



FINANCIAL REPORT

FISCAL YEAR 2025

Audited

INCOME STATEMENT

	FY 2025	FY 2024
Revenue	\$16,866,201	\$15,810,352
Cost of Sales	10,226,870	9,491,048
Gross Profit	6,639,331	6,319,304
Labor	4,110,180	3,833,186
General & Administrative Costs	2,227,396	2,112,871
Operating Costs	6,337,576	5,946,057
Operating Income	301,755	373,247
Other Income/(Expense)	840,623	(134,833)
Income Before Taxes	1,142,378	238,414
Income Taxes		64,049
Net Income	1,142,378	174,365

BALANCE SHEET

	FY 2025	FY 2024
Cash	\$3,895,306	\$2,945,961
Inventory	803,169	741,995
Prepaid Expenses/Other Current Assets	362,346	252,538
Current Assets	5,060,821	3,940,494
Property & Equipment, Net	8,303,840	8,481,360
Construction in Progress	11,664	135
Right of Use Asset	269,416	302,194
Equity and Deposits in Other Co-ops	449,115	456,807
Other Receivables	14,058	25,832
Total Assets	14,108,914	13,206,822
Current Liabilities	1,573,774	1,274,365
Long Term Debt	3,499,489	4,028,288
Operating Lease Liability	248,810	319,761
Deferred Tax Liability, Net	254,000	262,000
Total Liabilities	5,576,073	5,884,414
Member Equity	6,054,274	5,838,680
Retained Earnings	2,478,567	1,483,728
Total Equity	8,532,841	7,322,408
Total Liabilities & Equity	14,108,914	13,206,822

CASH FLOW

	FY 2025	FY 2024
FROM OPERATIONS		
Net Income	\$1,142,378	\$ 174,365
Depreciation & Amortization	561,348	567,836
(Increase) Decrease in Inventory	(61,174)	3,540
(Increase) Decrease in Receivables	36,394	24,464
(Gain) Loss on Equipment		2,451
Deferred Income Tax		
(Increase) Decrease in Current Assets	(136,839)	(89,485)
Increase (Decrease) in Current Liabilities	11,066	236,165
Deferred Lease Obligation	-	-
Operating Lease Liabilites	(34,598)	(32,705)
Cash flow from Operations	1,518,575	886,631
FROM INVESTING		
(Increase) Decrease in Fixed Assets	(355,753)	(132,394)
(Increase) Decrease in Other Assets	3,340	3,179
Cash Flow from Investing	(352,413)	(129,215)
FROM FINANCING		
Increase (Decrease) in LT Liabilities	(279,983)	(193,765)
Increase (Decrease) in Equity	63,166	29,952
Cash Flow from Financing	(216,817)	(163,813)
Total Cash Flow	949,345	593,603
Beginning Cash	2,945,961	2,352,358
Ending Cash	3,895,306	2,945,961

COMMUNITY IMPACT

July 1, 2024 - June 30 2025

360

NEW MEMBER-OWNERS
JOINED THE CO-OP



WELCOME TO OUR
CO-OP COMMUNITY!

1,486 lbs.

TOTAL POUNDS OF NON-PERISHABLE FOOD
AND OTHER GOODS WERE DONATED
TO OUR STORE'S FOOD BIN



RECIPIENTS:
The Open Door Pantry and
360 Communities Food Shelf

THANK YOU MEMBER-OWNERS AND SHOPPERS FOR
YOUR GENEROUS FOOD SHELF CONTRIBUTIONS!

\$29,691



COMBINED ROUNDED-UP CONTRIBUTIONS &
REUSABLE BAG REDEMPTIONS AT THE REGISTERS,
DONATED BY VALLEY NATURAL FOODS SHOPPERS

RECIPIENTS:
The Dano Fund, 360 Communities, Partnership
Garden, The Open Door, CAP (Community Action
Partnership, Farmaste Animal Sanctuary, Chromie
Homie Foundation, Burnsville Police Department
Annual Event, Cooperative Community Fund,
BrainPower in a Backpack, Dakota Child & Family
Clinic, Midwest Food Connection

THANK YOU MEMBER-OWNERS AND SHOPPERS
FOR YOUR GENEROSITY AT THE REGISTERS!

