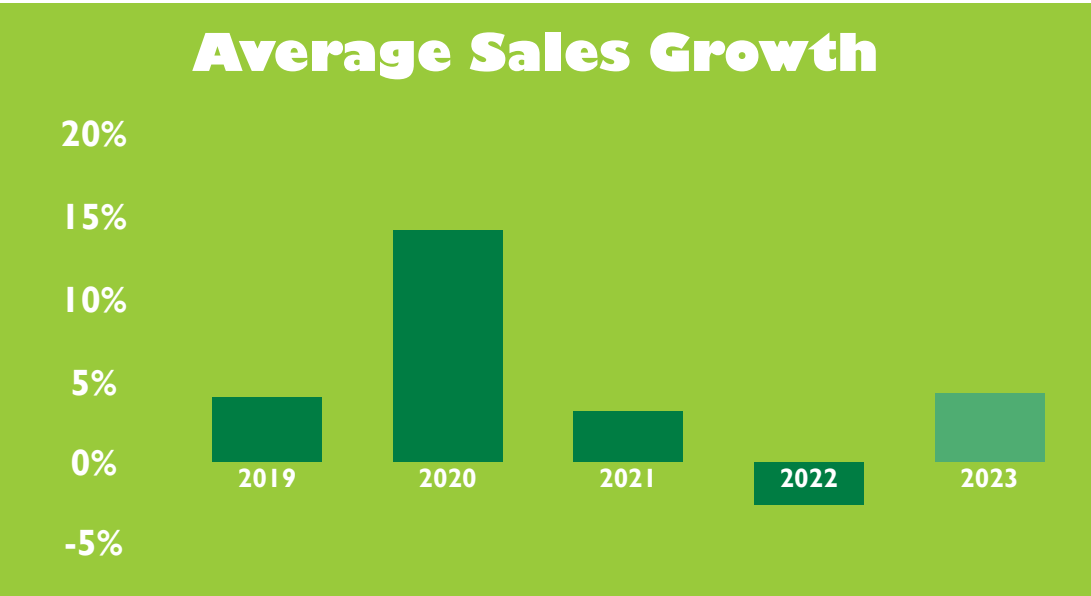
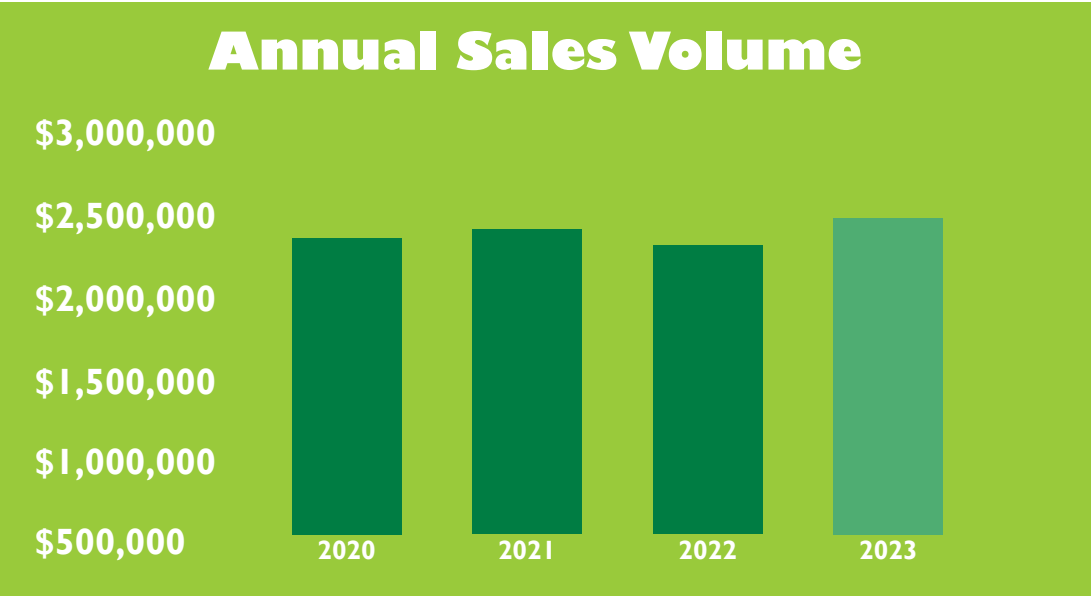
**Local farmers Kate Friesen
& Scott Kempf of Singletree Farm**

