

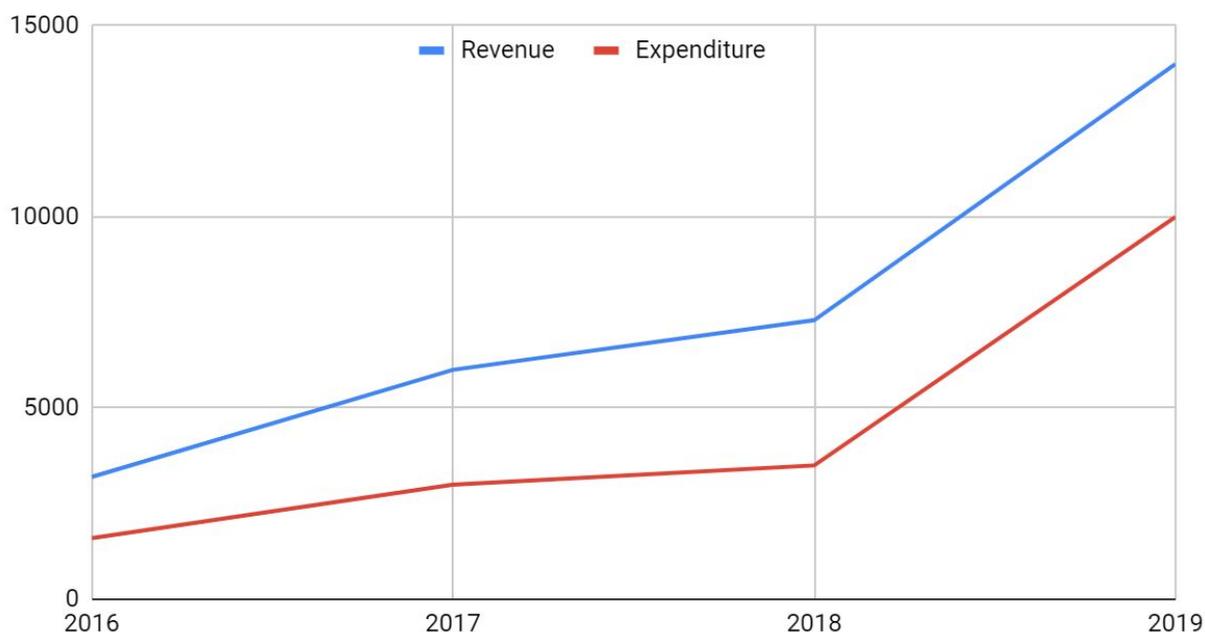


2019 Financial Report

Prepared by Melody Baumhover, NFM Treasurer

1. Revenue

Revenue and Expenditure



a. Market Booth Fees

Meeting projections, we doubled our booth fee revenue from 2018 to 2019. Our increase in market events and outreach to new vendors sustained the market's goals. For 2020, we expect similar revenue from Booth fees. Increasing our returning vendor base and produce options are important for sustaining the market in 2020.

b. Market Resale Booth

In order to provide enough fresh produce to residents, the market purchases produce in wholesale and resells it at markets. In 2019, profit from this Booth was up and down, ranging from under \$100 to over \$500. Maintaining more consistency of these sales is very important. Also, proper documentation of all purchases and sales is needed to create systems for checking numbers and receiving correct dollar amounts. The average profit from this booth should exceed \$150 per market to meet our 2020 goals.

c. Sponsorships

In 2020, the market received over \$3500 in direct sponsorships and over \$1500 in in-kind sponsorships. We met our goal partly due to the hiring of promotions staff and offering better incentives, like market space and digital advertising. In 2020, the market should maintain their in-kind sponsorships and increase monetary donations to \$5,000. Additionally, the market should seek grant funding to sustain staff into 2020 and beyond.

