



Are you ready to **open a store?**

2020 ANNUAL REPORT



Letter from the President

AS WE LOOK AT 2020 IN THE REAR VIEW MIRROR, Terre Foods has exploded into 2021 with a brand new invigoration. After over a decade of hard work and close calls, our perseverance will soon be paying dividends. This is an exciting time for Terre Foods, and everyone that has been involved in this endeavor.

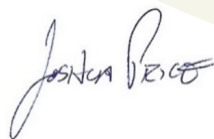
Even with all the disruptions of 2020, serendipity found a way in. With the arrival of Three Sisters Investments in the 12 Points neighborhood, and the on-going work being done by the 12 Points Revitalization Initiative, community action has begun to take hold and is becoming more and more evident in the 12 Points neighborhood with each passing day. Terre foods recognized this momentum and was given an opportunity to take advantage of the synergy. And as a result, we're at the moment we've all been waiting for: we are contractually set to take possession of a building in 12 Points on April 15, 2021!

There is no question that this is a milestone we have worked towards for a long, long time. Many people have been involved with this organization during its existence, and without that kind of volunteer effort, none of this could be accomplished. As we move into this new chapter of Terre Foods, that same volunteer effort will be more necessary than ever. The primary focus moving forward with this project will be to fill our board vacancies, reinvigorate and populate our committees, pursue any and all financial backing, and generate the kind of energy and awareness that will make this project a success.

We will also be fulfilling our original mission. This project will not only help to fill a food desert within our community but will provide jobs and a venue for the multiple growers and producers in our region. The importance of access to fresh and healthy food can never be overstressed, and the boost to our local food economy, and economy in general is a win-win.

Please join us in making this project the success that so many have believed in and been waiting to see! These are exciting times! Not just for Terre Foods but for the historic 12 Points neighborhood, and Terre Haute in general. Get involved in this momentum and be a part of helping to create the community that you want to see and be a part of. We can all take pride in these achievements, and the positive energy they will carry for years to come.

Respectfully,



Joshua Price
Board President



Our New Store! (and how we got here)

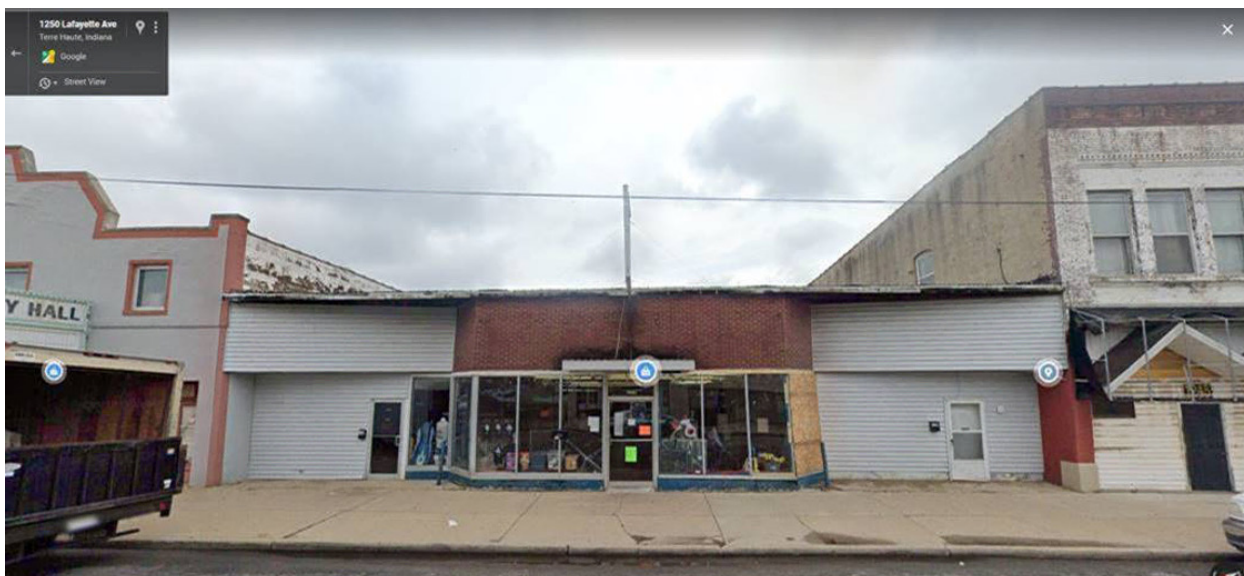
by Jim Speer, Board Vice-President

Hello Fellow Members,

I have been with Terre Foods since the beginning in 2007 when we started trying to create a local and organic, full-service grocery store. I am member 007. This has been a long fourteen years with the work of over one hundred people through the years. We have explored over 30 properties in great detail (and sometimes some expense). We have contracted three market analyses, drawn up plans for a least five projects which developers ended up abandoning. We realize that we have lost the faith of many of our members because we have been at this so long. I can attest that it has not been for a lack of trying. If anything, we have been too cautious with member equity and loans, trying to make good fiscal decisions to get Terre Foods open.