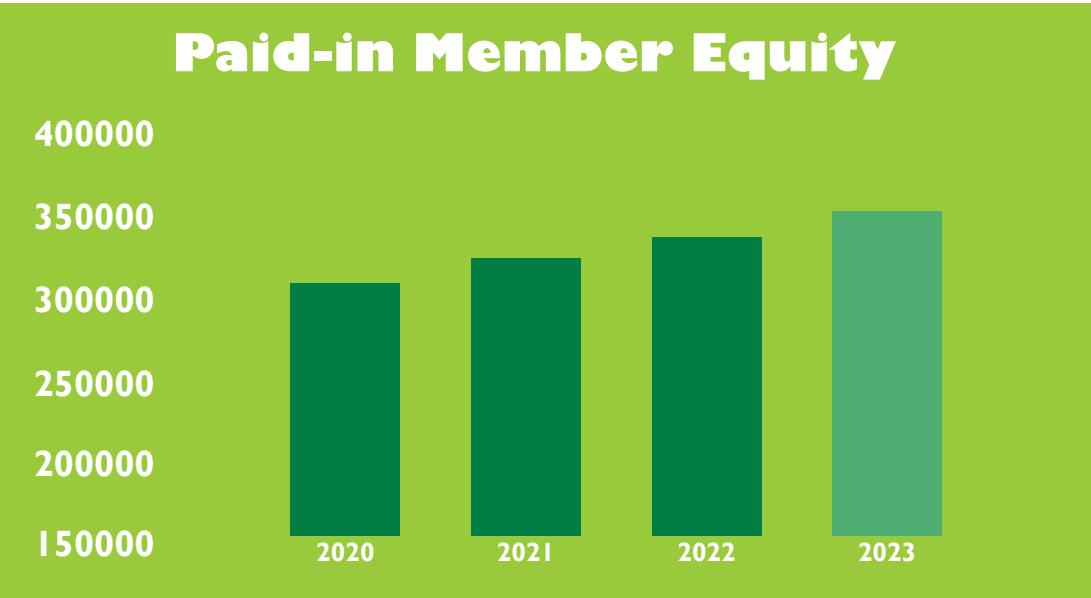
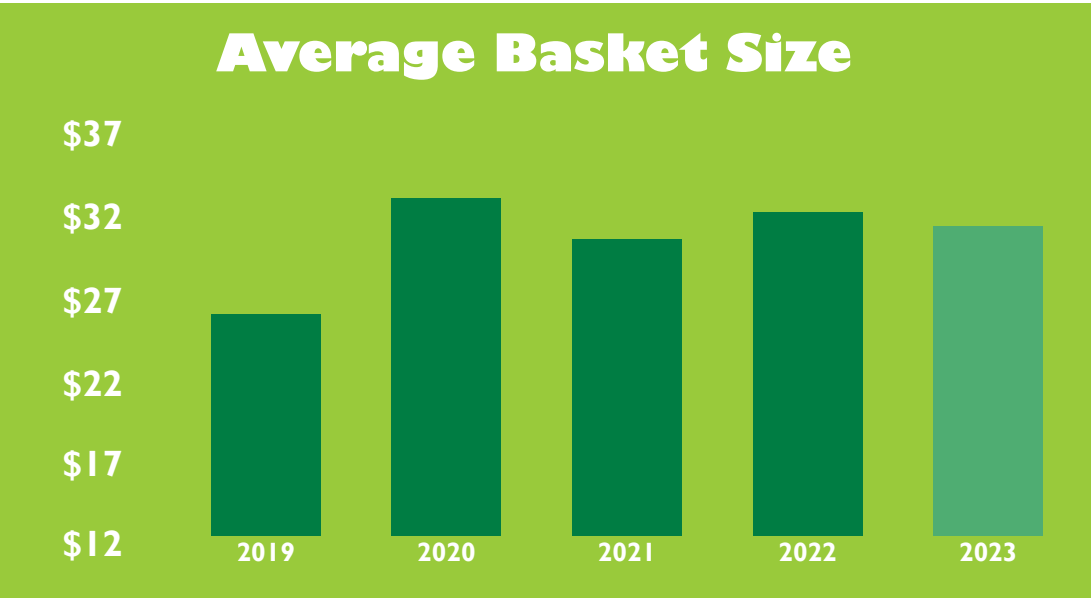
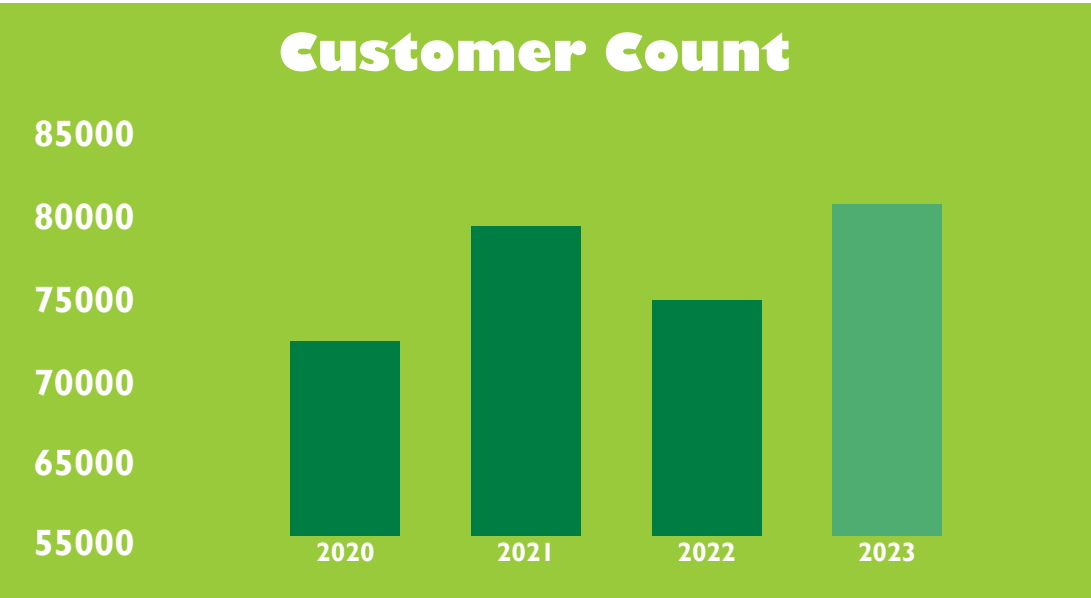
Balance Sheet Summary

