Center for an Agricultural Economy

2014 Annual Report

Fresh. Fair. Healthy. Local. We believe a food system needs to be all of these and more. We are so grateful to the men and women, and our younger generation, who are recreating a food system in our communities every day.

CAE Staff, 2014

Annie Rowell, *Program Manager*
Alissa Matthews, *Marketing and Outreach*
Bethany Dunbar, *Community Projects*
Connor Gorham, *Facilities Manager*
Daniel Keeney, *Business Specialist*
Nora Leccese, *Emerson Hunger Fellow*
Traci Rae Lamarche, *Financial Manager*
Sarah Waring, *Executive Director*

(missing from photo: Daniel Keeney)

CAE Board of Directors

Paul Costello
Annie Gaillard
Tom Gilbert
Pete Johnson
Andy Kehler
Andrew Meyer
Linda Markin
Emily Maclure
Jon Ramsay
Tom Stearns

LETTER FROM THE BOARD PRESIDENT AND EXECUTIVE DIRECTOR

We believe in creating meaningful work where we live. For this reason the Center for an Agricultural Economy provides the foundation for community development, market-based solutions for working lands, and the infrastructure for a viable and growing economy. We want farms to be viable on our landscape, providing the working place-based community building which can happen in rural communities. We want food to be accessible and to be usable by all Vermonters, and for our towns to have the resources they need to promote and celebrate this agricultural heritage. In this past year, the work of the small non-profit has had statewide impact.

- We were joined by Jon Ramsay of the Vermont Land Trust and Emily Maclure, of Craftsbury General Store on the Board of Directors;
- We saw a 40% increase in the usage of the **Vermont Food Venture Center** facility;
- We created a draft plan for **Atkins Field at Cooper Brook** as a community space, dedicated to food, agriculture, community and recreation;
- We began the **Vermont Equipment Access Program**, a revolving lease fund jointly managed with the Mad River Food Hub and the Vermont Community Loan Fund;
- We hosted an Emerson Hunger Fellow from the Congressional Hunger Center, for five months, who has outlined a path forward for the VFVC facility to add value to the charitable food system in Vermont;

And with your help, we raised over $95,000 in our annual campaign, and $200,000 for project specific program initiatives with farmers, food businesses and our local community. We are proud to support the great work and leadership of our communities, and we are challenged to improve our food systems everyday.

Andy Kehler, *President of the Board of Directors*

Sarah Waring, *Executive Director*

COMMUNITY PROGRAMS

In the past decade, food insecurity in the Northeast Kingdom has risen. The communities here are above the state average, and 20-23% of each county receiving SNAP (3SquaresVT) benefits in 2013. Our approach to food security is multi-tiered; partnership, education, and resource sharing.

We launched **Grow Your Own** with the Hardwick Area Food Pantry and local community members, to increase food independence, health and well-being through shared knowledge and experience. In the past year, we have:

- Provided organic seeds and gardening supplies to Food Pantry clients
- Dedicated garden beds for Pantry client use at **Community Gardens**
- Hosted 45 attendees at 11 workshop gatherings
- Designed curriculum with our committee for youth, wild edibles, pickling and more

Food systems are nowhere more critical than when teaching the next generation. This year, the CAE embedded a one-day-per-week school coach to help Hardwick Elementary School in their goal to become a **Sustainability Academy**. Through food, farming and recycling themes, our coach worked in arts, math and experiential curriculum. Field trips, a kitchen classroom, growing, tasting and hands-on activities happened across grade levels. We have many more plans for our local school program and food!

Looking Ahead: In the next year, our school supervisory union is moving ahead with coordinated food procurement, as well as the building blocks for integrated curriculum. We'll be working with more local schools in the coming year, to envision how a regional and integrated food system education model for rural towns might look!

