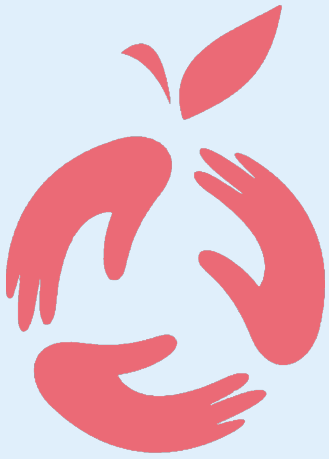


ANNUAL REPORT

2020



TPSS Co-op



ABOUT TPSS CO-OP

MISSION STATEMENT

Takoma Park Silver Spring Co-op promotes healthful living by offering wholesome food, high quality products, and community resources in clean, friendly cooperative grocery stores... that you can own!

LOCATION & CONTACT

201 Ethan Allen Avenue
Takoma Park, MD 20912
301.891.2667
www.tpss.coop

MANAGEMENT TEAM

General Manager: Mike Houston
Store Manager: Hussein Choteka
Community Engagement Manager: Leandra Nichola
Finance Manager: Yodit Gebremeskel
Human Resources Manager: Irene Cox
Information Technology Manager: Eddie Brosnan
Beer & Wine Manager: Philippe Varlet
Front End Manager: Mherete Belhu
Grocery Manager: Joao Carlos Vieira
Produce Manager: Erick DeLeon
Refrigeration Manager: Ron Walker
Wellness Manager: Jane Batt

BOARD OF REPRESENTATIVES

Contact your Board of Representatives at board@tpss.coop



President

Diane Curran
Term: 2020
22 Montgomery Avenue
Takoma Park, MD 20912
Lawyer



Secretary

Susan Cho
Term: 2022
251 Manor Circle
Takoma Park, MD 20912
Co-Manager, Maitri House



Susanne Lowen
Term: 2020
7002 Sycamore Avenue
Takoma Park, MD 20912
Self-employed Baker



Vice President

Fred Feinstein
Term: 2022
7114 Sycamore Avenue
Takoma Park, MD 20912
Labor Lawyer



Bob Gibson
Term: 2021
9 Pine Avenue
Takoma Park, MD 20912
Consultant



Katea Stitt
Term: 2021
8000 Greenwood Ave #2
Takoma Park, MD 20912
Interim Program Director,
WPFW



Treasurer

Adam Frank
Term: 2020
408 Boyd Avenue
Takoma Park, MD 20912
Immigration Attorney



Sawa Kamara
Term: Resigned 7/2020
8313 Eastridge Avenue
Apt 6
Takoma Park, MD 20912
Community Health Worker



Katherine Tsantiris
Term: 2022
11 Underwood Street NW
Washington, DC 20012
Senior Government
Relations Manager,
Ocean Conservancy

3 WAYS TO SHOP

ONLINE
SHOPPING AT
TPSS.COOP/SHOP
PICK UP 9AM-7PM

CURBSIDE
SHOPPING WITH
CO-OP T GO-OP
9AM-7PM

LIMITED-ENTRY
IN-STORE
SHOPPING
9AM-9PM

LETTER FROM THE PRESIDENT OF THE BOARD

CO-OP MEMBER-OWNERS AND FRIENDS:

2020 has been an extraordinarily difficult and challenging year for the Co-op. It is also been an extraordinarily gratifying year for us members of the Board of Representatives, as we watched our General Manager, Mike Houston, respond and adapt so quickly and effectively to the health and operational threats posed by the coronavirus pandemic:

- In just a few short days, we went from a storefront operation to a 100% online store with parking lot pickup. We are proud to be the first grocery store in the U.S. to make that change.
- We are very proud and grateful to be able to say that not one of our staff members has tested positive for the coronavirus.
- We are also grateful for the role our Co-op management has taken in supporting organizations that supply donated food and household supplies to families in need, serving as a much-needed delivery and pick-up hub.

As Board members, some of the ways we have supported these efforts are: providing staff with member-sewn protective masks during the first weeks, fielding questions and comments from members, volunteering for local food assistance groups that use the Co-op, and getting the word out to members and government officials about the value and importance of our GM's initiative.

And in response to the horrific murders of George Floyd and Breonna Taylor and the continued devaluation of Black life in America, the Co-op Board and staff have affirmed our full support for Black Lives Matter and the dismantling of systemic racism.

Finally, we continue to carry out our general responsibilities for monitoring the store's operation and finances and reviewing our policies to make sure they are up-to-date.



