



2014
ANNUAL
REPORT

Letter from the Board

You know it, and we know it. This has been our toughest year to date. The co-op has faced several challenges in the last 18 months or so which have culminated in very few memberships this year, too few volunteers, and a low census on our board. The board has spent a lot of time looking at this. Several things worked against us, but some important, and positive things have persisted. Let's take a deeper look.

First, we lost our longest-running board members, one after the other. With their departure went the knowledge and experience they had as board members, and as co-op leaders. The incoming board worked hard to continue on, but biting off leadership with little to no mentorship was very challenging, and many of them left. Our member and community engagement efforts waned drastically as we lacked the people who could execute them. As our forces diminished, long-standing volunteers became overwhelmed with an increasing amount of responsibility. Last, due to our well intentioned, but poorly executed outreach efforts, a vast number of you were not hearing our event notices, elections, volunteer opportunities, and updates. You wondered, "What's happening with my co-op?"

It's exciting to say that this phase is turning around. The board has spent the last two months taking a critical look at the systems in place so that we could isolate the problem and tackle it. The number one thing we kept coming back to was engagement. Without engagement, you don't hear about our events, our membership drives, our fundraising efforts, our calls for volunteers. Without engagement, you don't know what's happening with your co-op, and it's easily forgotten. Without engagement, we can't get the influx of members we need, the volunteers we need, to launch all of the great ideas and next step items that are waiting to be done.

The board has learned that we are not reaching you. We also learned that you are not having fun. We aren't having fun. We'd forgotten somewhere along the way how extremely important it is for our members to know that they're a part of a community, and that by feeling connected to that community, we all work to preserve, protect and strengthen it.

We're excited to say that we are all stepping up! The board has put forward a call for volunteers and we are doing this in



PHOTO COURTESY KATHRYN AGUILO

Volunteers Maria McGuire, Renae Hammel, Robyn Olson, and Marie Vila helping with the 2014 KCFC Harvest Dinner.

several ways. You're answering the call - people are showing up, sharing their ideas, and taking on small tasks that allow those great ideas to come to fruition. Business owners are stepping forward to work with us, mentor us and hopefully ease into some leadership roles. We've continued to get education on everything from effective use of social media, negotiation of leases for co-ops, building a sustainable board, and more. First and foremost, this is a business, and as we focused on the business, we forgot about the close second - that this is also a community. The board is committed to doing a better job of balancing these things, as we know now more than ever how interconnected they are.

While the board works hard to make those adjustments, our successes lie in the work that we've accomplished. It feels great to say that we've continued to work with developers on possible sites, and the sites are exciting. Our fiscal pro forma has been completed, and for the first time in our existence, we now have a business plan. We need about 1000-1500 member-owners and then we can launch our capital campaign, which is planned and ready to execute. We're perched on the precipice of many big things! Our first order of business at this critical junction is connect and inspire, so that all of this work can get done. Look forward to a re-visioned website that is fresh and informative, more social media involvement, fun community events and the ever-present invitation to bring your skills and talents to one of our committees or the board. We're making it happen, together!

Our Mission

The Kitsap Community Food Co-op connects our local community with quality food, products and access to information that promotes a healthy future for our families and our planet. Together we work toward a world where mutually beneficial relationships exist between producers and purchasers.

Financial Review - fiscal year ending Dec. 31, 2014

Expense breakdown

Source of Cash

Balance Sheet

Financials

Our Core Values

Food: We sell the highest quality food at a fair market price.

Local: We provide local food and products.

Community: We are committed to building strong ties within our community.

Education: We educate ourselves and the public.

Welcoming: We provide a welcoming environment to everyone.

Ownership: Members are more than just customers, members are owners.

Volunteerism: We encourage members to help out and give back.

Dynamic: We listen to our community, and work to meet their needs.

Ecological: We commit to sustainable practices.

2014 BY THE NUMBERS

For the 2014-2015 Fiscal Year the Kitsap Community Food Co-op welcomed **85** new member-owner households, bringing us to **708** total member households. The Board of Directors met for **17** board meetings, and **17** study sessions, a total of **85** hours spent just in board meetings! There was **1** Fall Fair, **1** Harvest Dinner and **1** Co-op conference and **1** public meeting. Committees and volunteers spent over **200** hours at tabling events and committee meetings. Go Co-op!

Treasurer's Report

The Board adjusted the fiscal year from Jan-December to a more commonly used timeline of June 30/ July 1. This meant shifting the elections period and annual meeting time. We have had an Interim Treasurer for the last year who has kept us current in financial reporting, bookkeeping and business reporting. We accomplished the purchase of our Fiscal Pro Forma, a document which summarizes our financial preparedness. The planning for the capital campaign is underway and will be launched when we reach our target number of 1000-1500 members, and have a Letter of Intent signed on a site.



PHOTO COURTESY MEG PROUSE

Fall fair hand painted canvas bags for raffle donated by various members.