Assets	2023	2022
Cash & Equivalents	\$230,297	\$377,208
Accounts Receivable	\$5,666	\$6,737
Prepaid Expenses	\$4,524	\$10,424
Inventory	\$193,996	\$170,700
Current Assets	\$434,483	\$565,069
Property & Equipment	\$213,186	\$115,283
Equity in Other Co-ops	\$57,152	\$56,509
Total Other Assets	\$45,000	\$16,000
Total Assets	\$749,821	\$752,861
Liabilities		
Accounts Payable	\$85,633	\$68,818
Other Current Liabilities	\$93,995	\$68,033
Total Liabilities	\$179,628	\$136,851
Owner's Equity		
Member Shares	\$349,520	\$336,030
Retained Patronage Dividends	\$156,748	\$156,748
Retained Earnings	\$63,925	\$123,232
Total Equity	\$570,193	\$616,010
Total Liabilities & Equity	\$749,821	\$752,861

Income Statement

Income	2023	2022
Sales & Returns	\$2,520,321	\$2,430,828
Cost of Goods Sold	\$1,637,068	\$1,549,268
Gross Profit Margin	\$883,253	\$881,560
Expenses		
Personnel	\$639,406	\$573,942
Occupancy	\$97,680	\$74,609
Depreciation	\$8,712	\$9,620
Operating	\$98,335	\$95,728
Administration	\$50,183	\$48,086
Marketing	\$27,684	\$26,669
Member Discounts	\$24,475	\$24,163
Governance	\$13,270	\$11,414
Total Operating Expenses	\$959,745	\$864,231
Net Income from Operations	-\$76,492	\$17,329
Other Income & Expenses	\$16,486	\$6,823
Net Income	-\$60,006	\$24,152







**Local Sunflowers
Horn of Plenty**

Register Round Up Program

By Bailey Harmon (Marketing Coordinator)



Do you remember those little plastic donation boxes for The Window? They were at each register for years? Those clunky things annoyed me so much.

They always got in the way of bagging and scanning, banging against the sides of the register with that dull *clunk clunk*. The part that held the sign broke often and I was nervous someone would accidentally cut themselves on the jagged plastic before we got a new one in.

Of course the concept of them was great! I was grateful for every penny we and customers would drop in, but it came to a point where we couldn't stand it anymore. To finally be rid of them, I reached out to Susi Miller of The Window, pitching the idea of a Register Round Up.

A Register Round Up, or Round Up at the Register, is a community driven fundraiser where customers can round-up the total of their purchase to the nearest dollar which will then be donated to a chosen nonprofit or charity.

This is a program many food co-ops have and something Maple City Market has been meaning to do for a long time. In fact, Brad, our general manager, had been suggesting it to me since I first became Marketing Coordinator. Admittedly, I was new to Goshen and new to Maple City Market itself and wanted time to get comfortable in my role, not to mention there were other contributing factors that prolonged the launch of this program.

Due to the pandemic and The Great Staff Turnover of 2021, it was difficult

to start hosting workshops again and it was especially intimidating to launch new programs, such as the Register Round Up. Another effect of the pandemic was a feeling of disconnect with our customer base. Long-term members and shoppers moved away, people who had moved out of Goshen decades ago returned to their hometown, and a wave of new shoppers came too.