Takoma Park BLM march that began at the Co-op's parking lot

What's ahead for us in 2021? We are glad the storefront has opened again (under special safety conditions) and we will continue to support our GM's efforts to provide a safe place to shop for healthful foods, including many locally-sourced products. We also hope to return to a couple of major activities we were forced to suspend in 2020, including:

- starting a 5-year strategic planning process
- evaluating the shopper survey we conducted last year; and
- continuing the diversity, equity, and inclusion work we began in the spring of 2019 to ensure that the Co-op is a space for both staff and community that is free of bias and blindspots regarding racism, sexism, homophobia, and xenophobia.

We hope to begin working on these initiatives at our annual Board Retreat in early 2021 (this time meeting by Zoom!).

As you will see from our Treasurer's Report, we continue to be in good financial health despite the impacts of the pandemic. This is partly thanks to a government Payment Protection Program loan issued in response to the pandemic. As we get used to the "new normal" of combining online shopping with storefront shopping, we expect our revenues to rise again. And we expect to continue to be a major contributor to the community of Takoma Park.

*With thanks for your
continued support,*

**DIANE
CURRAN**

Board President



TREASURER'S REPORT YEAR END FINANCIAL STATEMENTS

ADAM FRANK, TREASURER

YEAR END: JUNE 30, 2020

In March of this year, we made the tough decision to close the store down and move to an online shopping experience because of the Covid-19 pandemic. At the time, store sales were up 10% over the previous year. We firmly believe that this was the correct call to help protect our staff and the community. Since starting online sales we have had more than 15,000 online orders. However, despite being the correct move, the online ordering could not fully replace in-store sales and our sales revenue seriously declined during that period. After recently reopening our store with many safety protocols in place - including limiting the number of patrons allowed in the store at one time - our sales began climbing again, but remained below pre-pandemic levels. All these factors resulted in our overall sales declining this year by about \$1 million dollars over last year, to approximately \$8,945,156. Our net income for the year was -\$148,143, down about \$180,000 from the previous year. The net income for the last fiscal year was offset by securing a Payroll Protection Program loan. As a result, as shown in the Balance Sheet, the Co-op's cash position was not harmed by the operating loss.

Despite the above losses, it should be noted that the Co-op still remains in a very good financial position. We still have ample reserves in the bank to help see us through this pandemic. By continuing our mix of online and in-person shopping we believe we can serve the maximum number of people in our community while keeping everyone as safe as possible. Thank you all for your patronage.

Income Statement

	FY 2019-2020 7/1/2019-6/30/2020	FY 2018-2019 7/1/2018-6/30/2019	Change
Sales	\$ 8,945,156	\$ 9,899,594	\$ (954,438)
Other Income	24,736	17,232	7,504
Less: Cost of Goods Sold	(6,244,317)	(6,917,850)	673,533
Gross Income	2,725,575	2,998,976	(273,401)
Interest income	58,248	49,664	8,584
Total Net Revenues	2,783,823	3,048,640	(264,817)
Expenses			
Personnel Costs	2,135,767	2,018,815	116,952
Occupancy	272,093	273,101	(1,008)
Operating Costs	330,574	301,383	29,191
Administration / Other	114,224	140,935	(26,711)
Marketing & Outreach	28,646	32,434	(3,788)
Governance	84,781	207,380	(122,599)
Total Expenses	2,966,085	2,974,048	(7,963)
(Loss) Earnings before Interest, Taxes, Depreciation & Amortization (EBITDA)	(182,262)	74,592	(256,854)
Less: Depreciation	4,281	14,241	(9,960)
(Loss) Earnings before Interest & Taxes (EBIT)	(186,543)	60,351	(246,894)
(Benefit from) Provision for Income Taxes	(38,400)	25,900	(64,300)
Net Income	\$ (148,143)	\$ 34,451	(182,594)

Balance Sheet

Assets	30 June 2020	30 June 2019	Change
Current Assets			
Cash	\$ 1,200,815	\$ 1,408,262	\$ (207,447)
Certificates of Deposit	1,759,853	1,251,915	507,938
Inventory	359,107	331,712	27,395
Other Current Assets	173,786	151,525	22,261
Total Current Assets	3,493,561	3,143,414	350,147
Net Fixed Assets	5,561	9,842	(4,281)
Certificate of Deposit	250,107	501,838	(251,731)
Other Assets	276,705	259,873	16,832
Total Assets	\$ 4,025,934	\$ 3,914,967	110,967
Liabilities & Equity			
Liabilities			
Current Liabilities			
Trade Debt	96,055	242,701	(146,646)
Other Current Liabilities	144,782	147,726	(2,944)
Short Term Debt	149,594	-	149,594
Total Current Liabilities	390,431	390,427	4
Long-term Liabilities	247,596	25,770	221,826
Total Liabilities	638,027	416,197	221,830
Equity			
Member Paid-in Capital	1,052,853	1,015,573	37,280
Donated Capital	324,800	324,800	-
Retained Earnings	2,010,254	2,158,397	(148,143)
Total Equity	3,387,907	3,498,770	(110,863)

LETTER FROM THE GENERAL MANAGER



While the store was closed to the public, curbside pick up of online orders occurred under a tent in the parking lot.

