

IT'S BEEN A BUSY YEAR!

2022

# ANNUAL REPORT

SEPT 1, 2021-AUG 31, 2022



LA MONTAÑITA

FOOD



CO:OP

See what good food can do.



## **La Montañita Co-op Leadership Team**

**James Esqueda,**  
General Manager

**Rob Dixon,**  
Chief Operations Officer

**John Heckes,**  
Chief Financial Officer

**Dalon Bynum,**  
Human Resources Director

**Jason Martinez,**  
Information Technology Director

**Lea Quale,**  
Membership Engagement and  
Marketing Director

**Luis Nunez,**  
Distribution Center Director

## **Store Leadership**

Willy Cookson, Nob Hill

Nagisa Suzuki, Santa Fe

Travis Kriegel, Rio Grande

Leaf Ashley, Gallup

## **La Montañita Co-op Board of Directors**

**Valerie Smith,** President

**Nina Rosenberg,** Vice President

**Liz Davenport,** Secretary

**Peter Chestnut,** Treasurer

**John Kwait**

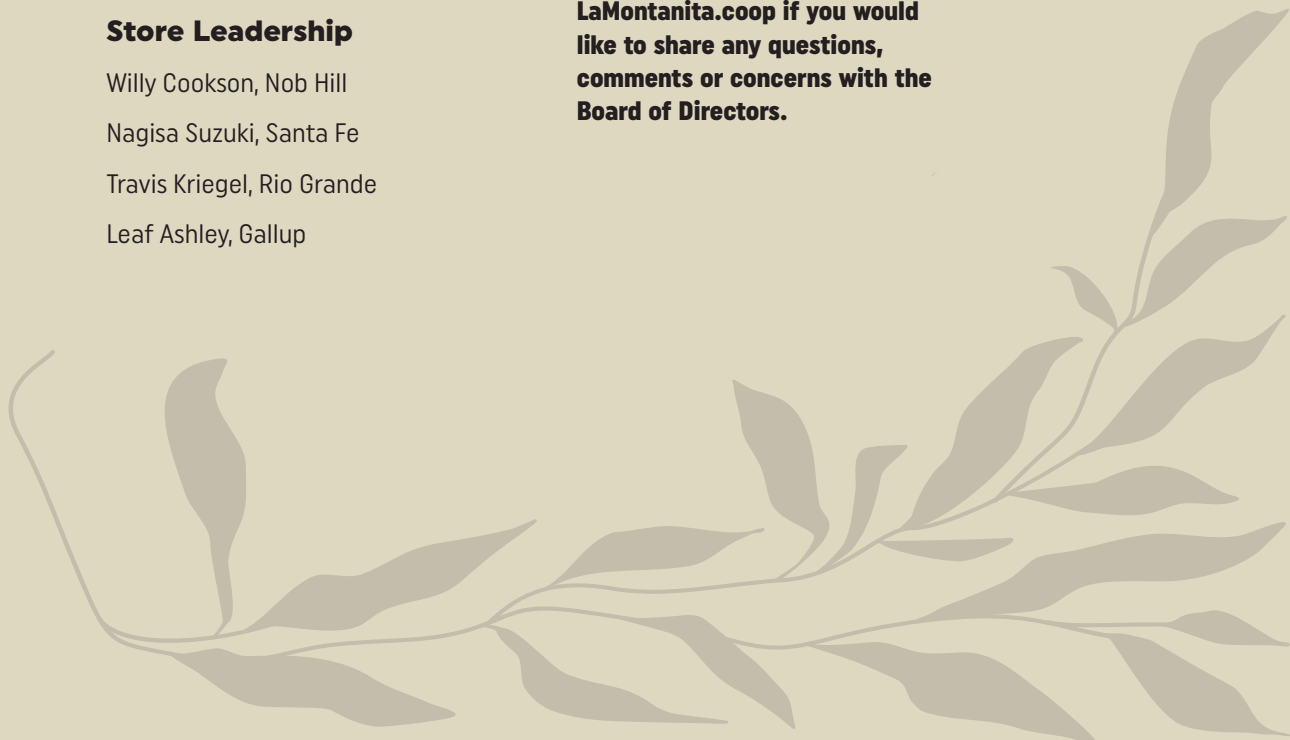
**Elias Murray**

**Maggie Seeley**

**Michael Smith**

**Kari Sutton**

**Send an email to  
TalkWithTheBoard@  
LaMontanita.coop if you would  
like to share any questions,  
comments or concerns with the  
Board of Directors.**



## From the Board President

**W**hat exactly makes a cooperative different and special? It's tempting to think of products when you think of a natural grocery store, especially when it is organized to offer healthier products. When you dig deeper, however, what is on the shelf is just part of the value. One attempt at describing that is this definition of cooperative:

"A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise."