VALLEY NATURAL FOODS IMPACT SNAPSHOT

- ▶ 100% of our electrical usage is offset by renewable energy power generation through our agreement with Dakota Electric.
- ▶ In 2024 we achieved a 2.4% reduction in our carbon footprint.
 - ▶ Replaced older less efficient refrigeration and kitchen equipment
 - ▶ 100% LED lighting - interior and exterior
- ▶ Our electric vehicle charging stations were used 1,700 times during the year and resulted in 6,000 e-miles driven by our customers - saving 1.6 metric tons of CO2 from entering the atmosphere.
- ▶ Reduced our water consumption by 10% (225,000 gallons) by upgrading our irrigation and in-store water softening systems.
- ▶ 1,100 lbs. of electronics were recycled in the past year.
- ▶ We operate a 3-stream waste process at VNF, with trash, recyclables and organics.
 - ▶ 127 tons of organic waste were routed to composting, preventing 60 metric ton of CO2 from being released into the atmosphere
- ▶ 450 lbs. of plastic wrapping and films were recycled in 2024.



LETTER FROM THE CEO & BOARD PRESIDENT

Dear Member-Owners of Valley Natural Foods Co-op,

What a year it has been! We are deeply grateful for your continued support and commitment to our cooperative. Because of you, Valley Natural Foods continues to thrive—growing in sales, membership, and community impact. Each milestone we achieve reflects the strength of our shared values and the power of collective ownership.

Investing in Our People and Store

Our staff are one of the co-op's greatest strengths. Every day, they bring skill, care, and dedication to serving our community. We're proud to continue investing in their growth and well-being, recognizing that the success of our co-op starts with the people who make it possible. Over the past year, we've implemented the following increases to pay and benefits:

- Increased starting wage from \$16.00/hour to \$17.00/hour
- Annual pay increases averaging 3%
- Gain share of \$0.50/hour for every hour worked last year
- Higher PTO accrual rates for hourly staff

Beyond compensation, we're committed to helping staff grow in their careers and deepen their connection to the cooperative. We continue to look for new ways to support professional development, learning opportunities, and pathways for advancement within the organization.

We're also investing in our physical space to continually improve your in-store experience. Since January, we've made a series of small upgrades throughout the store and are preparing for larger improvements to our Mezzanine, Produce, and Bulk areas at the start of the 2026 calendar year. These updates will help ensure that our store continues to evolve alongside the needs of our owners, shoppers, and community.

The Bakehouse Evolves

We've been hard at work refining operations at Valley's Own Bakehouse. Recent updates to our costing model have made our products more competitive, and new partnerships are helping expand the reach of our Bakehouse brands. Our team is now out in the community actively promoting and selling these products, and we're beginning to see encouraging results after months of foundational work.

As we continue building toward long-term financial sustainability for the Bakehouse, we're excited by the momentum we've created and look forward to strengthening these partnerships in the year ahead.

Performance and Future Planning

The co-op had another strong year, reaching \$17.2 million in total sales — a 6.9% year-over-year increase — and growing membership by more than 2%. We also received the remainder of our Employee Retention Credit (ERC) funds from filings in 2021–2022. This influx strengthened our cash flow and improved our debt-to-equity ratio.

Thanks to these successes, we're able to continue reinvesting in our staff, enhancing our store, planning for the future, and giving back to our community. Once our audit is complete, we anticipate declaring another patronage refund to our owners. Please watch for more details in the months ahead.

Thank you for being part of Valley Natural Foods Co-op. Your member-ownership makes all of this possible. Together, we're building a stronger, more sustainable, and more connected cooperative for the future. We're excited for the year ahead and look forward to continuing this journey of growth with you.

In Cooperation,

Matt Kappra, CEO
Sarah Johansson, Board President



Matt Kappra



Sarah Johansson