



BUSINESS PLAN

July 2019

for

Acorn Farmers' Market & Café

A Non-Profit Store Offering Fresh, Local Food & Food Education

In the Manchester, MI Community

Mission.

To model a rural, community-driven market and gathering place that provides access to fresh food and supports the economic viability of area farmers by promoting education, collaboration, and entrepreneurship.

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Executive Summary

With the closure of Manchester's only grocery store, area residents are concerned about potential negative impacts on our health and the Village economy. At the same time, our corner of Washtenaw County includes a significant number of food producers seeking access to customers, and the Village is rich in volunteer-driven organizations that support diverse community goals. Acorn Farmers' Market and Cafe will respond to the immediate fresh food gap by channeling available resources through its vibrant storefront and gathering place, internet presence, administrative infrastructure, and programming. Its activities will include: operating a fresh food store and cafe; partnering with community organizations to develop educational programs and present events that celebrate healthy Manchester food culture; and engaging with government, health, and academic institutions to assess wellness impacts and to advance local food production and entrepreneurship.

Our Model. With the support from the Village of Manchester and the Manchester Farmer's Market, our model is based on the success of Argus Farm Stop in Ann Arbor and The Wild Ramp, a non-profit market in Huntington, WV. Meat and produce will be provided on consignment year-round by local farmers. A small café will bring additional revenue to offset overhead costs. The store and café will offer fresh, healthy prepared foods. In partnership with the Community Resource Center, we will distribute free and reduce cost products to community members in need.

Our Goals: Operate a market that sells local farm products and is open at least 6 days/week beginning April 2020. Mobilize community networks to make fresh food attractive and accessible to more residents. Support the economic viability of area farmers by promoting their learning, collaboration and entrepreneurship. Develop a sustainable non-profit business model that could be replicate in other rural communities.

Measures of success will include: increasing fresh food sales, evidence of a positive impact on Manchester's obesity rate, diverse community participation in educational opportunities such as cooking classes and family food economics workshops, improved profitability as reported by participating producers, and evidence of innovation as farmers respond directly to customers' tastes and needs.

Acorn will be established at 327 W. Main Street, Manchester, MI, a short walk from Manchester's traditional downtown, in a building that began as a gas station in the 1940's. Today the building is clean, solid and ready to develop:

- A four-season greenhouse addition to seat café patrons, hold classes, meetings, etc.
- A small commercial kitchen for prepared foods and classes
- A landscaped patio
- Refrigeration and display equipment

Your Part: All it takes is seed money from you! Soon Manchester's food desert status will be eliminated with a wonderful place to shop for fresh food to prepare healthy homemade meals.

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Board of Directors

Chair: Megan DeLeeuw

Vice Chair: Linda Knox

Secretary: Theresa Herron

Treasurer: Linda Davis

Members at Large:

Ruth VanBogelen

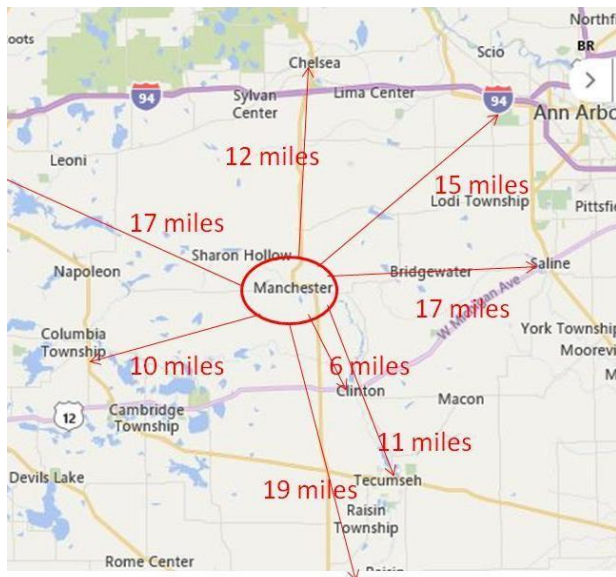
I. FOOD DESERT SITUATION & LOCALLY GROWN FOOD SOLUTION

A. Manchester, MI Food Desert Situation

Technically Manchester is not a food desert because there is a grocery store closer than 10 miles (6 miles to Busch's in Clinton), but when the Manchester Market closed in early February of 2019 getting groceries became a problem for many area residents. There is no public transportation in Manchester, MI. It is hard to eat healthy when there is no local source of healthy food.

The Figure on the right, shows the distance from the center of Manchester to the nearest grocery stores.

In the absence of a grocery store, residents turn to area restaurants and convenient stores for food. In Manchester, the offerings are two pizza places, three sports bars, and three other restaurants. None of these establishments offer any nutritional information about the items on their menus. The meals tend to be high in fat, large portion size and lacking in vegetables and fruits. Additionally residents eat more fringe foods from Dollar General and gas stations with no or limited healthy food options. Fringe foods are chips, candy and other foods not found on the USDA MyPlate.



Data from other food deserts warn that health problems arise fairly quickly including weight gain leading to obesity, hypertension, diabetes and worse (<https://science.howstuffworks.com/environmental/green-science/food-desert1.htm>). We have data from several scientific surveys for the Manchester area implying the percentages of residents with these conditions is already high. Evidence Manchester residents would benefit from both nutrition education and improvements in their nutrition environment.

- 2015 Behavior Risk Factor Surveillance Survey. (data from Washtenaw County Public Health Department with over-sampling of Manchester residents was paid for by 5 Healthy Towns Foundation)
 - 68% of Manchester residents are overweight or obese compared to 56% overall in Washtenaw County
 - 34% have high blood pressure and high cholesterol compared to 22% overall in the county
 - 0% of youth and only 26% of adults consume the recommended 5 servings of fruits/vegetables per day
- 2018 Nutritional Environment Assessment Tool Survey (NEAT is a tool used by the state of Michigan) performed by 5 Healthy Towns Foundations yielded a score reflecting Manchester has a partially supportive nutritionally environment. Note this survey was done before the only grocery store closed.

B. Manchester's Farming Community – locally grown food solution

Manchester area is made up of many established and beginning farming families. A diversity of agriculture exists within the farming community from field crops (corn/soy) and hay to food crops such as lamb, dairy and vegetables. A new crop of farmers have been popping up around Manchester, specializing in various food crops, tending toward natural and organic systems. These farming families rely on either international markets for economic security or on the accessibility of customers who want to purchase directly from a farmer. Acorn will offer a convenient local outlet for farmers to sell directly as well as experiment with bringing new products to market and ultimately improving financial viability.

Small to medium sized farms have always struggled with economic sustainability but are intimately feeling pressure in the current marketplace. The commodity market has recently experienced a lot of insecurity with the loss of a guaranteed market for soybeans due to factors out of producer's control. In Washtenaw County, 93% of farms producing food have disappeared between 1950 and 2012. The dairy industry is one prime example, suffering from very low prices and competition from many angles. Farms have been closing or selling land consistently since the 1950's due to economic pressures, development, retirement and no succession plan, etc.