COMMUNITY GREEN SPACE

Any community needs a gathering place, and a common center. For Hardwick, and surrounding towns, that's the 15-acre historic **Atkins Field at Cooper Brook**. With dedicated work from a local steering committee, this property will see significant improvements for recreation, education and shared spaces. Last year, the Board approved Phase 1 of a development plan, including:

- Expanded Community Gardens, including a hoop house
- Benches and signage for community use
- Play structures and a pump track for recreation
- Trails and forest management of wooded areas
- Planting of trees, flowers and native bushes to enhance the permaculture components of the property

" The ideas that we implement are guaranteed to have a diverse effect on every member of the community and will promote philanthropy, sustainability and conservation for years to come."

– Atkins Field Steering Committee Member
Ceilidh Galloway-Kane

FARMER PROGRAMS

For farmers across our rural communities, creating a viable business can be extremely difficult. In the past year, the CAE has been broadening markets for farm products; helping by aggregating and processing vegetables for use by colleges, hospitals, schools and more. These institutional markets serve many low- and moderate-income individuals, helping more Vermonters to see local food as accessible. The name and story of the farm gets preserved through supply chain — so the end consumer knows where their food comes from.

Working under a USDA RD Rural Business Enterprise Grant, in 2014;

- 46,000 pounds of local and regional crops were processed at the Vermont Food Venture Center,
- 19 institutions ordered farm products, including 11 schools, two hospitals, a restaurant and more: UVM – Brennan's Café, UVM Medical Center (formerly Fletcher Allen Hospital), Dartmouth Hitchcock Medical Center, Lake Region Union High School, Hardwick Elementary School, People's Academy, Morristown Elementary, CVU High School, Down Street Eats, and others.

In particular, supported by Vermont Community Foundation, and with the partnership of NOFA-VT and the Intervale Center, we explored the capacity of the farm to school market in Vermont. The **Farm to School Pilot** focused on gathering demand data from Vermont schools and in creating technical assistance tools for farms interested in growing for the fresh cut and frozen market. Over 117 schools across the state gave us feedback, and we identified four vegetables with crop expertise as the best fit for Vermont growers.

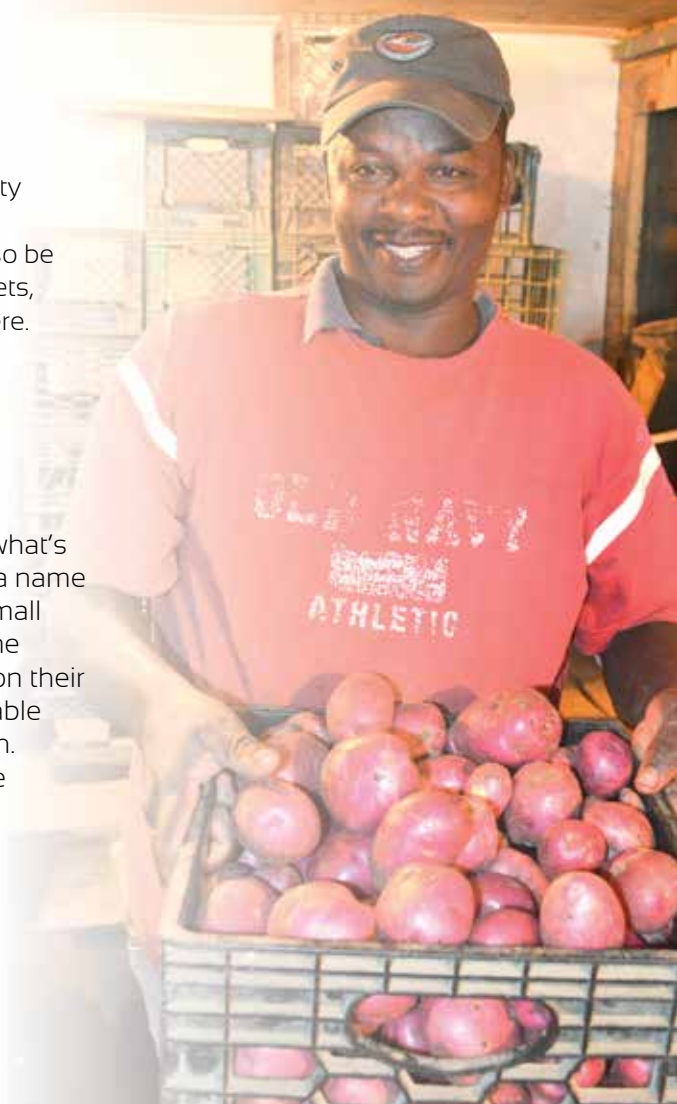
Looking Ahead: In the coming year, the CAE will be increasing shelf stability of products, and working within the supply chain — Vermont distributors in particular — to find the best way to get local products to market. We will also be increasing the efficiencies of our production, not only by diversifying markets, but also by exploring new value-added farm products that can be made here. And finally, we are involving the farmers by exploring the various business models which keep a fair price and sustainable relationships first and foremost. Our farmer programs are re-investing in the middle and rebuilding infrastructure for working lands!

