

RONAN COOPERATIVE BREWERY



2022 ANNUAL REPORT



23 4th Ave. SW, Ronan, MT

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ronancoopbrewery.com



HELLO TO OUR CO-OP COMMUNITY!

Greetings, thank you owners and what a year!

As you read our 3rd official RCB Annual Report look at all the great things we have accomplished together. In order to help bring the brewery closer to sustainability this year we launched the Capital Campaign, tightened our belts, brewed award winning beer and tipped back our favorite beers. We still have a ways to go, but as you read the report we are moving closer to our goals. Owners, family, friends and those that are just passing through...let's drink like we own the place. Here's to another great year!

JESSE GRAY

Board President and RCB Board Members




Above: The local Young Farmers and Ranchers group started hosting ag trivia monthly, it was a packed house this night.




We are **554** owners strong, up almost 100 members since 2021

We served **250** bbl of beer in 2022 that's **7,750** gallons and over 80,000 12 oz. pours



New events include regular street closures and benefits for teachers and firefighters.



Pop-Up Food Friday has been a hit this year! Thanks to Mere's Magic and Beach Bunny Bakery.




RCB BOARD OF DIRECTORS 2022



President- Jesse Gray
Vice President- Darci Jones
Secretary- Heidi Fleury
Treasurer- Monty Cheff
Bob Hall
Daniel Armstrong
Anssi Dumontier
Larry Hall
Colin Smith

Personnel Committee: Colin (Chair), Darci, Bob, Larry and Jesse
Finance Committee: Monty (Chair), Jesse, Larry
Marketing Committee: Daniel (Chair), Anssi, Heidi
Membership Committee: Heidi (Chair), Daniel, Anssi

2022 RCB HIGHLIGHTS

Quality beer has been our #1 goal since the beginning and this year we started to gain recognition statewide and on a national platform.



Head Brewer Jim Myers and Board Member Bob Hall were all smiles at the MT Brewer's Fall Rendezvous in Missoula.



In fall of 2022 we were able to find two local small food vendors, Mere's Magic Universe and Beah Bunny Bakery to help us offer soups, pretzels and delicious bread bowl meals most Thursdays and Friday nights.

2022 Awards

North American Beer Awards

- Dunkles Bock-Silver
- Schwarzbier-Bronze

MT Brewer's Association Fall Rendezvous

- Dunkles Bock-Best Dark Lager and Best in Show

Great Falls Brew Fest

- Dunkles Bock-Best Bock
- Kolsch-Best Kolsh/Helles

Craft Beer and Brewing

- Amber-Editors Favorites of 2022

RCB STAFF SPOTLIGHT

We can't afford many staff but the ones we have are amazing!!
Raise a glass in thanks to them for being the front line in creating
our product and serving our wonderful customers!



Head Brewer, Jim Myers



**Teagan Gray,
Beer Tender Extraordinaire and
Social Media Maven**



This year Taproom Manager Eric Brunet had to step down from his role to focus on his health.



We appreciate our temporary, seasonal, volunteer and part-time staff too!!

We want to thank Eric for all of his contributions and dedication to making RCB the best brewery around.



MONTANA'S FIRST COOPERATIVE BREWERY

2022 FINANCIAL REPORT

OVERVIEW

We are making progress. We did not make a profit this year but did cash flow, meaning we had cash equity to meet all our bills over our net income. We have money in the bank and our only debt is the remaining amount of our construction loan.

We had Total Sales of \$181,155 with a Cost of Goods (COG) of \$45,279. This gave us a Goss Profit of \$135,875. Our Total Expenses were \$164,438 for a net Loss of \$28,563. If 500 of our members bought 15 more beers this past year we would have breakeven. The value of continued owner support cannot be stressed enough, and we want to thank all our dedicated members for helping us succeed so far.

In November 2022, we launched a Capital Campaign to help raise funds to retire our debt. The Board voted to open up 2000 shares of preferred stock and we have reduced our Debt this year by \$28,800, the majority of which came from a significant investment from Montana Farmers Union. We will continue our Capital campaign in 2023 until all stock is sold. Let's get rid of the Debt and build our Capital for future needs.