Farms in Washtenaw County: 1950 vs. 2012			
# of farms with:	1950	2012	% change
Dairy cows	1873	29	-98%
Orchards	1659	48	-97%
Pigs	1407	43	-97%
Poultry	2149	218	-90%
Cattle	2079	211	-90%
Honey	52	23	-56%
Vegetables	181	109	-40%
Total	9400	681	-93%

Once farms are lost, they are difficult to replace for many reasons. Farmers want to produce crops for sale that have a market and that keep their families working the land and are willing to try innovate and invest in new products. One such example is Horning Farm, a bicentennial dairy farm just miles from downtown Manchester, has expressed interest in experimenting with raising and selling beef locally as a way to diversify sales. The location of Acorn in proximity to the farm and its connection to local customers will be perfect for this farm and allow them to find ways to increase revenue.

Similarly, many beginning farmers (defined as a farmer in their first 10 years of farming), are working to define their specialty and crop mix as they develop skill, markets and confidence. Many of these farmers choose to sell direct to the customer in order to retain a higher percentage of each food dollar. (Traditionally farmers receive only 14.8 cents of each food dollar) Many of these farmers spend a high percentage of their time and energy on direct marketing from harvest and processing, preparing, commuting (often over 20 miles away), setting up, training staff, and cleaning up after market. After much work and time invested,

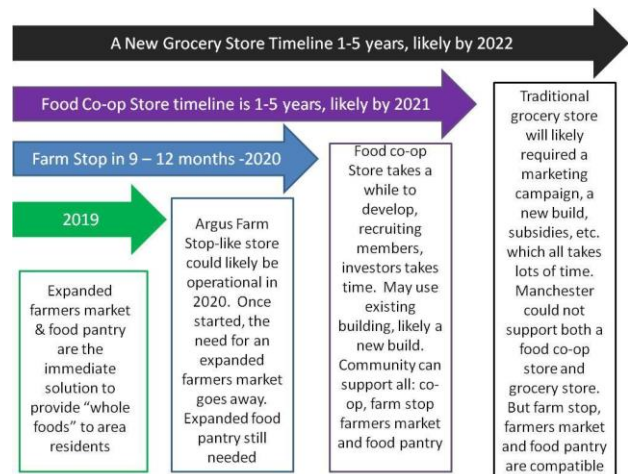
direct sales are reliant on good weather and foot traffic for success. Direct sales at farmers markets are unreliable as customers seek conveniences.

Acorn offers a convenient way for Manchester area food farmers to save valuable resources spent selling directly to customers through farmers markets and allows them to expand access to a larger number of customers through the consignment market over longer periods of time. The farmer will be able to decide what to sell and when, set their own prices and deliver when it works best in their schedule. After delivery, Acorn staff is responsible to displaying, maintaining and rotating stock as well as communicating to farmers when more product is needed. Acorn staff and volunteers educate customers on seasonal product and how to utilize the ingredients. These services take an enormous burden off of the shoulders of farmers so that they may focus on growing and building their businesses.

C. Research into short & long term solutions for local source(s) of healthy food items

As soon as the Manchester Market grocery store announced they were closing (early January 2019) area residents began to meet to discuss potential solutions. Two of the key points discussed were: 1) timeline to implement a potential solution and 2) how many days a week the food store would be open. The figure below provides a summary of the timeline for different solutions. Because an expanded farmers market would only be open 1 day a week and likely for only 3-4 hours, this option was not as attractive as the other options.

This figure was created by one of the BOD members for Acorn for use in the Connected Magazine published in April 2019 (<https://www.5healthytowns.org/connected/>). Two articles have already been published in the local weekly newspaper, The Manchester Mirror (<https://themanchestermirror.com/?s=Farm+stop&x=0&y=0> ; <https://themanchestermirror.com/?s=Acorn&x=0&y=0>). And articles about the DDA’s work on recruiting a Grocery store (<https://themanchestermirror.com/?s=DDA&x=0&y=0>) and another groups effort to explore the Food Co-op Store and an article about extending the farmers market or having a veggie mobile (<https://themanchestermirror.com/?s=Food+Coop&x=0&y=0>)



Fortunately, a study had already been completed in 2014 by Gibbs Planning Group of Birmingham, MI which concluded that Manchester could support a 10,000 square foot traditional grocery store and a 1000-1400 square foot specialty food store. Other research suggests a specialty food store like Acorn Farmers’ Market & Café would be sustainable are:

- Manchester has empty stores of perfect the size and location for Acorn Farmers’ Market & Café.
- Manchester is a rural community and there are many local farmers who produce fresh food that could be sold at Acorn Farmers’ Market & Café.
- Manchester currently does not have a Café type restaurant for casual pick up of take out coffee, tea, muffins, sandwiches and soups

- Manchester is one of the 5 Healthy Towns supported by the 5 Healthy Towns Foundation (www.5healthytowns.org) with annual grants to Manchester for purposes: Eat Better, Move More, Connect with others in healthy ways and avoid unhealthy substances. They have two employees whose role is to help the 5 towns gather necessary resources and strategies for executing programs to make the communities increase their culture of wellness and who can assist Acorn in the Educational programming.
- St. Joseph Mercy Chelsea Hospital is already heavily connected to our weekly Farmers Market (Thursday afternoons, May – Oct) helping the market with SNAP, DUFEB, connections to other food assistance programs, Registered Dietitians, nurses and other professionals, who spend time at the farmers market each summer. This connection will be transferred to Acorn once it opens.

II. ACORN AS A NON-PROFIT 501c3 ORGANIZATION

While historically, grocery stores have been for-profit businesses, the increasing number of food desert communities have opened non-profit food stores. In some cases, existing non profits added a food store (e.g. Salvation Army in Baltimore, MD, <https://nonprofitquarterly.org/2018/03/09/salvation-armys-new-nonprofit-grocery-stores-membership-model-surprising-twists/>). During the Obama administration six different agency with an total budget of \$800,000 helped 27 communities develop a non-profit food stores. There are many models possible (<https://nonprofitquarterly.org/2016/04/01/funding-the-nonprofit-grocery-store-a-variety-of-models-at-work/>.) The model is typically a small food store, selling locally-grown produce, meat, dairy and eggs delivered by the producer. The producers set the price and most sell their products on consignment. Most have cafés which provide additional revenue. A good example is The Wild Ramp in Huntington, WV a store started to fight a local obesity epidemic (see Washington Post article from April 10, 2019, (https://www.washingtonpost.com/outlook/this-appalachian-town-was-americas-fattest-city-heres-how-it-slimmed-down/2019/04/10/e0eb31e4-5622-11e9-814f-e2f46684196e_story.html)).

On May 22, 2019, Acorn submitted Form 1023 to the IRS to receive approval to operate as a 501c3 organization. Typically, the review process takes 6 months.

As a 501c3 Acorn has three purposes:

1. To prevent health and economic deterioration in our community
2. To advance fresh food education and awareness
3. To partner with experts to design projects that could directly inform practices related to food production, distribution and marketing in rural areas.