Last year at the annual meeting, I presented a project as our last ditch effort of a greenspace development at Lafayette and Locust. Around that time, we put out a survey to gage our members' interest in that store option. We had marginal support at about 60% of people voting for that project, but not much excitement. We had landed on that property because it was owned by a member that wanted to see the store become a reality, but it was also in a slow traffic area where not many people normally travelled. Then COVID hit, and put all of our work on hold.

Since that time, 12-points revitalization has fully engaged in creating an appealing neighborhood with great amenities within walking distance. The 3 Sisters Development, LLC. has started to renovate property and brought in multiple businesses to that area. 12-points is happening and it is an exciting synergy of businesses and a community that wants to re-envision itself. They have made a goal of bringing 12 new businesses



into the 12-points area in the next 12 months. We want to connect with this growing energy to help make Terre Foods Cooperative Market a successful grocery store. We expect that our business can feed back into the great things happening in this area by being a destination store that will bring more people to this area to shop and help to create a unique neighborhood in Terre Haute, where people want to congregate.

We were presented with the perfect opportunity to get our store open soon. We are under a purchase agreement for Amy's Corner Mall (1253 Lafayette Ave.), which shares a wall with Harmony Theater. Our closing date is April 15th and we will have a 10,000 sq foot space that includes enough parking for about 30 cars. Our current plans are to renovate the space as quickly as possible with the easier refurbishments and start providing fresh produce, local products, organic food, and be a full-service grocery store this summer. We are going to start small and offer what we can and we plan to grow organically as a business. We have the space to expand as we need into this 10,000 sq foot space. We are likely to start out small but hope to reach our final dream with everything that you expect from a cooperative market that focuses on providing local producers and artisans a place to sell their

wares. As we bring in income and raise money through a capital campaign, we will be able to complete the renovations that this space needs.

We plan to run a capital campaign in September to raise the money we need for vital repairs, like a new roof and possible a commercial kitchen. These will be investments in the coop that raise annualized simple interest from 0-1% over a 5-10 year period (chosen by the member lender). Please reach out to me if you are interested in pledging a loan to Terre Foods. For now, we need to raise 200 more members, so if you are not already a member please become one. If you are already a member, please tell a friend about this project. We will have a space that we can show people soon. We are also calling out for volunteers to help us fill our committees (Board, Steering Committee, Membership, Communications, and Outreach and Events). We will be looking for volunteers to put in sweat equity with repainting the interior of the buildings. Please sign up for the committees and bring your skills to make our store a reality. Feel free to email me if you want to join the steering committee and be a part of the renovations of the property to make the store a reality as soon as possible!

Jim W. Speer

Jim.speer@indstate.edu

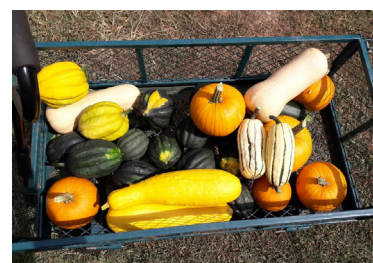
Perspective from Local Producers: The Pickery

by Laurie Elliott, owner of The Pickery



The opening of Terre Foods Cooperative Market is very exciting for The Pickery! We are planting more than ever before and can't wait to see our products on the shelves at the new store. This will be a great place on the opposite end of town to pick up fresh, local organic produce. We look forward to bringing squash, onions, tomatoes, peppers, cucumbers and much more!

One of the reasons we are celebrating this new store is what it does for our local food system. A local food system is important for several reasons. When you shop at Terre Foods Coop, many of your shopping dollars stay in Terre Haute and are circulated again and again in the community. When farmers know they have a place to sell their products, they are more likely to take the plunge and expand or start a farm! A good local food system can cushion any food supply interruptions, such as the meat shortage in 2020 due to the pandemic. We also know that the fresher the produce, the more nutrients it contains. Terre Foods is a WIN-WIN for Terre Haute.



