

# 2021 annual report



people's  
FOOD CO-OP

# Cooperative of Care

**by Amina Rahman, External  
Development Manager & Co-Manager**

The COVID-19 pandemic continued through 2021 and informed much of the landscape at People's. We saw a decline in customer shopping as the pandemic forced families to shift their consumer habits, and from other needed operational changes to keep our staff and community safe. Food inflation soared across the country, supply chain issues worsened, and many small businesses that we champion struggled. On staff, we faced a massive wave of turnover, not least due to the taxing nature of doing frontline service work during a global pandemic.

Despite these extraordinary challenges, People's ended the year as one of the top performers in National Co-op Grocers (see Finance Report on page 5 for more details). The Paycheck Protection Program loan we received from the federal government was fully forgiven, and with it, we were able to increase wages for all staff and support hiring and retention. We maintained our shopper and staff masking requirements throughout the year, even when the state lifted requirements, which kept our community safe through various surges. We maintained another year of not having any known staff transmission of COVID and heard overwhelmingly from shoppers and member-owners how much safer they felt shopping at People's. Our pandemic safety measures combined with our food accessibility work, including the launching of our in-store Double Up Food Bucks

**“Shopping at the Co-op remains the best way to support People’s; please continue to spend as many of your grocery dollars at your Co-op as you can, and let us know how People’s could further serve your family and the wider community.”**



program, brought in many new loyal customers. In many ways, People’s was and continues to be a lighthouse for folks seeking a community that shares values of cooperation, concern for community, and creating radical social change.

Looking ahead to 2022, the Collective Management will continue to exercise caution and care related to the pandemic as things shift. We will also focus on re-investing in the building, training new co-managers, and recuperating lost sales. To do all of this, we will need your help! Shopping at the Co-op remains the best way to support People’s; please continue to spend as many of your grocery dollars at your Co-op as you can, and let us know how People’s could further serve your family and the wider community. Our Community Engagement Team ([cet@peoples.coop](mailto:cet@peoples.coop)) and the Board of Directors ([bod@peoples.coop](mailto:bod@peoples.coop)) are always just a hop and a skip away.

From patiently waiting in line to do your shopping, to donating your patronage dividends to the staff as frontline workers, to shopping with our Curbside program – thank you for sticking with People’s Food Co-op and supporting this important work.




**92%**

of bulk products  
sold were organic

**48%**

of sales came from  
our bulk & produce  
departments

we sold   
**5,440 lbs**  
of rolled oats in 2021



produce  
sourced from  
OR & WA accounted for

**57%**

of total produce  
sales in 2021





**total SNAP tokens  
& Double Up Food  
Bucks distributed at  
the Farmers' Market**

**\$79,833**

**\$12,053**

in-store Double Up  
Food Bucks redeemed

*"The Double Up Food Bucks program at People's Farmers' Market provided year-round increased access to fresh fruits and vegetables for households in need, while also providing crucial support to local farmers in challenging economic times."*

*-Tamara Lynne, Farmers'  
Market Coordinator*

**\$14,561**

worth of 5% discounts  
provided through our  
Food For All program

**2021  
highlights**

# 2021 Financial Report

**by Rachel Markley, Finance Coordinator,  
& Amina Rahman, Development Manager**

The effect of COVID-19 was felt throughout the year of 2021. Overall, our sales were 13.44% down compared to 2020, with the pandemic continuing to change consumer habits and requiring operational changes. We were closed on Thursdays until May to accommodate our curbside shopping program and maintained a 10 shopper limit through August. We also incurred additional COVID-19 related labor expenses, including a hazard pay differential to staff, as well as implementing a raise for all workers in August to get closer to a living wage in Portland and address issues with retention and turnover. We ended the year with a total labor percentage of 27.98% of sales.

Significantly, the Paycheck Protection Loan of \$238,975 that we applied for and received in 2020 from the federal government was fully forgiven in 2021. This is why that sum of money moves from being a liability to earnings in 2021 in the balance sheet on page 8. As such, there are 3 versions of our financials that are all important: 1) including the PPP money in our net income; 2) excluding the PPP money and thinking about our performance from just our operations in the store; and 3) applying some of the PPP money to offset expenses in 2021.

As seen on page 7, our total net income after taxes for 2021 is \$215,633, including the PPP money as earnings. Pulling out



**“All considered, we believe People’s performed really well in the context of a global pandemic. We were in the top quartile of all National Co-op Grocers’-affiliated co-ops in the country in terms of financial performance.”**

the PPP money and the tax credit, we see a net loss of \$34,029 (-0.81% of sales) from our operations. This is about half of what the Collective Management set off the year budgeting for; we anticipated a net loss of -1.5% of sales, or \$63,296. Internally, we will be applying \$34,029 of our PPP money to offset the 2021 loss and bring us to a net loss/income of \$0 for 2021. Our plan for the rest of the money is to offset pandemic-related labor expenses and our wage raises in 2022 and potentially 2023.