Below is more detail on how Acorn plans to achieve these purposes

A. To prevent health and economic deterioration in our community – operating a fresh food store and cafe

To prevent health and economic deterioration in our community, the Acorn Farmers' Market and Cafe will be established at 327 Main Street -- just a short walk from our traditional downtown and adjacent to the Village Green area in the Village. The store and cafe will offer fresh produce and prepared foods that are provided by local producers and priced by them directly for the Manchester economy, making healthy meals conveniently available to most community members, and supporting the local farm economy. To make the products more accessible, we will partner with the Community Resource Center *et alia* to distribute free products to community members in need (we estimate up to 25% of the food delivered to the store will be

redistributable as it nears expiration). To further enhance accessibility and connect producers to their customers, the storefront will host and present educational events and activities (see “Detailed Activities: Community Education... below).

Goal: To operate a fresh food market and cafe selling local farm products to the public at least 6 days/wk (70 - 90 hrs/wk)

Strategy: Blending the Argus and Wild Ramp models: develop a program of public and private support to provide the physical and administrative infrastructure to sell fresh food products on consignment.

Outcomes: Baseline food sales in 2020 averaging \$1282 per day and attracting 50 customers per day and increasing sales in the following 2 years; 20 producers consigning products in 2020 and increasing to capacity by 2021 . Twenty percent or more of food brought into the store distributed to families in need.

Personnel: Generally, the Board of Directors will: seek and manage grants and donations; acquire a building; contract and oversee renovations; initiate relationships with producers and other partners; and hire staff. The Store Manager will oversee operations, train employees, manage vendor relations, and perform other daily duties. Two to four full or part time store clerks will assist the manager with all functions of store operations including opening and closing the store. Volunteer roles (optional) may include customer service, vendor outreach, stocking, and setting up deliveries of food donations.

Specifically, the store development will be led by Megan DeLeeuw, farm owner and chair of the board of directors.

Funding: In addition to revenue from sales, the store will rely on support from foundations, corporations, agencies and individuals, as modeled by The Wild Ramp. Public support will be essential for the initial start-up expenses: building acquisition, capital improvements, and equipment purchases.

Specific Activities

Objectives:

- Organize Acorn Farmers’ Market & Cafe, Inc as a non-profit, 501(c)3. (Spring 2019)
- Develop a comprehensive fund development plan (Summer 2019)
- Host a pop-up farmers’ market at the building location 1 day/wk (Nov-Dec 2019).
- Complete all capital fundraising and build out by March 2020
- Open in April of 2020.
- Establish ongoing programs to help sustain the store’s services (Jan - Dec 2020).

Major Activities:

- Seek grants and donations for capital improvements and partial operations (July - Dec 2019)
- Partner with the Manchester Farmer’s Market to enlist producers for the pop-up market and cafe and promote the transition to a year-round model (July - Dec 2019).
- Build a patio, kitchen and cafe area (Jan - Apr 2020)
- Purchase and install equipment and furniture (Mar 2020)
- Schedule inspections (Mar 2020)
- Hire a store manager and 2 associates to run daily operations (Mar 2020).

B. To advance fresh food education and awareness – community engagement

Rationale: For a small community, Manchester has a strong volunteerism profile. Representatives from ten or more organizations meet quarterly to share news and information. Collectively, they accomplish an

annual canoe race and a community fair; run a summer farmers' market; maintain the community's historical record; raise funds for schools; provide a food pantry and deliver food to residents in need; and present music performances and art exhibitions, among many other things. Notably, 550 volunteers participate in the annual Manchester Chicken Broil, now in its 65th year, cooking and serving 10,000 meals in 4 hours each July.

Each of these organizations embodies a part of Manchester's identity, and their members hold knowledge and expertise relevant to our collective culture. Their purposes often intertwine, and when they come together, food is frequently involved. Acorn Farmers' Market and Cafe and its website can be a hotspot for conversations, workshops, events and messaging about and around food, where the whole community participates in content development and benefits from learning opportunities that are relevant to their lives.

Notably, we won't be starting from scratch! Acorn will inherit a rich cache of community relationships, educational materials, program ideas, contacts and experience developed by the Manchester Farmer's Market since 2005. We expect to continue a program, funded by the 5 Healthy Towns Foundation, to bring interns from the University of Michigan School of Public Health to the farmers' market to assist with nutrition education, recipes, and meal planning guides. Additionally, we expect to continue Farmer's Market programs that bring health professionals to the community for monthly events.

To advance fresh food education and awareness, Acorn's program may include:

- Community-sourced healthy recipe collections available in-store and online
- Meal planning guides available in-store and online
- Cooking classes and demonstrations for all ages, abilities and tastes, taught in-store or in facilities offered by partnering organizations (e.g. commercial kitchens in churches)
- Nutrition courses taught by health professionals with topics for specific health conditions for example, pre-diabetics, diabetics, high blood pressure, etc.
- A yearly calendar of events celebrating good food and community connections
- A weekly column in the Manchester Mirror
- A dynamic website maintaining current information about in-season items, vendors' news, and other timely connections, as well as access to static material.
- Social media engagement promoting program activities and materials

Goal: Mobilize community networks to make fresh food attractive and accessible to more residents.

Strategy: Partner with regional health experts and local organizations to connect residents to healthy food through events, workshops, classes and volunteer opportunities that speak to local interests.

Outcomes: An increasing collection of healthy food learning material such as recipes, buying guides and nutritional information available in-store and through our website; increasing participation in workshops, cooking classes and other events; collaboration among community organizations.

Personnel: Generally, the Board of Directors will seek and manage initial grants and donations, hire a Community Engagement Program Manager, approve ongoing grant requests, and oversee grant reporting. The program manager will build relationships, develop project proposals, seek grants and donations, and provide administrative support. Volunteers, interns and additional staff will be engaged as needed per funded project.

Specifically, health education and other activities in 2019 that partner with the Farmer's Market will be led by Ruth VanBogelen, the current Chair of Farmer's Market Committee and a member of the Board of Directors.

Funding: Grants will be sought to cover individual project costs.

Specific Activities

Objectives:

- Leverage community support for and appreciation of the existing Farmer's Market to launch participation in the creation of Acorn Market (July - Dec 2019)
- Attract and coordinate additional volunteer participation in program development (Sep - Dec 2019)
- Establish an ongoing program of events and activities engaging volunteers that broadly represent the makeup of the community. (Jan - Dec 2020)

Major Activities:

- Seek grants and donations to develop the educational program (July-Dec 2019)
- Develop a web presence to promote events and distribute materials (Summer 2019)
- Populate the web with content created in collaboration with the Farmer's Market programs (Summer 2019)
- With the Farmer's Market, host a weekly event in the store coinciding with the pop-up farmers' market (Nov -Dec 2019)
- Hire a program manager to design and implement the ongoing educational program (Mar 2020).
- Seek ongoing program funding (March - Dec 2020)

C. To partner with experts to design projects that could directly inform practices related to food production, distribution and marketing in rural areas – sustainable entrepreneurship research

Rationale: The Village of Manchester is a rural community in close proximity to Michigan State University and the University of Michigan as well as to local producers (see map). A community-driven fresh food grocery here presents an ideal location to study the intersection of rural health, local food production and rural food culture.