Food Co-op Initiative/INDIGO Peer Group

by Angi Hansel, Board Member

In January a board member from Terre Foods began attending a monthly peer group zoom meeting developed by Food Co-op Initiative (FCI). FCI is a non-profit based in Minnesota that helps new food co-ops get started. The peer group is made up of a diverse group of co-ops located in different cities around the US. During the meetings the individual co-ops give an update on their progress and/or stage of development, next the facilitator presents a topic and then the co-op representatives have a chance to ask questions. Please see the mission of FCI below.

FCI Mission

FCI aims to increase the number, success and sustainability of new food co-operatives delivering access to healthy food in diverse communities across this country. It provides information, training and technical assistance, as well as seed capital, and engages in research to blaze, maintain and improve the development path for new food coops.

FCI strives to provide exceptional resources for people in the U.S. working to start a retail food co-op that meets the needs of their community. New start-ups can use our materials at no charge and are able to reach out to our staff



continues on next page

for phone consultations and additional technical help. This open access helps groups get established and incorporated during the early stages of starting a food co-op, putting them on a solid path towards opening a sustainable cooperative grocery store.

FCI will be a valuable resource to us going forward with the development of our store because of their vast knowledge, cooperative mindset and free services. The January meeting discussed what happens when membership/ownership slows down. We talked about new angles to reach potential member/owners. In February we discussed how to connect with our member/owners through visual language and regular communication.

We are happy to have a relationship with FCI and look forward to how FCI can help us build, maintain and improve our store while keeping the needs of our member/owners always in mind.

2020 Financial Report

by T.J. Hellmann, Board Member

General Fund

Starting Balance (October 1, 2019)	\$3,992.96
Expenses	\$4,120.69*
Income	\$0.00
Equity	\$80.36
Ending Balance (September 30, 2020)	\$8,194.01

* Displays as a positive number due to a tax penalty refund received in 2020.

Capital Fund

Starting Balance (October 1, 2019)	\$64,249.85
Interest	\$63.26
Member-Owner Loans	-\$2,002.50
Ending Balance (September 30, 2020)	\$62,310.61

Net Profit From Events**

Revenue	\$0.00
Cost	\$0.00
Profit	\$0.00

** Due to COVID-19 we did not hold any events in 2020.

7 Cooperative Principles

Cooperatives around the world generally operate according to the same core principles and values, adopted by the International Co-operative Alliance in 1995. Cooperatives trace the roots of these principles to the first modern cooperative founded in Rochdale, England in 1844.

1. VOLUNTARY AND OPEN MEMBERSHIP

Cooperatives are voluntary organizations, open to all people able to use its services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2. DEMOCRATIC MEMBER CONTROL

Cooperatives are democratic organizations controlled by their members—those who buy the goods or use the services of the cooperative—who actively participate in setting policies and making decisions.

3. MEMBERS' ECONOMIC PARTICIPATION

Members contribute equally to, and democratically control, the capital of the cooperative. This benefits members in proportion to the business they conduct with the cooperative rather than on the capital invested.

4. AUTONOMY AND INDEPENDENCE

Cooperatives are autonomous, self-help organizations controlled by their members. If the co-op enters into agreements with other organizations or raises capital from external sources, it is done so based on terms that ensure democratic control by the members and maintains the cooperative's autonomy.

5. EDUCATION, TRAINING AND INFORMATION

Cooperatives provide education and training for members, elected representatives, managers and employees so they can contribute effectively to the development of their cooperative. Members also inform the general public about the nature and benefits of cooperatives.

6. COOPERATION AMONG COOPERATIVES

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

7. CONCERN FOR COMMUNITY

While focusing on member needs, cooperatives work for the sustainable development of communities through policies and programs accepted by the members.



Mission Statement

The mission of the Terre Foods Co-op is to provide the Terre Haute community access to organic and natural foods and products at fair value. Priority will be given to locally grown foods and handmade products. As a member-owned market, we are committed to serving the needs of the community while using ethical and sustainable business practices. We want to encourage the development of a local food system in cooperation with small farmers and businesses in order to sustain and invigorate our regional economy. (Adopted Nov. 2, 2007)

Vision Statement

Our vision of the Terre Foods Co-op is to enrich our community by providing access to healthy, local foods at fair value while building a network of local providers. We endeavor to promote community well-being, environmental stewardship, and economic sustainability through cooperation. (Adopted Nov. 2, 2007)

TERREFOODS.COM