Essential. We all spent the spring of this year saying that word a lot. Essential businesses. Essential workers. In a year we were all asked to give up so many aspects of our pre-Covid lives, it put into stark relief the things that we absolutely couldn't live without. In every community throughout this country, and even the world, grocery stores became one of those things that were essential to our lives. The challenges of operating a business throughout this year have been immense, but the response of the entire Co-op community has been incredible.

Before the Covid-19 pandemic hit, the store was having a wonderful year. We hosted a great season of our Thursdays at the Co-op outdoor concert series. After three years of stagnant sales, we were seeing significant sales and membership growth. In January, the Co-op put together a shopper survey and the response was tremendous. Over 1000 shoppers shared their thoughts and opinions to help dictate the future of our Co-op. That kind of engagement is essential to a thriving Co-op community.

Then in late February focus turned to the dangers of the coronavirus. The Co-op responded to increased demand for home groceries throughout late February and March by bringing in increased deliveries, adapting store operations for increased business and even hiring temporary workers who had been laid off at other businesses. TPSS made \$6000 in donations to local essential food security organizations throughout March to recognize the growing need in the community brought on by Covid-19.

On March 24th 2020, the Co-op became the first grocery store in the nation to close to the public and transition to an online-only model. The store made this decision to keep customers and staff safe. We created a new online store and filled thousands of customer orders. We took our mission to provide safe shopping and help keep essential goods available to our customers seriously. The staff of this store stepped up like never before, learning new roles and responsibilities. On June 12th 2020, the Co-op reopened to the public in a limited entry model while maintaining online ordering and streamlined curbside shopping to offer a variety of safe shopping options.

Also this spring, the murders of George Floyd, Breonna Taylor, and others at the hands of law enforcement shook our country into a collective awakening of the pervasiveness of racism and oppression throughout our society. It is essential to say loudly and clearly that Black Lives Matter and to recognize that our society is set up to systematically deny justice and essential freedoms to minorities. Our Co-op proudly displays the flags of the dozens of countries from which our staff hail and proclaims on our banner that 'All Are Welcome.' But we know the work to dismantle systemic racism and oppression are more than banners and slogans, and we are committed to using our influence, platform, and community to be a force for true change.

I write this update looking back on our unusual year while still very much in the midst of the Covid-19 pandemic. I can't tell you what the future holds or what the outcome will be. What I do know is the creativity, resourcefulness, quick adaptations, and fortitude this Co-op has shown. While our challenges are big, we meet them collectively. That's what a Co-op is. We all succeed together because each and every one of us is in this together, all playing small parts in achieving big things. Standing together and supporting one another through hard times is absolutely necessary. In other words, essential.

**MIKE
HOUSTON**

General Manager



YEAR AT A GLANCE

THURSDAYS @ THE CO-OP

building community
one Thursday at a time



music, food,
and tiny
house tours!



rainy Thursday = Mr. Gabe moves inside!



farm fresh produce

**MORE THAN 100 DEMOS,
COMMUNITY TABLES, AND POP
UP EVENTS AT THE STORE**

9 OUTREACH EVENTS IN THE COMMUNITY



Semana
de
Long
Branch
&
Takoma
Park
Street
Festival

PARTNERING WITH SMALL THINGS MATTER TO FEED FOLKS IN TAKOMA PARK



providing space and support for more than 50 packing sessions and food distributions

BUILDING AN ONLINE STORE IN 4 DAYS



WELCOMING 25+ NEW LOCAL VENDORS



PARTNERING WITH CROSSROADS COMMUNITY FOOD NETWORK TO OFFER DOUBLE BUCKS ON PRODUCE FOR SNAP USERS



CO-OP OWNERSHIP



474 new
37,280 more

9979 OWNERS

\$1,052,853 IN OWNER EQUITY

KEEPING STAFF & SHOPPERS SAFE



PARTNERING WITH 204 LOCAL VENDORS IN 2020

20 HYPER LOCAL VENDORS

WITHIN 2 MILES

3 Stars Brewing Co
ANXO Cidery
Artisanal Wellness Project
Astro Lab Brewing
Bete Ethiopian Cuisine

ButterKup Flowers
Cheryl's Kitchen
Denizens Brewing Company
Everlasting Life
Good Intention Bracelets

Health Neurotics
Indigro Plant Design
Michelle Bailey
Olive Tree
Palden Imports

Purple Mountain Organics
RoMaSteel Soap
Silver Branch Brewing Co
Soupergirl
Spring Mill Bakery