Additionally, farmers in our area have a unique opportunity emerging: to sell their products on consignment to as many as 5 small stores that have been developed following the same business model. Acorn will be well positioned to facilitate coordination and collaboration among store owners and farmers considering ways to optimize this new distribution environment.

Acorn's activities with collaborators in this problem space will accomplish our purpose of advancing education and increasing knowledge, not only for our community, but also for our more rural neighbors.

Goal: Together with expert partners, design and implement nimble research, assessment and design projects that could directly inform practices related to food production, distribution, and marketing in rural areas.

Strategy: Develop relationships with relevant MSU and U-M schools and colleges, regional health organizations, government agencies, and local growers to facilitate studies in fields such as: sales analytics, product design, small farm agricultural practices, product pricing practices, community health impacts, and cultural change.

Outcomes: Projects would seek to 1) improve access to farm products, increase sales of farm products and/or increase efficiency and equity in the distribution of farm products as measurably demonstrated in our market, or 2) measure community health impacts or cultural change related to our market’s activities.

Public participation: Studies would be discussed and results would be shared publicly through our website or other publications (as appropriate).

Personnel: Generally, the Board of Directors will hire a Research Program Manager, approve grant requests and oversee grant reporting. The program manager will build relationships, develop project proposals, seek grants and donations, and provide administrative support. Science, health and business expertise will be provided by partnering organizations. Volunteers, interns and additional staff will be engaged as needed per funded project.

Specifically, the development of the sustainable entrepreneurship research program will be led by Linda Knox, Sr. Assoc Librarian at the University of Michigan and a member of the Acorn Board of Directors.

Funding: Grants will be sought to cover individual project costs.

III. Business Model & Partnerships

This diagram provides an overview of Acorn’s business. Healthy food is delivered to Acorn from local producers for customers to buy to prepare healthy meals at home. Food that isn’t sold by the sell by date is donated to the local food pantry. Residents eat better while local producers obtain additional revenue which allows them to increase production and quality of food. The extras is that Acorn will provide space for coffee and conversation, cooking classes and advice. Finally, Acorn helps to learn together with customers and producers!



A. Basic Operations.

- Products for sale:
 - a) primarily locally produced items used to prepare healthy meals, including vegetables, fruits, meat, dairy, eggs, baked breads, baked goods – most of which will be sold on consignment.
 - b) limited non-consignment items which have longer shelf will also be sold, including homemade pastas, locally distributed teas, coffees, olive oils, etc.
 - The BOD will be responsible for setting consignment rates and the Store Manager will be responsible for assessing applications and deciding how to fill the store with a wonderful variety fresh food
- Café Menu – will include prepared coffees, teas and other specialty beverages (smoothies, etc.), baked goods (e.g., healthy muffins, gluten free baked goods) and a limited take out menu (e.g. soup and sandwich of the day).

- Tracking sales and other data – We’ll use software for tracking items sold per seller, number of paying customers per day, and inventory.
- Sales – one stop check will be offered which accepts cash, checks, credit cards, SNAP, DUFB and other programs cards, coins, etc.

B. **Hours of operation** – the plan is for Acorn to be open 6-7 days a week. The exact hours have not yet been set, but hours of operation will be between 70-90 hours per week. We’ll survey area residents to determine the best hours per day.

C. Key Personnel

- Store Manager – day to day operation of the store including interaction with farmers (including pricing), directing staff and chefs, marketing, carrying out education plans.
- Chef –in addition to preparing the beverages and food items that will be for sale. This position will prepare menus for each month so that customers know what the soup and sandwich of the day will be in advance, determine nutritional information on items made in the store.
- Staff – friendly, knowledgeable about good ways to prepare items for sale in the store, maintain the store to look fantastic (neat, clean, etc.), friendly with customers, well informed of educational materials being offered by Acorn, assist customers with recipes for items available.
- Program Director – this part time position is key execute our 3rd purpose as a 501c3 organization, to establish sustainable entrepreneurship research by partnering with experts to design projects that could directly inform practices related to food production, distribution and marketing in rural areas. to our non-profit status and key role is planning and implementing the nutrition education program. This position will also survey and converse with customers and potential customers wants to ensure the store is aligned to help the community eat better.
- Other professional services as needed will all be contract and/or hourly including legal, accounting, marketing, janitorial, grounds-keeping
- Volunteers – we anticipate there will be many roles for volunteers. Details to be determined.

D. Partnerships

Organization	Brief Description of partnership
Community Resource Center, Manchester MI	CRC operates a food pantry 5 days a week for low income families and provides many other support services. Producers will indicate on their application if food that has reached it sell by date can be donated to CRC’s food pantry. Some education programs may specific target the low imcome population and we’ll rely on CRC to help guide that programming
Family Services, Manchester, MI	This organization has a monthly food distribution to low income families. They could be recipients of food past its sell by date.
Manchester Senior Center	This organization provides lunch for seniors 2 days a week September through May each year. They could also be recipients of food past its sell by date. We also will offer to do lunch talk programs about food education.
5 Healthy Towns Foundation	Their goal is to improve the culture of wellness in 5 towns including Manchester. We’ll partner as we share the same goal. They have 2 employees who help the communities with mission related things. We anticipate a wonderful 2 way working relationship
St. Joseph Mercy Chelsea	Partnership will be lots of synergy with their community support for wellness and health, potential source of grants

Manchester Village Council	The Council has goals for supporting Healthy Communities so we share joint goals. The exact partnership will evolve over the next year or so.
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There are lots of other opportunities for partnerships in Manchester. For example, with Manchester Community schools we may develop bring a farmer to class days, could work with them on nutritional curriculum, etc. There are many volunteer organizations in Manchester that promote a healthy community and we would be open to collaborations and partnerships around our overlapping mission and goals.

E. Marketing and promotions

Acorn Board of Directors has allocated only 1.5% of gross sales to marketing and promotions because the marketing and promotion plan makes use of many free or low cost methods. There are three major objectives of the marketing plan:

1. Ensure area residents are aware of what Acorn will sell and later has for sale daily.
2. Help are residents appreciate the nutritional benefits of buying and consuming locally grown food (we know from Manchester Farmers Market surveys that area residents want to support local farmers)
3. Engage area residents in what Acorn offers – food, café, classes, etc. Basically area residents will have input into the business!