—International Cooperative Alliance

That statement is rich with various aspects of what differentiates cooperatives. For La Montañita, "autonomous association," "democratically controlled," and "jointly owned" are phrases that feel accurate. However, the phrase "social and cultural needs and aspirations" is the fertile land far beyond how we organize or manage our co-op to the hopes and dreams that our community holds around food, land, and people.

Our communities are rife with businesses focusing on hyper-consumerism, maximizing shareholder value, expecting farmers and staff to be the lowest earners in the chain.

As board members, we are responsible for ensuring that our co-op aspires to meet our members' and communities' economic, social, and cultural needs. For this reason, we reviewed and updated our policies over 2022, including our guiding policies, La Montañita's Ends Policies.

La Montañita is a thriving, cooperatively owned business where people can buy great food, knowing their purchases make a difference.

We will:

- Make healthy food and goods accessible.
- Promote environmental sustainability in our practices and products.
- Champion local food systems.
- Create a workplace based on dignity, opportunity, and fair compensation
- Welcome and celebrate our whole community.

The board has also upped its game on governance effectiveness, including attending board development trainings and improving the General Manager monitoring process. Some really interesting things have resulted. La Montañita's finances are improving, and we were able to pay patronage dividends last year. We've embarked on a new store project with amazing new partners at the Avanyu Plaza. The community focus of this plaza development makes it a great location beyond the expanded space, parking, and product mix.

I'm proud to be part of a grocery store that is community-owned and community-focused, and that considers what other social and cultural aspirations a mere grocery store might achieve for its members. After all, we are stronger together.

Valerie Smith,



Board President



**Valerie Smith,**  
President, La Montañita Co-op  
Board of Directors

FOOD CO-OPS  
PLAY A PIVOTAL  
ROLE IN NEARLY  
EVERY LOCAL  
FOODS INITIATIVE  
I WORK WITH...

—Ken Meter  
Crossroads Resource Center

## From the General Manager

**T**he past few years have challenged La Montañita to respond to an unprecedented demand that has pressured the entire ecosystem. Customers from all demographics shifted to digital and delivery, leading to a new normal for food retail that may become permanent.

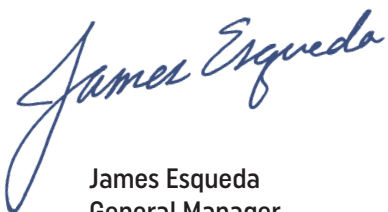
The grocery sector experienced years of sales growth packed into a few short months. Earnings in the cooperative grocery sector strengthened by federal relief funds increased to 5.5% of sales, the highest level in over a decade. Pandemic shopping has ushered in wider aisles, new sanitation methods, and less-crowded spaces for shoppers to shop for their goods safely.

Supply chain vulnerability and concerns over health and safety have boosted the movement toward locally raised and produced foods. This trend is part of a greater awareness of the importance of healthy living and the environmental impact of food waste and climate change. The infrastructure development of our Distribution Center is a targeted focus for the operations team. The ability to offer healthy products with proximity, variety, and quality at a reasonable price and provide value to the end user is only one way La Montañita Food Co-op differentiates itself from the rest.

While we have continued to address the many challenges presented by the pandemic, I am pleased to report that our co-op did not turn our attention from the many ways we influence and benefit the communities we serve throughout New Mexico.

The following year will be just as action-packed as this one as we develop a new store location, continue refreshing our current sites and strengthen our communities.