JUST CUT
Fresh, Fair and Simple

As we developed the minimally processed farm products, based on what's grown in Vermont, and what's in demand for our local institutions, we had to find a name to represent these products. We work with many small farms to aggregate harvests, and we needed a name which any food service manager would recognize on their ordering sheets. After much deliberation, we were able to launch "Just Cut" products, with the tagline "Fresh. Fair. Simple." For us, this represents the fair price to the farmers, and the simple preparation — just cut, washed and bagged!

"We have a crew that loves their work and is proud of what they produce."

– Hank Bisell, Lewis Creek Farm, Starksboro



FOOD BUSINESS AND TECHNICAL ASSISTANCE

The Vermont Food Venture Center serves to incubate businesses by providing equipment, kitchens and services. From business advising, marketing classes, and recipe scale-up, the Food Venture Center is the resource for any entrepreneur. 2014 represents a third straight year of double-digit growth rates in kitchen usage at VFVC.

- Facility usage increased 40% over 2013, with room to grow.
- Client usage was 84% over projections for specialty food clients
- Farm product processing was 24% over projected usage (14 farm clients from across Vermont)

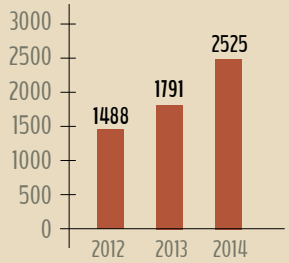
The Food Venture Center is also used as a training and education center. Last year, 18 elementary, high school and college classes visited the CAE to learn about the interconnected local food system. Continued education and training includes:

- HACCP Training taught with UVM Extension
- 5 Food Safety training courses taught by VFVC facilities manager
- 9 Business Development courses taught in partnership with CAE, SBDC, NOFA, Intervale and VFVC
- 3 artisan cheesemaking courses taught with Sterling College and Cellars at Jasper Hill

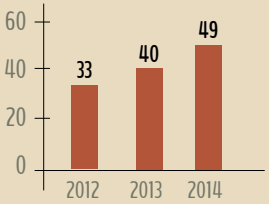
Looking Ahead: The CAE has become the Northeast Kingdom's resource for the **Farm Viability** network, providing farm and food business advising by working collaboratively with both Vt SBDC, and in 2014 as a technical service provider for VHCB's Farm and Forest Viability Network. We are also planning to work with local workforce development entities to train for job skills in the food industry in the coming year.

Vermont Food Venture Center

HOURS OF FACILITY USAGE



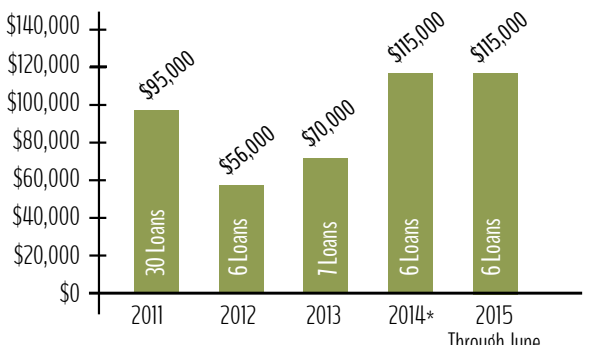
NUMBER OF PRODUCTION CLIENTS



VERMONT FARM FUND UPDATE

The true success of the **Vermont Farm Fund** (VFF) lies in relationships. Fundraising efforts have enabled this small revolving loan partnership program to satisfy all new approved loan requests in 2014. The Vermont Farm Fund also hired a dedicated Program Manager and made significant improvements in web-based systems, such as more efficient and customized loan software for managing the loans, for tracking donors and donations, and to securely store and share documents. Thanks to so many supporters, the Vermont Farm Fund has also increased loan program parameters; increasing maximum Business Builder loans to $30,000 to allow farm operators to complete more ambitious projects with VFF financing. The VFF made 6 new loans in 2014, totaling $100,000, bringing the total loans made from inception through the end of 2014 to $321,000.