Specifically, the marketing plan for 2019 includes:

- This business plan to communicate details of the business
- Articles in The Manchester Mirror to communicate information and updates
- Weekly column in The Manchester Mirror to share information about eating better, about food and other related topics (started in June 2019)
- Social media – Facebook is used by many to obtain information about what is happening and thus, is a good way to get the word out daily/weekly.
- Website – this marketing media is important if someone is searching the web or wants information about a business (hours, contact info, history, etc.)
- Community surveys provide a way for Acorn BOD to learn what area residents are interested in. The major locations for surveys are the Manchester Farmers Market and Manchester District Library.
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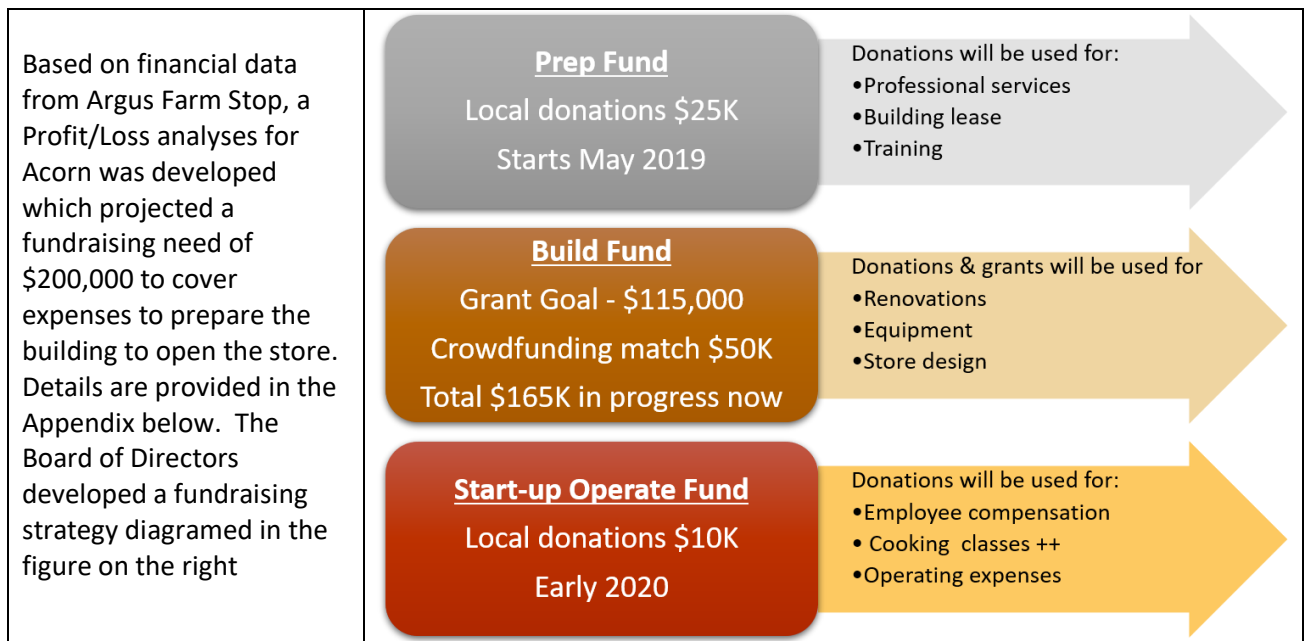
F. **Committee working toward the April 2020** store opening – many volunteers are contributing their time to make this non-profit food store available to area residents and local

Fund Development	Capitol Improvements	Marketing & Community Engagement	Operations	Sustainable Entrepreneurship
Revenue records, forms, receipts, etc.	Store Design	Business Plan & Logo	Vendor list, contracts	Farm Products
Potential grants, donators, fund-raising	Architectural Diagrams	Website Development	Employees	Food Distribution
Prep fund - who, how, when	Building Contractor	Social Media	Café Menu	Product design
Build fund – who, how, when	Equipment Purchase & Install	Community Surveys	Store processes, training, policies	Change culture of eating
Operations fund – who, how, when	Licenses, Insurance, etc.	Collaborators & Volunteers	Educational Programs	Community Health Impact

IV. FINANCIAL PLAN

In 2019, the financial plan primarily focuses on fundraising to obtain the funds needed for start up – funds to make changes to the building and to purchase the equipment needed to operate the business. The financial projections for once the store is operating have also been developed. Fortunately for both start up expenses and operating revenue and expenses Acorn has had access to financial information from Argus Farm Stop.

A. Fundraising to Open Acorn



Prep Fund – to raise this \$25K , the Fund Development committee is targeting local businesses, corporations and local residents with donation letters and forms. The website has a Paypal link for donations and other fund-raising projects are planned. By July 1, 2019, 20% had been raised.

Build Fund – to raise \$115,000 in grants, the BOD worked with the Manchester Wellness Coalition to secure \$25,000 in grant funds from 5 Healthy Towns Foundation (can be received once 501c3 status is approved). A grant application was submitted to Michigan Department of Agriculture and Rural Development (MDARD) in May for \$60,000. Notification for this grant will be in August 2019. Michigan Economic Development Corporation (MEDC) offers a Placemaking grant for up to \$50,000. Discussions with MEDC have determined that Acorn fits the program and would qualify once the Village of Manchester has submitted the necessary paperwork for businesses in Manchester to qualify. The MEDC funding has to be the last \$50,000 – meaning that all the additional funds needed have been received or pledged. Another requirement of this grant is a crowdfunding campaign which would require matching funds (\$50,000) which starts once all other requirements have been met and which runs for 2 months. Thus, Acorn will need to have received the \$25,000 for the Prep Fund and \$65,000 of the Build Fund to before initiating the crowdfunding campaign. With the \$25,000 from 5 Healthy Towns Foundation secured and about \$5000 of the Prep fund already received, Acorn only needs \$60,000 more. If the MDARD grant is funded and the other \$20K of the Prep Fund is received, Acorn is ready to go with the MEDC Placemaking grant.

Start-up Operate Fund. This \$10,000 fundraising will start in early 2020.

B. Operating the Store

A detailed cash flow analysis has been developed for operating the store. The Acorn Board of Directors were very conservative with assumptions of sales at the store which are roughly 60% of the sales Argus Farm Stop had their first 2 years of operation. Argus is located in Ann Arbor so the expectations are that sales in Manchester will be lower primarily because the resident population is much lower. Overall, the cashflow is positive with a small net profit for 2020 and 2021. Once the store is operational, the BOD will be responsible for exercising changes as need to maintain the positive cash flow. For revenue, in addition to sales, the BOD will have opportunities to apply for grants. For expenses, the BOD will have flexibility with employee compensation (how many hours employees are working) depending on the volume of business and also with the consignment rate. The current budget uses a 68% consignment (32% kept by Acorn), but this percentage could be higher or lower depending on sales.

The food sold on consignment has a higher cost of goods (monies given back to the vendors is 68%) than the café will have (estimated cost of goods 30%). This table below provides the sales assumptions the BOD have made for the cash flow analysis.

	Food Sales	Café Sales
Number of customers per day	50	40
Sales per customer	\$18	\$9.50
Total sales per day	\$900	\$380
Gross Sales minus cost of goods	\$288	\$266

Expenses. There are five categories of expenses plus depreciation for equipment. As with sales, the cash flow analysis was based on expenses Argus had during their first couple years of operation with adjustments for things like lease payments (lower in Manchester) and employee compensation (fewer employees needed in Manchester. Expenses for cost of goods were presented in the previous section. The other five categories are listed in the table below with the percentage of the Gross sales needed to cover the expense.

