



2018 ANNUAL REPORT

Letter from the President

WE HAVE JUST PASSED 10 YEARS of existence as a coop, initially incorporated on January 20, 2009. We've grown from a handful of founding members to just one member-owner shy of 800. We've accomplished many things together over the years, from festivals, classes, fundraisers, community outreach events, and potlucks. We've helped reshape our community vision of a striving local food economy. My family became member-owners because we believe in that vision.

Although we have many accomplishments to be proud of in our first 10 years, our principal goal as a coop was to open a grocery store. In my time on the board I can honestly say that we've gotten very close several times to having a project ready to announce to our members.

While it has been disheartening at times to see a project fall through, what's kept us all going is knowing that there are 800 member-owner households here that believe in this vision and want to make it a reality.

Each year the Blueberry Festival serves as a small taste of all the potential of the coop. At the festival I meet new members each year, share in delicious local food with energetic volunteers and community members, and talk over ideas for how to grow our local food economy and support local producers. This year was no exception.

We've worked hard this year trying to find a viable option for us to open a store. As Jim Speer describes in his letter from the Site Selection committee on the following page, we have been pursuing a potential project in the downtown area and are hopeful it will work out.

Thank you for joining us in our first 10 years as a coop. Let's keep pushing forward and make our vision a reality!

Sincerely,



T.J. Hellmann
Board President



Dear Terre Foods Members,

The Site Selection committee has been using our quantitative ranking system to analyze potential store sites and to rank them. The ranking system uses seven key parameters, which include things like downtown synergy, traffic flow, visibility, and expense. We were able to identify a number of sites as our high priority sites and pursue those. In the past year, we have had multiple meetings with the Major about a potential site around the current Police Station on Wabash, had conversations with ISU, met with Steve Witt from Terre Haute Redevelopment, and explored a few other potential options for the store.

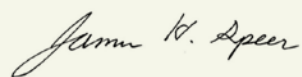
We have located an excellent opportunity and have met with the owners on multiple occasions with the most recent meeting being last week. We are waiting for their approval to sign a short-term lease with contingencies so that we can announce the property, start work on the capital campaign, and gather the funds necessary to start renovation of the site.

Our highest potential site is within the official downtown region and close to many of our Terre Foods members (based on the heat map of member households from a previous market analysis). We have started preliminary planning with Nicole Klimek at Seven Roots store development institution for a site plan and buildout estimation for this location. We are holding off on that contract until we have the short-term lease signed with the property owners.

If we are able to obtain this short-term lease, our next steps include running a capital campaign where we ask our member/owners to invest in the store. With 35% of our members/owners investing an average of \$4,000 each in the store, we will be able to raise the capital that we need to match with a loan from the bank and get the store open. Note that these are member loans with interest, which would be second position to the banks loan, but paid back on the terms of the loan with interest.

The board is excited about this opportunity and we hope that we will be able to announce the location of our future store in the coming month.

In Cooperation,



James H. Speer, PhD
Chair of the Steering Committee
Member of the Site Selection Committee

Letter from the Steering Committee



Membership Working Group Update

by Michelle Adler, Board Member and Membership Working Group Chair

2018 was a busy year for Terre Foods. In April we participated in the Earth Day Festival at Saint Mary-of-the-Woods. Terre Foods had a tent and sold homemade chili courtesy of our talented members and fresh toasted flatbread from Harvest Bakery, which was so popular (due partly to the frigid weather) that we sold out completely an hour before the event was over. Our most popular event, the Annual Blueberry Festival, was held in July and brought in two new memberships. Fellow board member Angi Hansel and I took on the organizing of the festival along with strategic help from Rosemary Schmaltz and David Voltmer. Thanks must also be given to the many dedicated volunteers we had for the event. We could not have done it without you! Volunteers helped to scoop, dip and sell out of the popular organic blueberries from the Blueberry Ranch, which were especially delicious this season. An additional new membership was gained after the festival and in December 2018 one more new membership was gained bringing the total members up to 799. Of those new members, two have decided to apply for board positions in 2019!

The membership committee is currently discussing ways to bring more valuable perks to our members. Some of the perks being discussed are special classes just for members on seed saving, canning, indoor kitchen composting and vermicomposting. If you have great ideas to share and would like to join the membership committee, please email us at info@terrefoods.coop. We would love to have you on our team!



2018 Financial Report

by Kyle Volkers, Board Member

General Fund

| | |
|-------------------------------------|--------------|
| Starting Balance (October 1, 2017) | \$15,871.30 |
| Expenses | -\$11,927.90 |
| Income | \$10,884.10 |
| Equity | \$231.00 |
| Ending Balance (September 30, 2018) | \$15,058.50 |

Capital Fund

| | |
|-------------------------------------|-------------|
| Starting Balance (October 1, 2018) | \$64,249.85 |
| Interest | \$64.63 |
| Member-Owner Loans | \$0.00 |
| Ending Balance (September 30, 2018) | \$64,314.48 |

Net Profit From Events

| | |
|---------|-------------|
| Revenue | \$10,884.10 |
| Cost | -\$8,566.24 |
| Profit | \$2,317.86 |



A large, stylized graphic of a leaf or plant, rendered in a light green color, occupies the lower half of the page. It has several rounded, overlapping shapes that suggest a natural, organic form.

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.COOP