But, as they say, time is the greatest band aid. After further investments in the co-op through initiatives like the store refresh, incredible staffing, a solid managerial team, and a better understanding of our shoppers, it felt like we were starting to get our momentum back. Now that the co-op was getting back on its feet, and I felt more comfortable in my marketing role, 2024 was the right timing to establish our own Register Round Up Program. As this was a relatively new concept to the co-op, we decided to start small by donating to four organizations, equating to a round-up once a quarter during 2024. We then set our sights on January 2024 as the official launch and trial run of our first Register Round Up, starting with our long-term partner The Window as our chosen non-profit.

And what a success it was! Within the first 3 weeks of January, we had already hit \$1000, eventually ending the Round Up with a whopping \$1476.71. The overall positive response to the program, dating as far back as November 2023 when we first started spreading the word, was incredibly reassuring. Then we hosted our second Round Up in April for Bushcraft Farm, an

educational farm in Elkhart, IN, raising a total of \$1,324.73. Another success!

We have two more fundraisers to go for 2024 with a potential for more as we enter the holiday season.

As the program solidifies, our goal is to build relations with 12+ nonprofits so MCM can host monthly round-ups in future years.

We also hope to reach a point where members can vote who to donate to for the upcoming months, creating more involvement with our shoppers and community.

We cannot begin to express how thankful and proud we are for the generosity of our shoppers towards our community. Your never-ending support and eagerness to make a difference is impactful and appreciated.



**Susi Miller and Bailey Harmon
Check to The Window**

Local & Regional Vendors

We're proud to cultivate relationships with our local growers and producers, not only to bring our shoppers the freshest, most high quality ingredients, but to help preserve and stimulate our local economy and community.

Local Vendors

Axis Mundi CBD
Beechler Maple Syrup
Spingside Eggs (Delmar Bontrager)
Clay Bottom Farm
Mother Comfrey (Nicole Craig)
Capriole Goat Cheese
Crystal Springs Creamery
Dutch Waffle Co
Electric Brew
Farming for Life
Fischer Farms
Fish Lake Farm
Half Moon Rising Orchards
Greenbridge Growers
Hawkins Water
Heritage Ridge Cheese
Ridgelane Farm
Horn of Plenty Growers Co-op
Heather Horst Skin Care
Jake's Country Meats
John's Butcher Shop
Loro Verde Coffee
Matilda Chips / El Popo Tortillas
M-Mushrooms, Maria
Miller's Orchard Apple Butter
Miller Poultry
Mitchell's Honey

Naturavilla Skin Care
Nektar Flow Pawpaws
Pleasant Ridge Farm
Scholar's Inn
Single Tree Farm
Skin Psalm
SNR Duck Eggs (Robinson Eggs)
Soapy Gnome
Sustaniable Greens
Yoder's Meats
Garwood Orchards
Sundance Botanicals
Kercher Orchards / Sunrise Produce
Broad Ripple Chips
Matilda Chips / El Popo Tortillas
Eisele's Honey
Smoking Goose
Endangered Species Chocolate
Tulip Tree Creamery
Stella Cheese
Springer Design
Organic Valley

Regional Vendors

Massey Fish Co.	Stonehouse
Great Lakes	Bread
Wellness	Organic Valley
Bowman &	Guggisberg
Landes	Cheese
JBC Coffee	Andrew &
BelGioioso	Everett Cheese
Cheese	Woerber's
Great Lakes	Vinegar
Cheese	
Stella Cheese	
LaClare	
Creamery	



Co-op Employees

Our employees are at the core of our business and they performed like stars in 2023. Thank you to our team who keep the co-op alive and running.

Adam Hessler
Anna Wiebe
Annette Webb
Bailey Harmon
Brad Alstrom
Chelsea Risser
Erica Stichter
Gretchen Krause
Heidi King
Julia Beal
Kami Barhydt
Kevin Brooks
Linda Perez

Mara Scherock
Phillip Chan
Rhonda Parkhurst
Rudys Guzman
Samuel Miller
Sarah Bender
Sarah Hansing
Serafina Opacich
Sophia Yordy
Stephanie Tuura
Terran Kingsley
Valarie Mann



Co-op Board of Directors

Darin Short, Board Co-chair 2018-2020, 2021-2023

Malinda Berry, Board Co-chair 2020-2022, 2023-2025

Jama Yoder, Board Secretary 2021-2022, 2023-2025

Rose Shetler, 2019-2021, 2022-2024

David Kendall, 2022-2024

Anna Parker, 2022-2023

Luke Gascho, 2022-2024

Dustin George Miller, 2022-2023

Lizzy Diaz, 2023-2025