Personnel	38%
Occupancy	8.1%
Operating	4.1%
Administrative	1.3%
Marketing/Promotions	1.5%

The table below provides the overview of the cash flow for 2019, 202 and 2021. The detailed cash flow is provided in the Appendix.

	2019	2020	2021
Revenue			
Grants, donations	\$ 160,500	\$ 76,500	\$ 20,000
Gross sales		\$ 339,870	\$ 464,190
COG		\$ (192,040)	\$ (264,220)
Total	\$ 160,500	\$ 224,330	\$ 219,970
Expenses			
Start up expenses	\$ 14,875	\$ 168,343	
Personnel		\$ 111,515	\$ 146,547
Occupancy	\$ 8,650	\$ 27,479	\$ 28,835
Operations		\$ 14,635	\$ 19,111
Administrative		\$ 4,379	\$ 4,438
Research Programs		\$ 1,800	\$ 2,400
Community Engagement	\$ 500	\$ 5,255	\$ 5,326
Depreciation		\$ 19,220	\$ 18,220
Total	\$ 24,025	\$ 352,626	\$ 224,876
Net for the year	\$ 136,475	\$ (128,297)	\$ (4,906)
Ending Balance	\$ 136,475	\$ 8,178	\$ 3,272

V. Appendix – additional detailed financial information

A. Acorn Fixed Assets & Depreciation Sensitivity Model

Capital Requirements		Acquisition	Useful	Annual
		<u>Cost</u>	<u>Life</u>	<u>Depr/Amor</u>
Organization Start-up Costs				
	Professional Services	\$8,200.00	10	\$820.00
	Additional Start-up Cost	\$0.00	0	\$0.00
	IRS Filing & Incorporation	\$600.00	10	<u>\$60.00</u>
	Total Amortization	\$8,800.00		\$880.00
Fixed Assets				
	Commercial Kitchen & Café Equip	\$26,415.00	10	\$2,641.50
	Refrigeration	\$47,391.00	10	\$4,739.10
	Website Design	\$3,000.00	3	\$1,000.00
	Signage	\$3,000.00	3	\$1,000.00
	POS System	\$5,461.00	3	\$1,820.33
	Additional Equipment	\$0.00	0	\$0.00
	Leasehold Improvements:			
	General Renovation	\$43,048.00	5	\$8,609.60
	Electrical	\$5,584.00	5	\$1,116.80
	Plumbing	\$12,894.00	5	\$2,578.80
	Additional Leasehold Improvements	\$0.00	0	\$0.00
	Front Patio	\$9,050.00	5	<u>\$1,810.00</u>
	Greenhouse	\$18,500.00	10	<u>\$1,850.00</u>
	Total Depreciation	<u>\$174,343.00</u>		<u>\$27,166.13</u>
Total		<u>\$183,143.00</u>		<u>\$28,046.13</u>

B. Cashflow analysis for 2019, 202 and 2021

Acorn FY19 PROJECTED INCOME STATEMENT		May	June	July	Aug	Sept	Oct	Nov	Dec	2019 Total
								pop up 1x/week		
REVENUE										
Grants		\$500						\$50,000	\$25,000	\$75,500
Donations		\$3,000	\$5,000	\$13,000	\$500	\$8,000		\$50,000		\$79,500
Fundraisers						\$1,500		\$2,000	\$2,000	\$5,500
TOTAL Revenue		\$3,500	\$5,000	\$13,000	\$500	\$9,500	\$0	\$102,000	\$27,000	\$160,500
EXPENSES										
Start-up Costs										
Professional services		\$1,400	\$700	\$1,100	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$8,200
IRS filing and incorporation		\$600								\$600
Website design					\$3,000					\$3,000
signs							\$3,075			\$3,075
Total start up costs		\$2,000	\$700	\$1,100	\$4,000	\$1,000	\$4,075	\$1,000	\$1,000	\$14,875
Occupancy Expenses										
Rent		1,000	900	900	\$900	900	900	900	900	7,300
Liability Insurance	year						83	83	83	250
Repairs & Maintenance	gross sales									0
Insurance	gross sales							150	150	300
Utilities (inc. internet/phone)	per year							400	400	800
Licenses & Permits	year									0
Total Occupancy Expenses		1,000	900	900	900	900	983	1,533	1,533	8,650
Program Expenses										
Promotion Expense										
Advertising / Marketing				100	100	100	100	100	100	500
Merchandising & Promotion										0
Total Promotional Expenses		0	0	100	100	100	100	100	100	500
TOTAL EXPENSES		3,000	1,600	2,100	5,000	2,000	5,158	2,633	2,633	24,125
Net for Month		500	3,400	10,900	(4,500)	7,500	(5,158)	99,367	24,367	
Ending Balance		\$500.00	\$3,900	\$14,800	\$10,300	\$17,800	\$12,642	\$112,008	\$136,375	

