



**THREE RIVERS  
MARKET**  
the co-op

**ANNUAL REPORT**  
Fiscal Year 2020-2021



## TO OUR THREE RIVERS MARKET COOPERATIVE MEMBERS, EMPLOYEES AND SUPPORTERS:

What another year it has been! The world and our region have continued to be challenged by a pandemic as well as social and economic disruption. Through the uncertainties Three Rivers Market has remained strong and been a beacon of reliability to those it serves. The deep roots anchoring the success of our Cooperative have been intentionally and thoughtfully cultivated over the years. Dedicated employees, leaders and members have continually planted purposeful seeds thinking beyond today to tomorrow's growth.

Established in 1981, Three Rivers Market is a cooperative center of sustainable commerce that exists to benefit its members by creating and nourishing a healthier environment, healthier people, and a healthier community. Our leadership, employees, vendors, products and services are held to these values.

In November our General Manager, Jacqueline Arthur, announced that she will be leaving Three Rivers Market in May 2022 to embark upon new opportunities. Since December 2000, Jacqueline has served as General Manager, growing our business from sales of \$800,000 per year to over \$9 million, from 12 employees to 51 employees, from a minimum wage of \$5.25 to \$15.00/hour, from under 1000 owners to over 10000, from \$0 in cash reserves just shy of \$2,000,000, and from fragility to stability and the realization of a long-term commitment to our region. She spearheaded the transition of our co-op to a genuine cooperative business structure in 2005 generating nearly \$749,018 in patronage dividends to our members through sound business practices. She served as Project Manager for the purchase and development of 1100 N Central Street, securing financing during the recession of 2008 with a strong business expansion plan that included our cooperative's first member loan program. Over \$84,000 has been returned to our community in the form of interest paid to our members

Raised in the Smoky Mountains, Arthur studied community nutrition in the College of Home Economics at the University of Tennessee in Knoxville and management and planning at the Graduate School of Social Welfare at the University of California in Berkeley. Jacqueline conveyed her education, experience and business acumen to the Cooperative leading the growth path we enjoy as members today. Jacqueline's candor, compassion and community mindset have been pivotal to shaping Three Rivers into a true cooperative center. We are excited to discover what she will put her mind to next! Whatever she chooses we know will benefit from her dedication and keen sense of business direction.

While we are both saddened to see Jacqueline leave and excited for her next new adventure, be assured she has set the bar for General Manager leadership which your Board will use as a benchmark for selecting her replacement. The Board has appointed a General Manager Search Committee. The Committee along with the Board are working diligently to identify the candidate which will model our values and transition Three Rivers Market into the next 3 decades and beyond.

Thank you to our employees and members for your loyalty and support of our Cooperative's values. As another globally challenging year comes to a close we reflect upon the gifts of community which Three Rivers Market has provided and will continue to provide into the New Year. Happy New Year to you and yours!

Joy Wilson  
Board Chair 2021  
Three Rivers Market Cooperative

## END GOAL

Three Rivers Market, a cooperative center of sustainable commerce, exists to benefit its members by creating and nourishing a healthier environment, healthier people, and a healthier community.

## VISION OF SUCCESS

- Our local and cooperative economy is ethical, sustainable, and strong
- Our community has access to healthy food
- Our natural world is respected, protected, and restored
- Our people are happy



## CO-OWNER EQUITY

- \$ **887,100** total co-owner equity
- \$ **75,250** new co-owner paid-in equity
- \$ **42,858** new co-owner allocated equity from patronage dividend

## CO-OWNER DISCOUNTS & DIVIDENDS

- \$ **191,999** was returned to our co-owners through discounts
- \$ **171,430** was returned to our co-owners through a patronage dividend

## HEALTHIER COMMUNITY

- \$**80,228** customer donations to Nourishing Change
- \$**34,451** donations, sponsorships, and outreach (including KAT, Holiday Promotions)
- \$**2,911,015** sales of local products (32% of sales)
- \$**3,668,394** sales of organic products (40% of sales)

## HEALTHIER ENVIRONMENT

- 47,250 pounds** of compostable food scraps given away
- 20,000** cardboard trays delivered to Young-Williams Animal Shelter to use as beds and litter boxes
- 43,440 kWh** of clean energy produced by our solar panels
- \$**51,815** total credits against our utilities bill