VERMONT FARM FUND LOAN HISTORY



* Includes $15k increase to a 2013 loan.

THANKS TO OUR DONORS AND PARTNERS:

The CAE is especially appreciative of donors and partners, particularly those who donated to our 2014 Annual Appeal. Donor support is a key lifeline to CAE's programs and operation. The following organizations generously supported CAE in 2014: USDA Rural Development, Vermont Agency of Agriculture, Food and Markets; Working Lands Enterprise Initiative, The Harris and Frances Block Family Foundation, The Holborn Foundation, The Fieldstone 1793Foundation, The Frances and Forrest Lattner Foundation, the Claniel Foundation, the Boston Foundation, The John Merck Fund, Ben & Jerry's Foundation, ACORN Fund, Vermont Community Foundation.

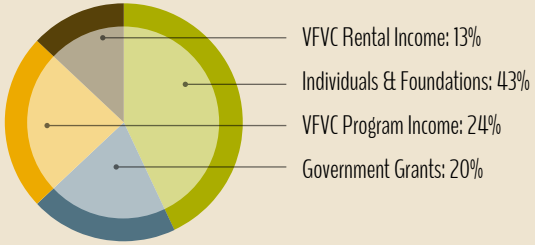
The CAE also thanks its volunteers, agricultural producers of all sizes, school and institutional partners, and individual friends who so generously gave of their time and resources in 2014.

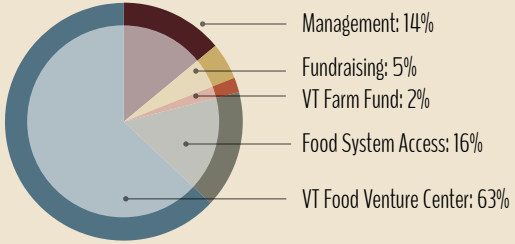
CAE INCOME AND EXPENSES

(for the Year Ending December 31, 2014)

INCOME		
Individuals & Foundations	$	295,974
Government Grants	$	135,707
VFVC Program Income	$	161,100
VFVC Rental Income	$	87,122
Other Earned Income	$	901
Total Revenue	**$**	**680,804**

EXPENSES		
Program Services		
VT Food Venture Center	$	424,761
Food System Access	$	107,920
VT Farm Fund	$	16,569
Supporting Services		
Fundraising	$	31,390
Management & General	$	93,350
Total Expenses	**$**	**673,990**
Net Income/(Loss)	**$**	**6,814**





CAE BALANCE SHEET

(for the Year Ending December 31, 2014)

ASSETS	
Cash	$ 290,119
Accounts Receivable	$ 35,480
Pledges Receivable	$ 80,000
VT Farm Fund Loans Receivable	$ 131,502
Other Current Assets	$ 13,171
Facility & Equipment	$ 1,615,350
Accumulated Depreciation	$ (207,458)
Total Assets	**$ 1,958,165**
LIABILITIES & EQUITY	
Accounts Payable	$ 5,039
Security Deposits	$ 8,756
Payroll Liabilities	$ 6,146
Facility Loan	$ 116,495
Total Liabilities	**$ 136,435**
Permanently Restricted Net Assets	$ 163,670
Temporarily Restricted Net Assets	$ 157,157
Temporarily Restricted Net Assets *(Building & Land)*	$ 1,038,807
Unrestricted Net Assets	$ 412,873
Net Income	$ 49,222
Total Equity	**$ 1,821,730**
Total Liabilities and Equity	**$ 1,958,165**

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