184 LOCAL VENDORS

WITHIN 150 MILES

7 Locks Brewing
8Myles
Aellen Brothers Farm Brew
Akron Tea Company
Albert's Organics
Antietam Brewery
Arcadia Publishing
Archaikos Foods
Asmar's Mediterranean
Atlas Brewing
Aufschnitt Meats
Avenue Gourmet
Baba's Brew
Baguette Republic
Bakefully Yours
Baltimore Baked Goods
Baltimore Beer Works
Bao
Bates Family Farm
Believe N Bread
Black Eyed Susan Spice Co
Blind Dog Cafe
Blue Mountain Organics
Blue Nile Botanicals
Blue Ridge Bucha
Boordy Vineyards
Brawling Bear Brewing
Broodjes & Bier
Brookeville Brewing
Buncha Bucha
Canela Bakery
Capitoline Vermouth
Ceremony Coffee
Charm City Meadworks
Chesapeake Bay Roasting Co
Chocotenango
Chris Luckman Art
Clipper City Brewing Co
Coastal Sunbelt Produce
Cured & Crisp
Dallas Popcorn
Danisas Fresh Flowers
DC Brau
DC Dills
DC Vegan Catering
DeHiwi

Demeter's Pantry
Diya Candles
Dodah's Kitchen
Dogfish Head Brewery
Dr. Gordshell's
Dress It Up Dressings
Duclaw Brewing Co
Easy N Tasty
Eat Pizza
Elder Pine Brewing
Ester's Granola
Ever Bar
Evolution Craft Brewing Co
Farafina Beverage
Fells Point Meats
Feridies
Fight Juice
Fin City Brewing
Firefly Farms
Firehook Bakery
Full Tilt Brewing
George's Veggie Garden
Golden Angel Apiary
Greek Table
Green Acres
Guess What's Poppin'?
Gunter's Honey
Gypsy Diva Fresh
Harmony Creek Farm
Harney & Sons
Harrisburg Dairies
Heavy Seas Beer
Heba's Health Foods
Hex Ferments
Honest 5
Honest Tea
Honey's Banana Bread
Hummingbird Farms
Hysteria Brewing Company
Jada Body Butter
Jailbreak Brewing Company
Jannah By Jay
Jehovah-Jireh Farm
Kalu's Seasoning Blends & Catering
Key Brewing
Kipps Family Grapes

Koiner Farm Apiary
La Pasta
Lancaster Farm Fresh Coop
Licking Creek Bend Farm
Linganore Winecellars
Livity Foods
Locust Point Farms
Lucinda's
M & M Sea Moss Deluxe
Makiko Masks
Manor Hill Brewing
Maryland Honey Company
Mason Dixon Biscuits
Mastiha
McCutcheon's Farm
Michelle's Bracelets
Michelle's Granola
Mixabar
Mobtown Fermentation
MoCo Food Council
Moorenko's Ice Cream
Motisola
Nagadi Coffee
Nana's Cocina
Nature's Yoke
Neilly's
Nisani Farm
NoBull Burger
North Bay Trading Company
Ohm Nutritionals
Old Oriole Park Brewery
Old Time Bakery
Oliver Brewing Co
Olney Winery
Open Heart Tea Company
Orinoco Coffee and Tea
Oscar Sushi
Owluna
Pale Fire Brewing Co
Paradise Delites
Parahita
Peabody Heights Brewery
Philly Soft Pretzel Bakery
Poppy's Salsa
Poppy's Stuffed Bagels
Port City Brewing Co

Potomac Sprout Company
Potomac Whole Foods
Public Works Ale House
Rainforest Distribution
Raw Bliss
Red Bandana Bakery
Red Shedman Farm Brewery
Reginald's Homemade
Revol Snax
Right Proper Brewing
Second Spring Farm
Shenandoah Valley Organics
Shepherd's Health
Shiloh Farms
Simply Sausage
Skin Can Do
South Mountain Creamery
Southern Exposure Seed
Exchange
Stoney Point Farms
Stumptown Coffee Roasters
Summer Creek Farm
Sunnyside Gourmet
Sweet and Natural
Tall Tales Brewing Co
Tasty6 Juices
The Common Market
Trickling Springs Creamery
True Respite Brewing
truly-life
Tsion Foods
Tuscarora Organic Growers
Twin Oaks
Two Roosters
Ula Tortilla
Union Craft Brewery
Union Kitchen
Up In Arms
Uptown Bakers
Urban Winery
Veggie Confetti
Whisked!
Wilson's Caribbean
Yeah Dawg
Your Way Foods
Z & Z
Zeke's Coffee