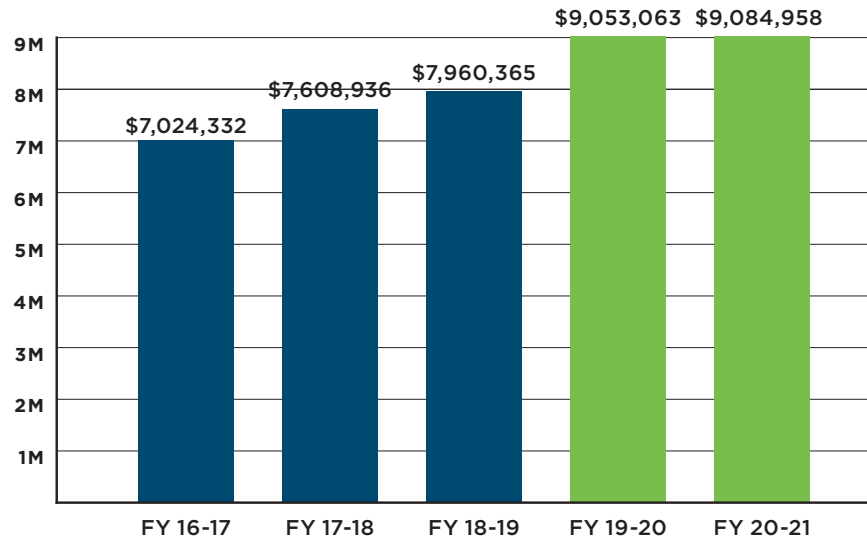
## HEALTHIER PEOPLE

- 31,000 pounds** of food donated
- 48** employees
- 67%** jobs are full-time
- 29%** employees are 40+ years old
- 48%** employees are female
- 100%** employees are paid at least 26% *more* than the livable wage

## INCOME STATEMENT

	FY 2019-2020	
Net Sales	\$9,084,958	100.0%
Cost of Goods	\$6,073,780	66.9%
<b>Gross Profit Margin</b>	<b>\$3,011,179</b>	<b>33.1%</b>
Wages	\$1,353,649	14.9%
Benefits & Taxes	\$536,614	5.9%
<b>Total Labor Expense</b>	<b>\$1,890,263</b>	<b>20.8%</b>
General & Administrative	\$2,743,835	30.2%
Depreciation	\$103,233	1.1%
<b>Total Expenses</b>	<b>\$956,806</b>	<b>10.5%</b>
Net Operating Income	\$164,110	1.8%
Other Income	\$371,045	4.1%
Other Expense	\$27,791	0.3%
<b>Income Before Taxes</b>	<b>\$507,365</b>	<b>5.6%</b>

## ANNUAL SALES



## BALANCE SHEET

	FY 2020-2021	FY 2019-2020
Cash	\$1,989,440	\$1,993,455
Inventory	\$309,348	\$310,235
Other Current Assets	\$83,723	\$26,262
<b>Total Current Assets</b>	<b>\$2,382,511</b>	<b>\$2,329,952</b>
Property & Equipment	\$1,576,099	\$1,623,165
Other Assets	\$171,809	\$149,660
<b>Total Assets</b>	<b>\$4,130,420</b>	<b>\$4,102,777</b>
Current Liabilities	\$896,897	\$857,180
Long Term Debt	\$521,515	\$944,456
<b>Total Liabilities</b>	<b>\$1,418,412</b>	<b>\$1,801,636</b>
Co-Owner Equity	\$1,760,733	\$1,339,515
Retained Earnings	\$951,275	\$961,626
<b>Total Equity</b>	<b>\$2,712,008</b>	<b>\$2,301,141</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$4,130,420</b>	<b>\$4,102,777</b>

Financial Statements for FY 2020-2021 were reviewed and approved by Wegner CPSs, LLP, Madison, WI.

Forgiveness of our Paycheck Protection Program (PPP) loan reduced Long Term Debt and increased Other Income by \$326,900 in FY 20-21 and is excluded from taxable income.

## A NOTE FROM THE GENERAL MANAGER

In 2018 I began planning a shift in vocation to follow the 20th anniversary of my work for our co-op. Shortly thereafter, our Board of Directors and I began preparing for the transition.

Preparations stalled with the onset of the Pandemic and this anniversary, on December 13, 2020, has come and gone. Nevertheless, the pause was beneficial in so many ways and now, we are once again ready to move forward. Earlier this year I asked our Board of Directors to find my replacement in 2022.

Here is our plan for a tranquil transition:

**PHASE 1:** The Search Committee will work with Carolee Colter from the Columinate cooperative, and Brett Myers from the Carlisle Group, to conduct a nationwide search for our new General Manager. Our goal is to have the New General Manager (NGM) hired by May 2022. Our Search Committee is:

- Joy Wilson, current Board Chair
- Wes Goddard, former Board Chair
- Chris Bottoms, former Board Chair
- Caitlin Seidler, current Secretary/Treasurer

**PHASE 2:** Late January 2022, an Interim General Manager (IGM) from the Columinate cooperative will begin working for us. I will stay on to support the IGM and to complete projects through my last day, May 20, 2022.

**PHASE 3:** I will provide up to 5 hours/month consulting services to the NGM and the Board from June through September 2022.

Updates to the plan will be provided along the way!

The wonderful partnerships and relationships we have cultivated over the past 20+ years ensure the co-op will remain strong through this transition and will carry us through the next vicennial.

With Appreciation,

Jacqueline Arthur  
General Manager

## OUR VALUES

Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, cooperative members believe in the ethical values of honesty, openness, social responsibility and caring for others.



1100 N. Central St. | 865-525-2069  
[www.threeriversmarket.coop](http://www.threeriversmarket.coop)