Overall, we are moving in the right direction. With continued promotions, more events and continuing cost controls, we will reach sustainability.

RCB Finance Committee,
Monty Cheff, Larry Hall and Jesse Gray

2021 FINANCIAL REPORT

INCOME, EXPENSES AND FY23 BUDGET

Last year we set some pretty lofty goals of increasing sales by a large amount. We did not reach our sales goal but we did increase the sales by nearly 20% over 2021's sales figures and added \$60,600.00 in owner equity by adding 83 new members and selling 79 shares of preferred Stock. With the additional shares sold for the capital campaign of preferred stock we added another \$26,250.00 in owner equity. We were also able to lower our operating expenses by nearly 20%. Thanks to the efforts of willing owners who volunteered their time to help in the taproom.

Looking forward to 2023 we will continue our efforts to increase our sales through well-planned marketing campaigns and increased signage. Our sales have continued to increase and we are maintaining tight control on expenses and look to start generating some profits in the coming year. Thank you all for doing your part by continuing to come to the taproom to drink some great beer.

DEBTS

Loan repayments on our \$150,000.00 loan at Shared Capital Cooperative started in December 2020 and 2021 was our first year of payments, We are on Phase 2. Loan details are as follows; Fixed interest of 7.5%, three phase loan over 76 months.

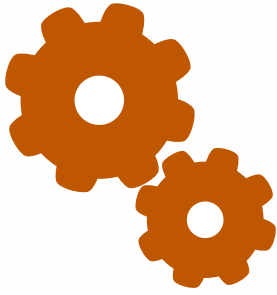
- Phase 1: 12 months interest only (complete in April 2022)
- Phase 2: 24 months principle and interest 76 month amortization
- Phase 3: 36 months of principle and interest amortization over 36 months



2022 P&L AND BALANCE SHEET

A PDF attachment is with this email, if you want more information, please email the Board at ronancoopbrewery@gmail.com





WE
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7 COOPERATIVE PRINCIPLES

Ronan Cooperative Brewery operates under 7 guiding principles that all cooperatives follow. Here are some highlights we've accomplished related to these principles.

Voluntary and Open Membership

- In 2022, almost 100 new owners joined and invested in our co-op! We have a total membership limit of 1000 people we are at 554 now.
- New members are recruited and signed up in our taproom or our online store all the time. You can also purchase memberships as gifts for others online or in person.

Democratic Member Control

- Our cooperative is governed by a Board of 9 owners who serve three year terms on the Board of Directors. Board members are elected democratically by a vote of the general membership once a year at our annual meeting.
- Members are encouraged to attend meetings of the Board of Directors. There is always a virtual option for you to join on your computer/phone or call in.

Member Economic Participation

- In 2022, beer sales continued to be led by members. Beer just tastes better when you own it!

Autonomy and Independence

- Incorporated in 2018, Ronan Cooperative Brewery has had many community partners and supporters along the way, but we remain an independent member-owned and controlled business.
- In particular, we'd like to thank USDA-Rural Development, Montana Departments of Agriculture and Commerce, High Stakes Foundation, Montana Farmers Union, and Mission West Community Development Partners.

Education, Training, and Information

- We sent email newsletters to help our owners stay up to date on pre-opening news and current taproom events.
- We are very active on social media! Follow us on Facebook, Instagram, and Untappd!



Cooperation Among Cooperatives

- We are a member of and have a loan from Shared Capital Cooperative, which is a cooperative of cooperatives! Thanks for helping us get started!



- Montana Farmers Union, also a cooperative, stepped up investing \$25,000 in our Capital Campaign. They also featured our beer at their Annual Convention and are excited for beer collaborations in the future.



Concern for Community

- While focusing on member needs, cooperatives work for the sustainable development of their communities. We are Montana's first community owned and run brewery. Our aim is to help revitalize Ronan's Main Street, craft amazing beer, and create a welcoming community space for all.
- We also focus on family firendly events and hosted our first Sidewalk Chalk Art Competition that drew kids and adults alike.