In cooperation,



James Esqueda  
General Manager  
La Montañita Food Co-op



**James Esqueda,**  
La Montañita Co-op,  
General Manager

# 2021-2022 Financials

## Consolidated Income Statement

Year 2022 is projected and subject to CPA Review and before Tax Adjustments

Year Ended:	8/31/2022	8/31/2021	8/31/2020	8/31/2019
Sales	\$ 44,405,457	\$ 41,501,815	\$ 43,429,879	\$ 44,846,273
Member and Staff Discounts	\$ 997,156	\$ 948,125	\$ 867,483	\$ 925,488
Net Sales	\$ 43,408,301	\$ 40,553,690	\$ 42,562,396	\$ 43,920,785
Cost of Goods	\$ 28,612,217	\$ 26,425,069	\$ 27,598,622	\$ 28,338,806
Gross Profit	\$ 14,796,084	\$ 14,128,621	\$ 14,963,774	\$ 15,581,979
Staff Wages, Benefits and Taxes	\$ 10,012,715	\$ 10,047,855	\$ 11,018,526	\$ 10,383,372
Occupancy and General Expenses	\$ 4,876,664	\$ 4,498,016	\$ 5,411,779	\$ 5,436,686
Other Income and Expenses	\$ 267,990	\$ 2,872,409	\$ 1,528,803	\$ 266,521
Income before Taxes	\$ 174,695	\$ 2,455,159	\$ 62,271	\$ 28,442
Income Tax	\$ 45,421	\$ 404,600	-\$ 384,840	-\$ 8,493
<b>Net Income</b>	<b>\$ 129,274</b>	<b>\$ 2,050,560</b>	<b>\$ 447,111</b>	<b>\$ 36,936</b>

## Consolidated Balance Sheet

Year Ended:	8/31/2022	8/31/2021	8/31/2020	8/31/2019
Current Assets	\$ 8,694,398	\$ 8,927,860	\$ 6,302,398	\$ 5,127,199
Property and Equipment (net)	\$ 1,500,454	\$ 1,417,091	\$ 1,542,938	\$ 2,668,167
Other Assets	\$ 879,260	\$ 875,382	\$ 877,213	\$ 907,803
Total Assets	\$ 11,074,112	\$ 11,220,333	\$ 8,722,549	\$ 8,703,169
Current Liabilities	\$ 2,302,202	\$ 2,629,719	\$ 2,342,182	\$ 2,301,048
Long Term Liabilities	\$ 260,117	\$ 253,517	-\$ 58,097	\$ 410,769
Total Liabilities	\$ 2,562,319	\$ 2,883,236	\$ 2,284,085	\$ 2,711,817
Member Equity	\$ 8,511,793	\$ 8,337,097	\$ 6,438,464	\$ 5,991,352
<b>Total Liabilities and Member Equity</b>	<b>\$ 11,074,112</b>	<b>\$ 11,220,333</b>	<b>\$ 8,722,549</b>	<b>\$ 8,703,169</b>

Ratio Analysis	8/31/2022	8/31/2021	8/31/2020	8/31/2019
Current Ratio	3.78	3.39	2.69	2.23
Debt to Equity	0.30	0.35	0.35	0.45
Return on Assets (EBITP/Total Assets)	1.58%	21.88%	0.84%	0.64%
Return on Equity (EBTP/Equity)	2.05%	29.45%	0.97%	0.47%

## Locations

### **Nob Hill**

3500 Central Ave. SE  
Albuquerque, NM 87106  
505-265-4631  
8am–8pm, Monday–Sunday

### **Santa Fe**

913 West Alameda St.  
Santa Fe, NM 87501  
505-984-2852  
7am–8pm, Monday–Sunday

### **Rio Grande**

2400 Rio Grande Blvd. NW  
Albuquerque, NM 87104  
505-242-8800  
8am–8pm, Monday–Sunday

### **Gallup**

105 East Coal Ave.  
Gallup, NM 87301  
505-863-5383  
8am–6pm, Monday–Sunday

### **Support Office**

901 Menaul Blvd. NE  
Albuquerque, NM 87107  
505-217-2001  
9am–5pm, Monday–Friday

### **Co-op Distribution Center**

901 Menaul Blvd. NE  
Albuquerque, NM 87107  
505-217-2010  
Hours vary; please call  
for appointment.

