

# 2023 ANNUAL REPORT



Supporting Families • Growing Futures • Changing Lives.

## OUR MISSION

*Living the Gospel by building economic justice and respect together  
with Mt. Meru coffee farmers*



Ndetaulwa Nanyaro

This year was one of many milestones and mission impact on our farmer communities like Ndetaulwa Nanyaro (pictured here). We transformed the farmer discussions from our 2022 visit into profiles and videos to share with our consumers. We imported the largest volume of coffee beans since before the pandemic and provided some much-needed capital funds to the farmer groups to enable them to address some of the limitations brought about by climate change. A survey of our consumers identified new challenges and market opportunities, which with the help of our new board members and volunteers, we will be tackling in the coming year. We are well positioned to continue the strategic growth needed to meet the significant demand from our partners.

## 2023 HIGHLIGHTS

- Farmer training continues to have a positive impact on coffee quality
- Congregational partners visited Tanzania throughout the year
- Increased coffee imported in 2023
- Accelerated funding for farmer-identified capital improvement projects
- Robust coffee sales throughout the year, especially during the holidays

## MESSAGE FROM THE PRESIDENT

Dear Partners with the Coffee Growers of Mt. Meru,

As I step into this new role, I can't help but think about how far this project has matured over the past 24 years. What began as a simple request to buy coffee beans has grown to include over 900 family farms in Tanzania and a host of volunteers in the greater Milwaukee area. We have seen tremendous progress made this past year toward achieving the strategic goals we established for ourselves in 2022 and "Living the Gospel by building economic justice and respect together with Mt. Meru coffee farmers." I'm excited to share some of that progress in the following pages.

The biggest challenges we see ahead of us will be working with the farmers to address the effect they are feeling associated with the realities of climate change. Drought, along with erratic rainfall had a significant impact on the 2023 harvest as the number of cherries delivered were just half of the 2022 harvest. While we weren't able to completely offset the loss of income, we were able to fund several capital improvements in the processing centers to help address the environmental challenges.

Our focus in 2024 will be to refresh legacy technology to upgrade our website, e-commerce platform, e-mail marketing, and on-line donation capacity. This will make it easier for our coffee customers to buy coffee and donate; for us to communicate with customers, Ambassadors, and friends; and to increase coffee sales. It will also enable us to look for new markets to communicate our story and sell our coffee.



We do thank our Coffee Ambassadors and those of you that have supported the project this past year enabling us to provide the ongoing farmer training, as well as accelerate the identified capital needs. Your commitment and the excitement you bring only reinforces our obligation to ensure we continue to make this project a success.

*Rick Frowein*

## BOARD OF DIRECTORS

**Rick Frowein**

President

**Walt Chossek**

Past President

**Patti Nelson**

Secretary

**Tori Mallack**

Treasurer

**Marty Manley**

V.P. Sales

**Ava Lemke**

Director at Large

**Rev. Paul Erickson,**

Bishop, GMS ELCA

**Brenda Skelton**

Consultant



### PROJECT COORDINATOR RETIREMENT



#### **Kundaeli Moses Nnko (Nnko), Usa River, Tanzania**

We thank Nnko for his leadership role as a Project Coordinator. He was named one of the two Coordinators of the Project in October 2014 with the pending retirement of Emil Nanyaro. Nnko's background included bookkeeping, coffee farming and cooperative management. Prior to this role, Nnko served as Secretary to the Mulala Coop and as Treasurer of the Mount Specialty Coffee Growers Association. As a coffee grower and entrepreneur, Nnko has participated in the Project since the early 2000's. We are fortunate that he has agreed to continue to support the Project in his early retirement years as a consultant.

### MMCP BOARD MEMBER RETIREMENT

#### **Andy Petersen, Financial Secretary**

We thank Andy for his leadership role during his three 3-year terms on the BOD. He has been responsible for processing and depositing all the payments received for the coffee bought through our ambassadors. He plans to continue his role as Coffee Ambassador at St. John's Lutheran Church, Brookfield.