All considered, we believe People’s performed really well in the context of a global pandemic. We were in the top quartile of all National Co-op Grocers’-affiliated co-ops in the country in terms of financial performance. Moving into 2022, the Collective Management will be focusing on recuperating lost sales, re-investing in the building and resetting departments to invigorate shoppers, training and onboarding new co-managers, and managing overall labor costs.

Our Profit and Loss table and the Balance Sheet are on the following page. The Profit and Loss table shows the Co-op’s operating income and expenses incurred. The Balance Sheet is an end-of-year snapshot of the Co-op’s assets (what we own), liabilities (what we owe), and equity (what we have invested).

# Profit & Loss

		2021	2020
income	Sales	\$4,219,722	\$4,875,674
	Other Income	\$279,635	\$50,628
expenses	Cost of Goods	\$2,674,121	\$3,096,731
	Labor	\$1,157,258	\$1,252,042
	Operating Expenses	\$463,032	\$542,662
	Income Taxes	-\$10,687	\$5,200
<b>Net Profit/Loss</b>		<b>\$215,633</b>	<b>\$29,667</b>



# Balance Sheet

<b>Assets</b>	<b>2021</b>	<b>2020</b>
Cash	\$1,354,328	\$1,332,799
Inventory	\$229,714	\$237,409
Other Current Assets	\$16,159	\$14,392
Equipment	\$427,619	\$417,658
Land & Building	\$939,414	\$934,689
Accumulated Depreciation	-\$807,554	-\$744,345
Other Assets	\$121,881	\$107,562
<b>Total Assets</b>	<b>\$2,281,561</b>	<b>\$2,300,164</b>
<b>Liabilities</b>	<b>2021</b>	<b>2020</b>
Accounts Payable	\$94,302	\$104,591
Patronage Dividends Payable	\$54,279	\$39,918
Other Current Liabilities	\$84,437	\$80,603
Long-Term Liabilities	\$0	\$238,975
<b>Total Liabilities</b>	<b>\$233,018</b>	<b>\$464,087</b>
<b>Equity</b>	<b>2021</b>	<b>2020</b>
PeopleShares (Member-Owner Equity)	\$1,187,880	\$1,145,413
Retained Patronage Dividends	\$500,736	\$546,370
Earnings from Current Year	\$215,633	\$29,667
Patronage Dividends Payable from Previous Year	\$0	-\$57,042
Retained Earnings	\$144,294	\$146,412
<b>Total Equity</b>	<b>\$2,048,543</b>	<b>\$1,836,077</b>

# 2021 Patronage Notice

Dear Member-Owners,

Thank you for your support of People's during the trials of the COVID-19 pandemic. For the second year in a row, the Collective Management (CM) worked together to navigate public health measures, keep each other and People's customers safe, and run the grocery store. People's staff continued to offer curbside pickup so that customers could shop at the store in a way that felt safe. The CM stewarded one of the first instances of in-store Double-Up Food Bucks in the state of Oregon, taking action on our commitment to make local produce more affordable. Thank you, Collective Managers!

Our Co-op is not a typical grocery store: because we are owned by our members, when the Co-op makes a profit we distribute it back to our Member-Owners. This was not the case in 2021. **Because the Co-op did not make a profit last year, we Member-Owners will not be receiving a patronage dividend.** (See the Financial Statement in this Report for information on profitability in 2021).

Thank you, members! Continuing to shop at People's and the Farmers' Market is the best way to support the Co-op's financial success.

As always, you can reach us at [bod@peoples.coop](mailto:bod@peoples.coop). We'll see you around the Co-op or at a Board Meeting (still on Zoom for now).

– *Your Co-op Board of Directors*

# Cast your vote in our 2022 Board of Directors Elections



**Online &  
Paper Ballots  
Due July 17th!**

**Scan the code above to learn more about this year's elections and read about our 2022 Board of Directors Candidates!**

All Member-Owners with a valid email address on file have received an email from [vote@simplyvoting.com](mailto:vote@simplyvoting.com) that will give you access to your online ballot. Make sure to check your spam folder if you don't see it in your inbox! Paper ballots will also be available in-store. If you cast your vote both online and with a paper ballot, only your online ballot will be counted.

**If you haven't received your online ballot, want to update your email address on file, or need other voting support, please email us at [marketing@peoples.coop](mailto:marketing@peoples.coop).**

3029 SE 21st Avenue  
Portland, OR 97202

people's  
FOOD CO-OP