Acorn FY20 PROJECTED INCOME STATEMENT		14-Jan	14-Feb	14-Mar	14-Apr	14-May	14-Jun	14-Jul	Aug-14	14-Sep	14-Oct	14-Nov	14-Dec	2020 Total
Seasonal fluxuation assumption		75%	75%	75%	75%	75%	85%	100%	100%	100%	100%	85%	85%	
INCOME														
Grants								\$5,000	\$10,000	\$10,000				\$65,000
Donations		\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$6,000
Fundraising					\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$1,000	\$1,000	\$5,500
Groceries														
Customers / hour					4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2
Customers / day	customers				50	50	50	50	50	50	50	50	50	50
Sales / customer	average sales				\$15.00	\$15.00	\$17.00	\$20.00	\$20.00	\$20.00	\$20.00	\$17.00	\$17.00	\$17.00
Days / sales period					29	30	29	30	29	30	29	30	29	29
Sales / day					\$750	\$750	\$850	\$1,000	\$1,000	\$1,000	\$1,000	\$850	\$850	\$850
GROSS SALES		\$0	\$0	\$0	\$21,750	\$22,500	\$24,650	\$30,000	\$29,000	\$30,000	\$29,000	\$25,500	\$24,650	\$237,050
COST OF GOODS SOLD		0	0	0	14,790	15,300	16,762	20,400	19,720	20,400	19,720	17,340	16,762	161,194
* AS % OF GROSS SALES		68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%
Café														
Customers / hour	customers				3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3
Customer / day	average sales				40.6	40.6	40.6	40.6	40.6	40.6	40.6	40.6	40.6	40.6
Sales / customer					\$9.00	\$9.00	\$9.00	\$10.00	\$10.00	\$10.00	\$10.00	\$9.50	\$9.50	\$9.50
Sales / day					\$365	\$365	\$365	\$406	\$406	\$406	\$406	\$386	\$386	\$386
Gross Sales		\$0	\$0	\$0	\$10,597	\$10,962	\$10,597	\$12,180	\$11,774	\$12,180	\$11,774	\$11,571	\$11,185	\$102,820
Cost of Goods Sold		0	0	0	3,179	3,289	3,179	3,654	\$3,532	3,654	3,532	3,471	3,356	30,846
* AS % OF GROSS SALES		30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
GROSS SALES (Groceries & Café)		\$0	\$0	\$0	\$32,347	\$33,462	\$35,247	\$42,180	\$40,774	\$42,180	\$40,774	\$37,071	\$35,835	\$339,870
COG		\$0	\$0	\$0	\$17,969	\$18,589	\$19,941	\$24,054	\$23,252	\$24,054	\$23,252	\$20,811	\$20,118	\$192,040
GROSS GRANT & DONATIONS		\$40,500	\$500	\$500	\$1,000	\$1,000	\$1,000	\$6,000	\$11,000	\$11,000	\$1,000	\$1,500	\$1,500	\$76,500.00
* AS % OF GROSS SALES												56%	56%	57%
TOTAL GROSS REVENUE-ALL		\$40,500	\$500	\$500	\$15,378	\$15,873	\$16,306	\$24,126	\$28,522	\$29,126	\$18,522	\$17,760	\$17,218	\$224,330
EXPENSES														
Start-up Costs														
Interior and exterior renovations		\$43,048												\$43,048
Electrical total		\$4,000	\$1,584											\$5,584
Plumbing		\$6,000	\$6,894											\$12,894
Refrigeration		\$20,000	\$10,000	\$17,391										\$47,391
Commercial kitchen			\$13,000	\$13,415										\$26,415
Front Patio				\$9,050										\$9,050
Greenhouse									\$18,500					\$18,500
POS system				\$5,461										\$5,461
Contingency														\$0
Professional services														\$0
Total Start Up		\$73,048	\$31,478	\$45,317	\$0	\$0	\$0	\$0	\$0	\$18,500	\$0	\$0	\$0	\$168,343
														\$0
Personnel Costs														
Store Manager (1 FTE)	\$39,000			3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	32,500
Associates (coffee)	\$13/hr			2,000	3,016	3,120	3,016	3,120	3,016	3,120	3,016	3,120	3,016	29,560
Associates (grocery)	\$13/hr			2,000	3,016	3,120	3,016	3,120	3,016	3,120	3,016	3,120	3,016	29,560
Program Manager (10 months @ 0.25 of \$35,000)	\$8,750.00			792	792	792	792	792	792	792	792	792	792	7,920
Payroll & Salary Expense				8,042	10,074	10,282	10,074	10,282	10,074	10,282	10,074	10,282	10,074	99,540
Payroll Taxes & Benefits	10% Assoc			1,006	1,210	1,230	1,210	1,230	1,210	1,230	1,210	1,230	1,210	11,975
Total Personnel Costs		0	0	9,048	11,284	11,512	11,284	11,512	11,284	11,512	11,284	11,512	11,284	111,515
* AS % OF GROSS SALES												31.1%	31.5%	32.8%
Occupancy Expenses														
Rent		900	900	900	900	900	1,000	1,000	1,000	1,000	1,000	1,000	1,000	11,500
Liability Insurance	year	83	83	83	83	83	83	83	83	83	83	83	83	1,000
Repairs & Maintenance	sales	0	0	0	141	141	141	141	141	141	141	141	141	1,289
Insurance	sales	0	0	0	141	141	141	141	141	141	146	141	141	1,274
Utilities (inc. internet/phone)	per year	953	953	953	953	953	953	953	953	953	953	953	953	11,436
Licenses & Permits	year	83	83	83	83	83	83	83	83	83	83	83	83	1,000
Total Occupancy Expenses		2,020	2,020	2,020	2,302	2,302	2,402	2,402	2,402	2,402	2,407	2,402	2,402	27,479
* AS % OF GROSS SALES												6.5%	6.7%	8.1%
Research Program Expenses														
					\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$1,800
Operating Expenses														
Store Supplies	gross sales	0	0	0	404	418	441	527	510	527	510	463	448	4,248
Credit Card Fees	sales	0	0	0	647	669	705	844	815	844	815	741	717	6,797
Trash/Baler	\$200/month	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Bad Debt, Bank Charges	sales	0	0	0	32	33	35	42	41	42	41	37	36	340
Vehicle Expense		0	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous	sales	0	0	0	81	84	88	105	102	105	102	93	90	850
Total Operating Expenses		200	200	200	1,364	1,405	1,469	1,718	1,668	1,718	1,668	1,535	1,490	14,635
* AS % OF GROSS SALES												4.14%	4.16%	4.31%
Administrative Expenses														
Office Supplies/Postage	sales	73	73	73	73	73	73	73	73	73	73	74	72	876
Dues & Subscriptions	sales	37	37	37	37	37	37	37	37	37	37	37	36	438
Legal, Accounting, Consulting Fees	sales	256	256	256	256	256	256	256	256	256	256	259	251	3,065
Travel Expenses	gross sales													0
Total Administrative Expenses		365	365	365	365	365	365	365	365	365	365	371	358	4,379
* AS % OF GROSS SALES												1.0%	1.0%	1.3%
Promotion Expense														
Advertising / Marketing	sales	365	365	365	365	365	365	365	365	365	365	371	358	4,379
Merchandising & Promotion	sales	73	73	73	73	73	73	73	73	73	73	74	72	876
Total Promotional Expenses		438	438	438	438	438	438	438	438	438	438	445	430	5,255
* AS % OF GROSS SALES												1.2%	1.2%	1.5%
TOTAL EXPENSES		\$76,071	\$34,501	\$57,388	\$15,953	\$16,222	\$16,157	\$16,635	\$16,356	\$35,135	\$16,361	\$16,464	\$16,164	333,406
* AS % OF GROSS SALES											44.4%	45.1%		98.1%
														0
DEPRECIATION/AMORTIZATION														
							3,000	3,044	3,044	3,044	2,000	2,044	3,044	19,220
Net for month		(35,571)	(34,001)	(56,888)	(575)	(348)	(2,851)	4,447	9,122	(9,053)	161	(748)	(1,990)	
Ending Balance		136,375	100,804	66,804	9,916	9,341	8,992	6,141	10,588	19,709	10,656	10,817	10,068	8,078