#### **Rev. Kevin Beebe, Synod Council Representative**

We thank Pastor Kevin (Spirit Alive Lutheran Church) for the many perspectives he brought to the board (clergy, barista, new parent) and his leadership during our strategic planning process. We wish him continued success in his new role.

### IN MEMORIAM



We are grateful for the life and long-time support for the Mt. Meru Coffee Project (MMCP) from Frederic "Fred" L. Meyer. Fred passed to eternal life on June 12, 2023, after battling medical issues for many years. After a successful career in marketing, broadcast production and trade show exhibitions, Fred stayed busy in retirement with his grandchildren, his active involvement at Martin Luther Church (where the Mt Meru Coffee Project is housed), and with Mt. Meru Coffee. Right up to his passing, he was producing videos for MMCP and served as one of the few remaining founding Board members of the Mt. Meru Coffee Project.

## KEY ACTIVITIES

### FARMER TRAINING:

Farmer training at the Tanzania Coffee Research Institute (TaCRI) continued to be an area of focus this past year.

**\$8,400 was invested in 2023** enabling 120 additional farmers (576 total) to learn how to plant, how to care for the trees and how to pick and process the coffee to ensure higher quality and production. While climate has been a big factor in recent years, we continue to see higher cupping scores (the rating of quality) as a result!



TCB Cupping Average (AA,AB,PB)

	2019/20	2020/21	2021/22	2022/23
Mulala	closed	80.6	81.4	84.5
Makumira	84.2	88	81.3	83.6
Legaruki	77.8	73.5	79	79.4
SILK	77.7	77.9	80.3	82.1
NIA	78.3	83.4	81.7	82.3
Mlimani		81.1	82.3	83.5
Blended Ave.	79.5	80.8	81.0	82.6

### VISITS:

Partnership visits from Greater Milwaukee Synod congregations resumed in 2023 and included visits with the Mt. Meru Coffee Project teams, as well as tours of a few of the farms. These four groups learned about the challenges of growing the coffee plants, as well as the various phases of the coffee bean production. They were also able to reaffirm the importance of and commitment to the project.



### 2023 COFFEE IMPORT

Our purchase of the 2022/2023 coffee harvested from across all six Mt. Meru Coffee processing centers (almost 24,000 lbs.) was the largest in several years. We were also able to **provide over \$87,000 in interim loans** to the Mt. Meru Specialty Coffee Growers Association to enable the initial payment to farmers when they delivered their cherries to the processing centers. The second payments were made a few months later when coffee beans were sold at auction.





## CAPITAL IMPROVEMENT PROJECTS

The generosity from individuals and congregations enabled us to allocate \$14,000 to five of the processing centers to help them accelerate their plans to address the impact of climate change, as well as improve quality.



**Nov. 2022**



**Storage Bldg  
@ NIA**



**Nov. 2022**



**Storage Bldg  
@ SILK**

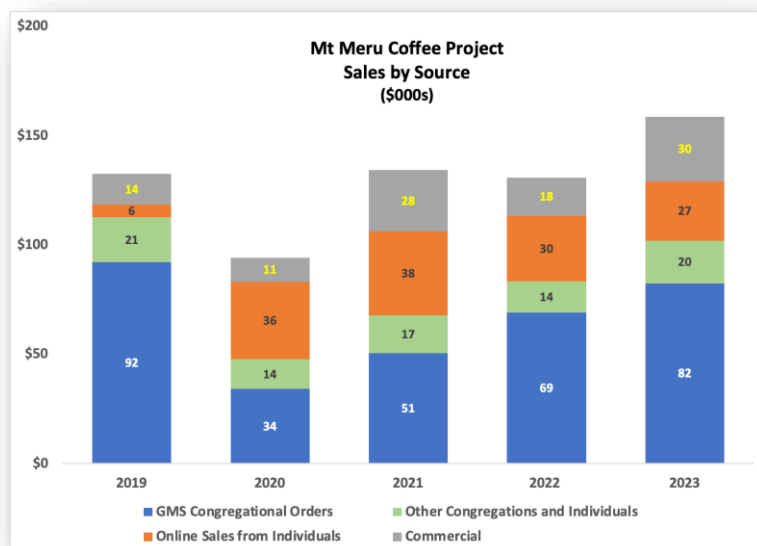


**Water Well @ Mlimani**



**New Pulper @ Mulala**

# FINANCIALS



Overall sales have continued to grow in 2023, especially across the participating congregations. Thanks to all the Ambassadors for their continued strong support.