2. Expenditures

a. Market Property

Typically the market has to make purchases for new property, like tents, weights, tables, signs, etc. These expenses vary from year to year. In 2019, we made several major purchases to replace broken tents and get new signs. Expected costs for 2020 are under \$1,000.

b. Logistic Expenses

Operating the market is expensive. Logistic expenses include advertising, flagging tape, chalk paint, permits, fees, licenses, taxes, rentals, and entertainment. These costs are ongoing and generally the same from month to month. Certain special events costs more, such as the October Harvest Market and Chili Roasting, but the profit made typically justifies these costs. In 2019, the average cost per market was \$300, and the Town of Nederland provided liability insurance and free rental space. We expect the cost per market in 2020 to increase minimally to cover insurance premiums, but market rental space will still be at no cost. Advertising costs in 2019 totaled \$800, and it is expected that 2020 costs will increase minimally.

c. Market Staff

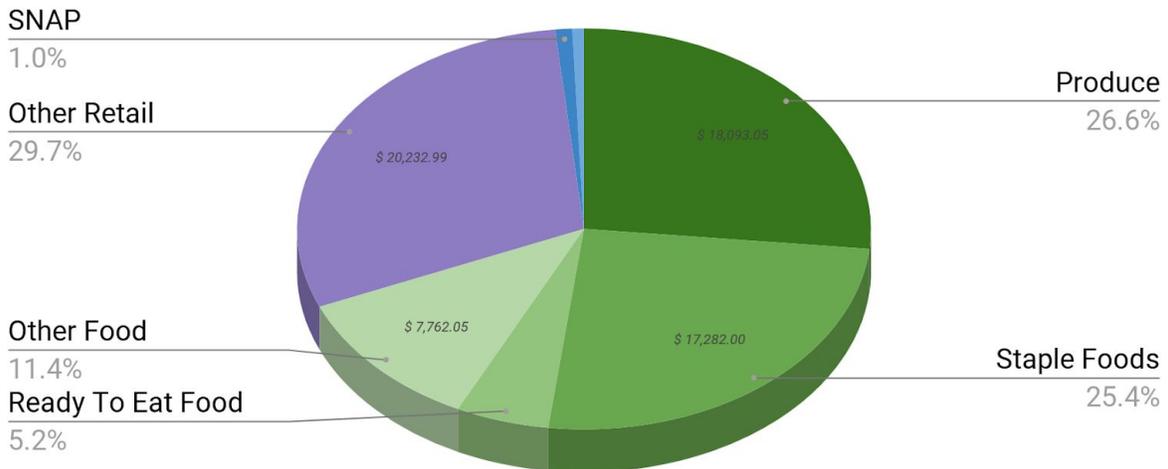
In 2019, we hired promotions staff to manage print ads, social media, and other local communications for a total cost of \$3,900. Due to our increase in events, this expense was greatly utilized to expand our marketing and sponsorship program, allowing us to meet our 2019 revenue goals. We plan to continue this purchase in 2020, and add a Market Manager to the staff. 2020 Staff expenses are projected at \$10,000.

3. Vendor Sales

The overall market sales in 2019 totaled over \$66,000, averaging \$6,000 per market. This is close to the 2018 figures per market, meeting expectations. It is reassuring to see that while some vendors total sales amounts were down, the overall market sales are steady. In 2020, the market should pursue strategies to increase market sales and returning vendors. We expect increased foot traffic and continued promotions will help ensure 2020 sales goals are met.

