

2022 ANNUAL REPORT



A LETTER FROM THE BOARD

What a historic and exciting year 2022 has been for Open Harvest! For the board, our major focus has been the relocation of our store. Several years of planning, surveys, market studies, and financial analyses, has culminated in securing a site for our future location. In September, we announced the signing of the lease for our new location in the historic Telegraph District. We are excited to have found a location that checked our major criteria, with one of the most important to our Member Owners being that we stay in the 'heart' of Lincoln, not too far from our current location. The positive response to this location has been overwhelming!

In the spring, we launched the first phase of our Owner Investment Campaign by mailing letters to the membership and following up with phone calls. As a Member Owner, you have the unique opportunity to purchase Preferred Shares to help finance this move. Unlike a stock purchased from Wall Street, this is a local investment that benefits you, our community, and our local food system. You can see and support your investment every time you shop at the store. Preferred shares are dividend-bearing, and over time will be purchased back from investors at face value when the co-op is in a position to do so. It's not too late to invest. **Visit [growthecoop.com](https://www.growthecoop.com) for more details and help us complete our investment campaign.**

In addition to the investment opportunity, we are extremely grateful to the Lincoln Community Foundation for their partnership to serve as our fiscal agent for this project, allowing people to donate to a 501(c)3 for our project with the possible tax benefits they may receive. We have also secured \$200,000 in funding through a USDA HFFI Grant and continue to pursue other grant opportunities.

We are excited to have Kay Walter join the board. She is filling a one-year appointment for a vacant board position. Her experience and long-term commitment to Open Harvest make her a most welcome addition to our board. We will also welcome new director, Sara Brubacher to the board in December. Sara brings experience in natural foods, organizational leadership, and enthusiasm for our co-op.

On behalf of the board, I want to thank each of you for your support of Open Harvest. Together we are making a difference!

Carla McCullough

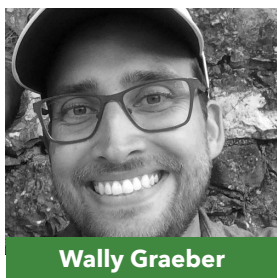
Carla McCullough, FY 22-23 Board Chair

HIGHLIGHTED STORE ACCOMPLISHMENTS

- **Welcomed** 350 new owners
- **Launched** FREE employee equity program
- **Supported** 3% merit-based wage growth
- **Launched** Owner Investment Campaign to raise funds for the co-op relocation
- **Achieved** 72+ days cash by June 2022
- **Raised** \$23,382 in SEED Round-ups
- **Awarded** \$200,000 HFFI Grant to support our relocation project
- **Introduced** the Inclusive Trade label to highlight supplier diversity
- **Awarded** KFOR Radio's Best of Lincoln 2021 Natural Foods & Health Food Store
- **Adapted** to the ongoing supply chain & labor challenges
- **Acquired** a \$500k EIDL SBA Loan

FY 2021-2022

BOARD MEMBERS:



Wally Graeber



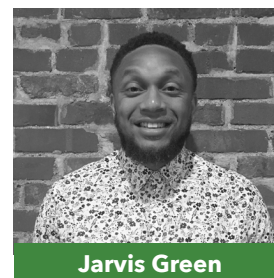
Carla McCullough



Anna Hernoud



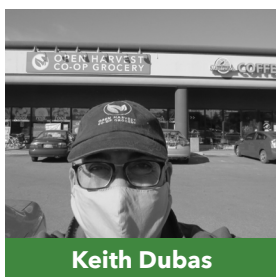
Shah Uddin



Jarvis Green



Amanda McKay



Keith Dubas



Juanita Rice



Chris Morton

BOARD COMPENSATION:

Directors receive a quarterly stipend and reimbursement for conference travel expenses.

Reimbursements: \$2,572

Stipend: \$5,441



OPEN HARVEST
CO-OP GROCERY

KEY FINANCIAL DATA fiscal year ended June 30, 2022

INCOME STATEMENT

	2021/2022	2020/2021	2019/2020
Sales	\$3,605,238	\$3,579,585	\$3,849,366
Cost of Goods Sold	\$2,262,686	\$2,273,800	\$2,445,324
Gross Margin	\$1,342,551	\$1,305,785	\$1,404,042
Operating Expense	\$1,393,125	\$1,374,451	\$1,453,939
Other Income/Expense	(\$16,745)	\$227,803	\$57,293
Net Income	(\$67,318)	\$159,137	\$7,396

BALANCE SHEET

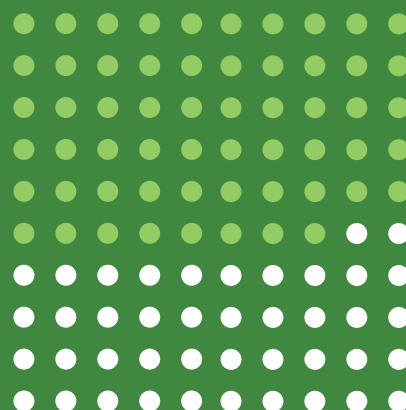
ASSETS	2021/2022	2020/2021	2019/2020
Current Assets	\$1,122,555	\$430,121	\$444,652
Fixed Assets	\$114,562	\$139,373	\$158,108
Other Assets	\$118,532	\$143,306	\$140,805
Total Assets	\$1,355,648	\$712,800	\$743,565
LIABILITIES			
Current Liabilities	\$218,437	\$265,144	\$333,162
Long-Term Liabilities	\$500,000	\$1,560	\$114,135
Total Liabilities	\$718,437	\$266,704	\$447,297
EQUITY			
Preferred A	\$140,000	-----	-----
Preferred B	\$170,000	-----	-----
Member Equity	\$390,023	\$388,589	\$397,897
Retained Earnings	\$57,508	\$57,507	(\$101,629)
Total Equity	\$637,211	\$446,096	\$296,268
Total Liabilities & Equity	\$1,355,648	\$712,800	\$743,565



350
new owners

2,333
active owners

\$10,996
owner discounts



58%
of sales come from
owners

42%
of sales come from
other shoppers

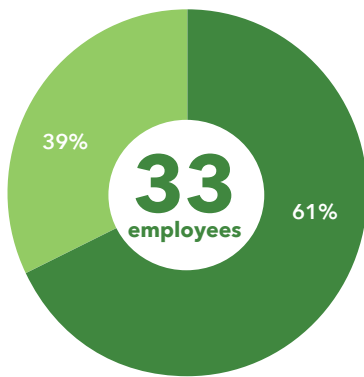
ENDS STATEMENT

Open Harvest Co-op Grocery exists so there will be a vibrant community that:

- *Has access to healthy, organic, and local food*
- *Supports economic justice and strengthens the local economy*
- *Upholds inclusive, socially responsible practices*
- *Contributes to a strong local food system and sustainable environment*
- *Embodies cooperative principles*



OUR PEOPLE



13
full-time staff

20
part-time staff

5.14 yrs
average tenure

\$14.91/hr
average wage

OUR IMPACT

SEED Program

\$23,382

Local Purchases

\$370,855

Sales from local products total:

\$1M
in revenue dollars

27%
of total sales



37.1%
of total store sales
come from certified
organic products

Including more than:
\$1.3M
in organic products

DOUBLE UP FOOD BUCKS

\$13,660
disbursements in FY 2022