**Asante Sana**

## CONDENSED STATEMENT OF ACTIVITY (cash basis):

For fiscal year ending December 31, 2023

### Operating Revenue

Consumer Sales	\$130,520
Commercial Sales	29,410
General Contributions	9,200
Farmer Training	<u>9,280</u>
<b>Total</b>	<b>\$178,410</b>

### Operating Expense

Advances for Coffee & Tz Op	\$60,000
Import Shipping Costs	13,590
Farmer Training	*0
Farmer Coop Capital Proj.	*0
Getting Coffee to Customer	62,920
Interest Expense	<u>1,610</u>
<b>Total</b>	<b>138,120</b>
<b>Net Cash from Operations</b>	<b>40,290</b>

\*Training of \$8,400 and Farmer Coop Capital Improvement Projects of \$14,140 were funded as a part of the 2022 Advances.

### Financing Activities

Increased Debt (net)	(50,950)
Refund of Import Bond	<u>0</u>
<b>Net Increase of cash on hand</b>	<b>(\$10,660)</b>

## CONDENSED STATEMENT OF FINANCIAL POSITION

### Assets

Cash on Hand	\$ 29,480
Investment in Coffee	154,640
Accounts Receivable and	
Other Assets	<u>23,230</u>
<b>Total Assets</b>	<b>\$207,350</b>

### Liabilities and Net Assets

Line of Credit	\$ 130
Vehicle Loans	2,850
Accounts Payable	<u>2,960</u>
<b>Total Liabilities</b>	<b>\$5,940</b>
<b>Net Assets</b>	<b><u>201,410</u></b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$207,350</b>

Change in Net Assets = \$450



## SERVANTHOOD

**"The best way to find yourself is to lose yourself in the service of others."**

*Mahatma Gandhi*

- 14 Coffee Order Processing & Fulfillment Volunteers
  - (>650 hrs. supporting the project in 2023)
- 9 Directors on the Governing Board
- Numerous Mission and Marketing Volunteers
  - Includes 35 Congregational Coffee Ambassadors who attended the November meeting, as well as the Emissaries and Pastors across the Synod



## MT. MERU COFFEE PROJECT DONORS



### Grateful for our donors

Thank you so much for your generous donations. It's donors like you that help keep our mission of supporting the coffee farmers in the Diocese of Meru alive.

### \$1,000+

Aleta and Walt Chossek  
Jeanne and Robert Dries  
Faith Lutheran Church,  
Cedarburg, WI  
Dianne and Rick Frowein  
Galilee Lutheran Church,  
Pewaukee, WI  
Janet McMahon  
Shepherd of the Hills  
Lutheran Church,  
Hubertus WI

### \$500-\$999

Lynn and Paul Erickson  
Martin Luther Church,  
Milwaukee, WI  
Brenda Skelton  
Vernon Lutheran Church  
Mukwonago, WI

### \$100-\$499

Ingrid Burbey  
Courtney Eccleston  
Gary Erickson  
Grace Lutheran Church,  
Grafton, WI  
Elizabeth Hoffman  
Memorial Lutheran Church,  
Milwaukee, WI  
John Monsen  
Lucia and John Murtaugh  
Peace Lutheran Church,  
Burlington, WI  
Shelly Rosenstock  
St. Matthew's Lutheran Church,  
Wauwatosa, WI  
Julie Starks  
Lana and Bob Wiese  
Pamela and Neal Zimmerman

### \$1-\$99

Ascension Lutheran Church,  
Thousand Oaks, CA  
Gail Brodensen-Heins  
Shirley Halloran  
Sue and Tom Johnson  
Kristin Nielsen  
Aryan Patel  
Katherine Pohlmann  
Margaret and Timothy Schoewe