Acorn FY21 PROJECTED INCOME STATEMENT		14-Jan	14-Feb	14-Mar	14-Apr	14-May	14-Jun	14-Jul	Aug-14	14-Sep	14-Oct	14-Nov	14-Dec	2020 Total
Seasonal fluxuation assumption														
INCOME														
Grants								\$5,000						\$5,000
Donations		\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$6,000
Fundraising		\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$2,000	\$2,000	\$9,000
Groceries														
Customers / hour		4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2
Customers / day	customers	50	50	50	50	50	50	50	50	50	50	50	50	50
Sales / customer	average sales	\$15.00	\$15.00	\$15.00	\$15.00	\$17.00	\$17.00	\$22.00	\$22.00	\$22.00	\$25.00	\$19.00	\$19.00	\$19.00
Days / sales period		30	29	30	29	30	29	30	29	30	29	30	29	29
Sales / day		\$750	\$750	\$750	\$750	\$850	\$850	\$1,100	\$1,100	\$1,100	\$1,250	\$950	\$950	\$950
GROSS SALES		\$22,500	\$21,750	\$22,500	\$21,750	\$25,500	\$24,650	\$33,000	\$31,900	\$33,000	\$36,250	\$28,500	\$27,550	\$328,850
COST OF GOODS SOLD		15,300	14,790	15,300	14,790	17,340	16,762	22,440	\$21,692	22,440	24,650	19,380	18,734	223,618
* AS % OF GROSS SALES		68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%
Café														
Customers / hour	customers	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3
Customer / day	average sales	40.6	40.6	40.6	40.6	40.6	40.6	40.6	40.6	40.6	40.6	40.6	40.6	40.6
Sales / customer		\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$10.00	\$10.00	\$10.00	\$10.00	\$9.50	\$9.50	\$9.50
Sales / day		\$365	\$365	\$365	\$365	\$365	\$365	\$406	\$406	\$406	\$406	\$386	\$386	\$386
Gross Sales		\$10,962	\$10,597	\$10,962	\$10,597	\$10,962	\$10,597	\$12,180	\$11,774	\$12,180	\$11,774	\$11,571	\$11,185	\$135,340
Cost of Goods Sold		3,289	3,179	3,289	3,179	3,289	3,179	3,654	\$3,532	3,654	3,532	3,471	3,356	40,602
* AS % OF GROSS SALES		30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
GROSS SALES (Groceries & Café)		\$33,462	\$32,347	\$33,462	\$32,347	\$36,462	\$35,247	\$45,180	\$43,674	\$45,180	\$48,024	\$40,071	\$38,735	\$464,190
COG		\$18,589	\$17,969	\$18,589	\$17,969	\$20,629	\$19,941	\$26,094	\$25,224	\$26,094	\$28,182	\$22,851	\$22,090	\$264,220
GROSS GRANT & DONATIONS		\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$6,000	\$1,000	\$1,000	\$1,000	\$2,500	\$2,500	\$20,000
* AS % OF GROSS SALES												57%	57%	57%
TOTAL GROSS REVENUE-ALL		\$15,873	\$15,378	\$15,873	\$15,378	\$16,833	\$16,306	\$25,086	\$19,450	\$20,086	\$20,842	\$19,720	\$19,146	\$219,970
EXPENSES		\$15,873	\$15,378	\$15,873	\$15,378	\$16,833	\$16,306	\$25,086	\$19,450	\$20,086	\$20,842	\$19,720	\$19,146	\$0
Start-up Costs														
Personnel Costs														
Store Manager (1 FTE)	\$39,000	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	39,000
Associates (coffee)	\$13/hr	2,808	2,808	2,808	2,808	2,808	4,680	4,680	4,680	4,680	4,680	4,680	2,808	44,928
Associates (grocery)	\$13/hr			2,808	2,808	4,680	4,680	4,680	4,680	4,680	4,680	4,680	2,808	38,376
Program Manager	\$8,750.00	729	729	729	729	729	729	729	729	729	729	730	730	8,750
Payroll & Salary Expense		6,787	6,787	6,787	9,595	11,467	13,339	13,339	13,339	13,339	13,339	13,340	9,596	131,054
Payroll Taxes & Benefits	10% Assoc	878	878	878	1,158	1,346	1,533	1,533	1,533	1,533	1,533	1,533	1,159	15,493
Total Personnel Costs		7,665	7,665	7,665	10,753	12,813	14,872	14,872	14,872	14,872	14,872	14,873	10,755	146,547
* AS % OF GROSS SALES												37.1%	27.8%	31.6%
Occupancy Expenses														
Rent		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Liability Insurance	year	83	83	83	83	83	83	83	83	83	83	83	83	1,000
Repairs & Maintenance	sales	141	141	141	141	141	141	141	141	141	141	141	141	1,692
Insurance	sales	141	141	141	141	141	141	141	141	141	146	146	146	1,707
Utilities (inc. internet/phone)	per year	953	953	953	953	953	953	953	953	953	953	953	953	11,436
Licenses & Permits	year	83	83	83	83	83	83	83	83	83	83	83	83	1,000
Building Services														0
Depreciation/Amortization														0
Total Occupancy Expenses		2,402	2,402	2,402	2,402	2,402	2,402	2,402	2,402	2,402	2,407	2,407	2,407	28,835
* AS % OF GROSS SALES											6.0%	6.2%	6.2%	6.2%
Research Expenses														
		200	200	200	200	200	200	200	200	200	200	200	200	2,400
Operating Expenses														
Store Supplies	gross sales	418	404	418	404	456	441	565	546	565	600	501	484	5,802
Credit Card Fees	sales	669	647	669	647	729	705	904	873	904	960	801	775	9,284
Trash/Baler	\$200/month	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Bad Debt, Bank Charges	sales	33	32	33	32	36	35	45	44	45	48	40	39	464
Vehicle Expense		0	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous	sales	84	81	84	81	91	88	113	109	113	120	100	97	1,160
Total Operating Expenses		1,405	1,364	1,405	1,364	1,513	1,469	1,826	1,772	1,826	1,929	1,643	1,594	19,111
* AS % OF GROSS SALES											4.10%	4.12%	4.12%	4.12%
Administrative Expenses														
Office Supplies/Postage	sales	73	73	73	73	73	73	73	73	73	73	80	77	888
Dues & Subscriptions	sales	37	37	37	37	37	37	37	37	37	37	40	39	444
Legal, Accounting, Consulting Fees	sales	256	256	256	256	256	256	256	256	256	256	280	271	3,107
Travel Expenses	gross sales													0
Total Administrative Expenses		365	365	365	365	365	365	365	365	365	365	401	387	4,438
* AS % OF GROSS SALES											1.0%	1.0%	1.0%	1.0%
Promotion Expense														
Advertising / Marketing	sales	365	365	365	365	365	365	365	365	365	365	401	387	4,438
Merchandising & Promotion	sales	73	73	73	73	73	73	73	73	73	73	80	77	888
Total Promotional Expenses		438	438	438	438	438	438	438	438	438	438	481	465	5,326
* AS % OF GROSS SALES												1.2%	1.2%	1.1%
TOTAL EXPENSES		\$12,474	\$12,434	\$12,474	\$15,523	\$17,730	\$19,745	\$20,103	\$20,049	\$20,103	\$20,210	20,004	15,808	206,656
* AS % OF GROSS SALES											49.9%	40.8%	44.5%	44.5%
TOTAL START UP EXPENSES														0
DEPRECIATION/AMORTIZATION														
							2,000	2,044	3,044	2,044	2,044	2,044	5,000	18,220
Net for month		3,399	2,944	3,399	(145)	(897)	(5,440)	2,939	(3,643)	(2,061)	(1,413)	(2,328)	(1,662)	
NET INCOME FROM OPERATIONS, GRANT & DONATION	8,078	11,478	14,422	17,821	17,676	16,780	11,340	14,279	10,636	8,575	7,163	4,834	3,172	