Marketing Report

The marketing team has seen a lot of change over the last year. We went from being a committee in name-only, to a vibrant and diverse group of people. Over the last year the board has reviewed where the committees were weak in organization and strengthened those places with increased autonomy, support from staff, and regular connection with the board, rather than the board in leadership on the committees. As a result, the Marketing Team can boast a videographer, two designers, PR support, editors, strategists and overall visionaries. We'll be working on efforts to increase visibility of the co-op to the community, keep members connected to the events and milestones that take place

Outreach Report

The Events & Outreach team volunteers hold and attend local events to help promote KCFC in an in-person way. This team works with the Fundraising team to help execute fundraising events, as well as the Marketing Team to hold outreach opportunities. This team is made up largely of volunteers who are excited to talk

about the co-op, who like organizing the details of the execution of an event, have a few hours to stand at a tabling event and talk with the public, who think strategically about opportunities for outreach that falls outside the 'foodie' demographic, etc. The Events Team was one area where we had a lot of volunteer support. The co-op participated in several events ranging from knocking on doors and talking to our neighbors, holding signs on the streets marketing

the co-op, to tabling events like the recent one at the Bremerton Farmers Market. We marched in the Bremerton St Patrick's Day parade with some large signs promoting the co-op. The tabling events for Fiscal year 2015 were less than in prior years because our volunteer base on this team decreased. We were unable to execute the Fall Fair, as well as our Harvest Dinner, two of our major community

OUTREACH REPORT see page 3

OUTREACH REPORT from page 2

events and fundraisers. Going forward we are looking at keeping Markour volunteer base sustainable and re-integrating into the tabling events we've regularly attended in years past. We hope to preserve our traditional events like the Fall Fair and Harvest Dinner, as well as integrating new opportunities for member-owners to get together, have fun, learn about the co-op, and bring a friend to join.

Membership Report

The Membership Team focuses on member engagement, ensuring that our membership feel connected to the co-op. This team, which includes our staff-person, Jess Sappington, sets membership drive goals and works with the Events & Marketing teams to execute their ideas. Membership team will work with some volunteer coordination opportunities for member-owners, and may do administrative tasks like member-database, mailings, blog posts, etc. Also, member-to-member engagement opportunities like member-to-member calling, handwritten cards to new members, etc.

This effort has been a bit jumbled this year. Jess has been operating as our Membership Coordinator, and the Membership Committee existed simultaneously. In an effort to stream-



Kevin Koski & Maria McGuire doing a co-op street marketing day in Bremerton.

PHOTO COURTESY KEVIN KOSKI

line efforts and focus staff on relevant work, Jess was shifted out of that role and more toward committee support. Unfortunately this resulted in a lack of focus in gaining memberships and a slow drive forward this year. Jess launched a few campaigns, one of which was the 31 in 31 campaign which helped to fund the fiscal pro forma earlier this year. Subsequent membership campaigns were not as successful as we lacked understanding

of the best use of social media, did not have an organized marketing team at the time and generally lacked volunteers to support the membership drive efforts. Going forward, Jess will focus her attentions on membership drives and goal-setting, and working with the Membership team, measure engagement, and utilize the Marketing and Events teams to make those efforts successful. Our next goal is 1000-1500 members.

Contact Us

The Kitsap Community
Food Co-op
851 6th Street, Suite 140
Bremerton, WA 98337

Phone: (360) 813-1301

General inquires:
info@kitsapfood.coop

Our Staff

Jess Sappington - Membership coordinator

Board of Directors

Jeff Allen - President, (hometown), term expires 2016
Kristina Kruzan - Vice President, (hometown), term expires 2017
Bristol Parsons - Director, (hometown), term expires 2017
Ian Logan - Clerk, (hometown), term expires 2017
Kevin Koski - Director, (hometown), term expires 2016
Marcus Collier - Director, (hometown), term expires 2017

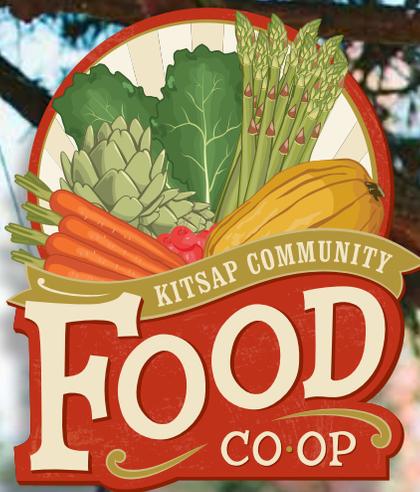


PHOTO COURTESY MEG PROUSE

Member-owner Lauren Sigel telling why she joined the co-op.

Kitsap Community Food Co-op is a business and an organization that is working towards opening a full-service, cooperatively-owned grocery store in Kitsap County. For more information visit www.kitsapfood.coop.

The 7 Cooperative Principals

These core principals are adhered to by every cooperative model... blah blah blah

1. VOLUNTEER

Co-ops are voluntary organizations, open to all people able to use its services and willing to accept the responsibilities of membership.

2. DEMOCRATIC

Co-ops are democratic organizations controlled by their members—those who buy the goods or use the services of the cooperative—who actively participate in setting policies and making decisions.

3. ECONOMIC

Members contribute equally to, and demo-

cratically control, the capital of the cooperative. This benefits members in proportion to the business they conduct with the cooperative rather than on the capital invested.

4. INDEPENDENCE

Coops are autonomous, self-help organizations controlled by their members.

5. EDUCATION

Co-ops provide education & training for members, elected representatives, managers and employees so they can contribute effectively to the development of their cooperative.

6. COOPERATION

Co-ops serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

7. COMMUNITY

While focusing on member needs, co-ops work for the sustainable development of communities through policies and programs accepted by the members.