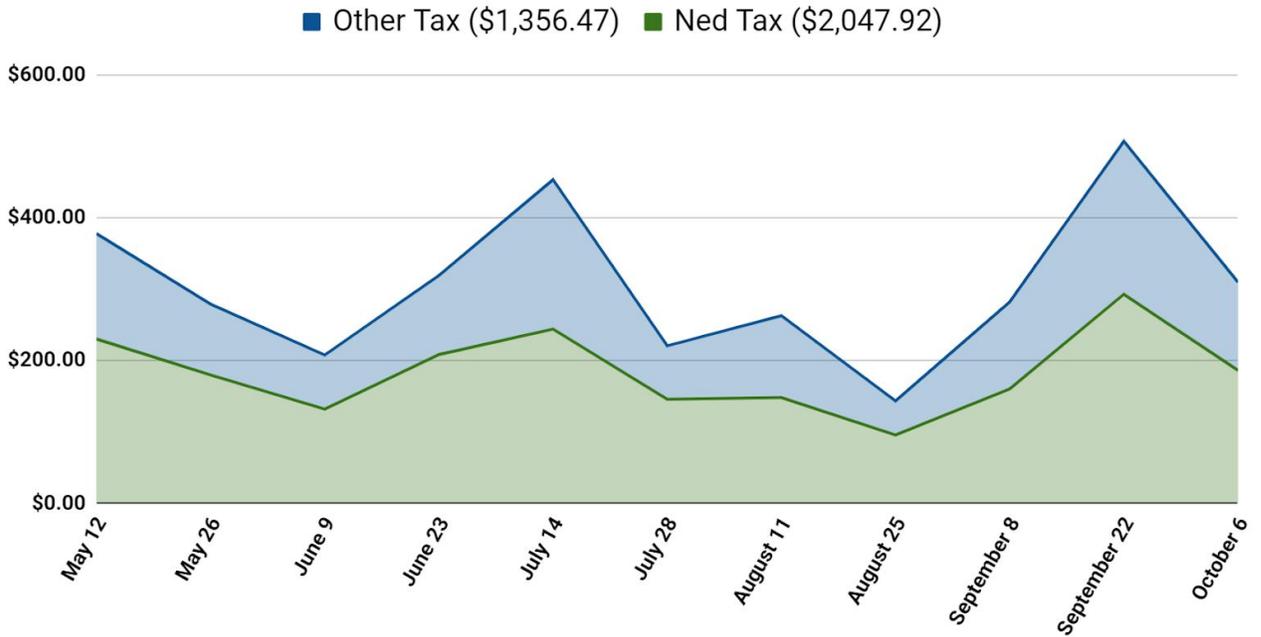
Food vs. Other Sales

Food Sales at the NFM in 2019 accounted for 70% of Gross Sales



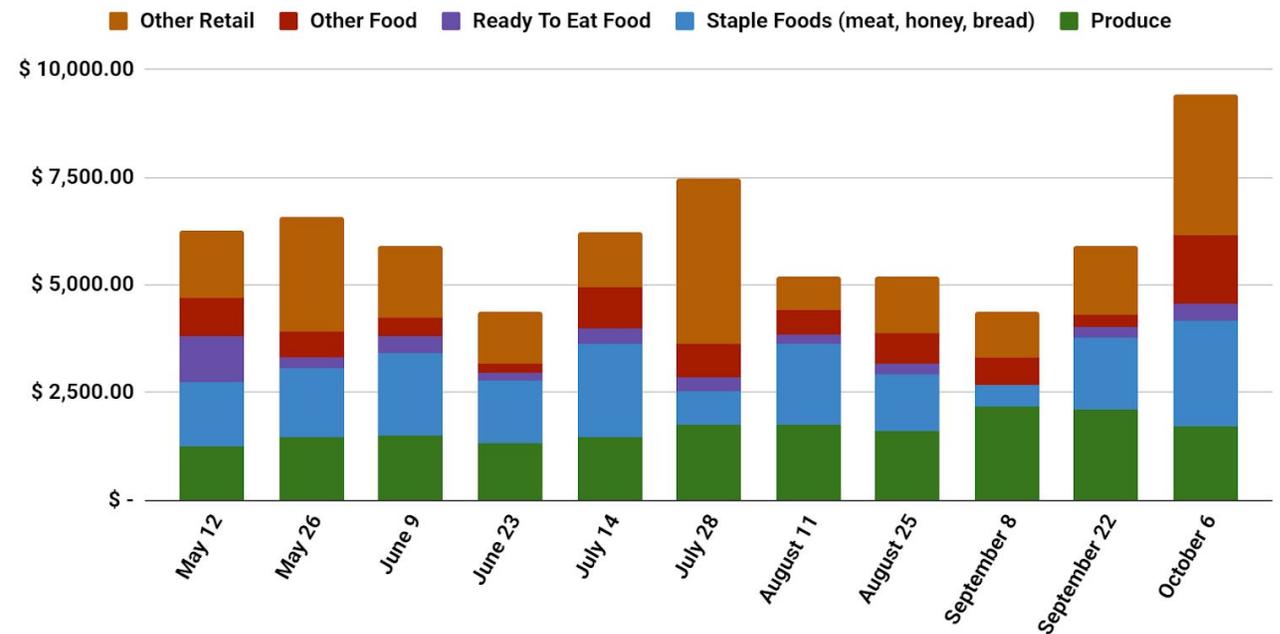
Tax Revenue

Generated at the NFM in 2019



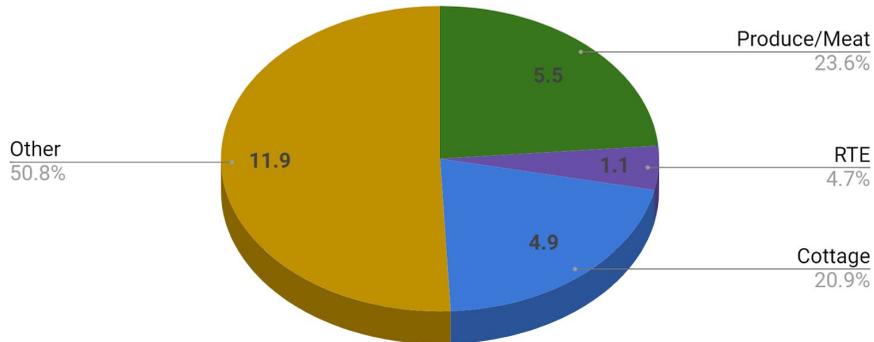
Gross Sales

Purchases at the NFM in 2019



Average Vendor Breakdown

The NFM in 2019 hosted 50% Food / 50% Other Vendors

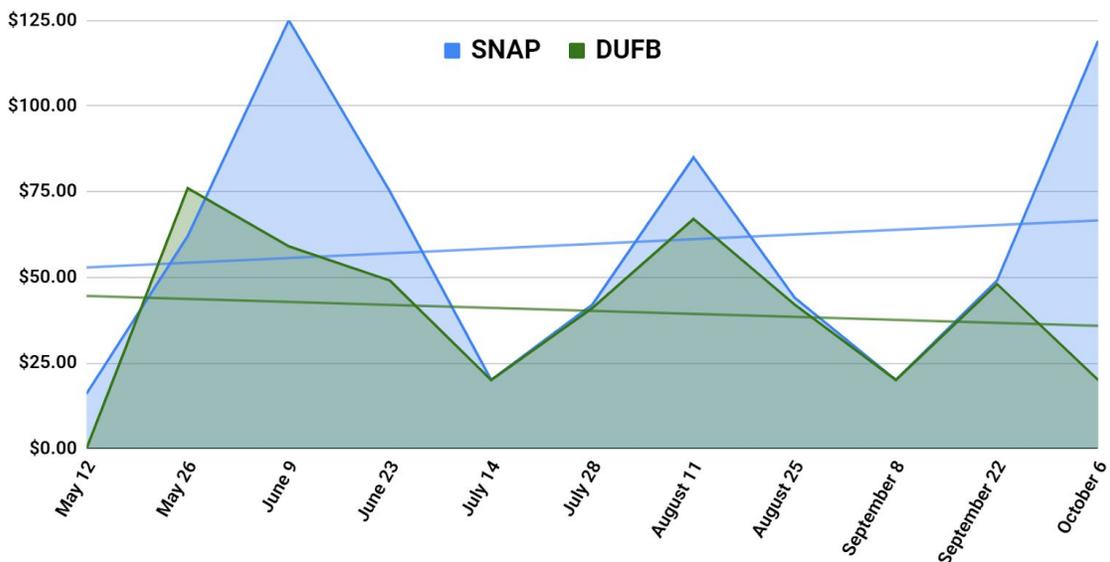


4. SNAP and DUFB

The market exponentially increased the distribution of SNAP and DUFB in 2019. The most probable cause of the increase is that customers realized in 2019 that we accepted these programs, whereas the initial year of operating these programs was 2018 and saw few customers. Also, in 2018 the EBT machine did not work and we issued paper vouchers, in 2019 a working EBT machine allowed ease of access for both market volunteers and customers. As well, 2019 saw an increase of non-local SNAP customers (Longmont, Lafayette, etc), also leading to the increase in distribution. We expect these numbers to increase minimally in 2020.

SNAP and DUFB

Spent at the NFM in 2019



5. Summary

2019 brought beautiful growth to the Nederland Farmers Market. From 2016 to 2018, markets operated monthly, and the increase to twice monthly in 2019 was executed fairly naturally. Projections expected sales per market to decrease slightly, but they remained stable to previous market years. We also expected vendor participation to increase in 2019, which it did. This revenue stream is vital to maintain and increase to sustain the future of the market. Unexpectedly, increasing the amount spent on the resale booth did not always provide the revenue expected, but the market met projections. In 2020, this profit stream should be regulated to maintain more consistency.

Market costs will only increase from year to year. In 2019, it cost roughly \$10,000 to hold the market, and is expected to cost \$15,000 in 2020. Revenue in 2019 was \$14,000, and needs to increase in 2020. As total sales are leveling out without substantial increase, seeking additional funding sources and increasing sponsorship revenue is vital to providing a healthy market in 2020 and beyond.

Other objectives for 2020 include adding a market manager and retaining the market promoter staff positions, average 25 vendors per market, increase customer foot traffic by 20%, and grow the number of volunteers active in the market, both on the Board and general volunteers.