



# 2022 ANNUAL REPORT





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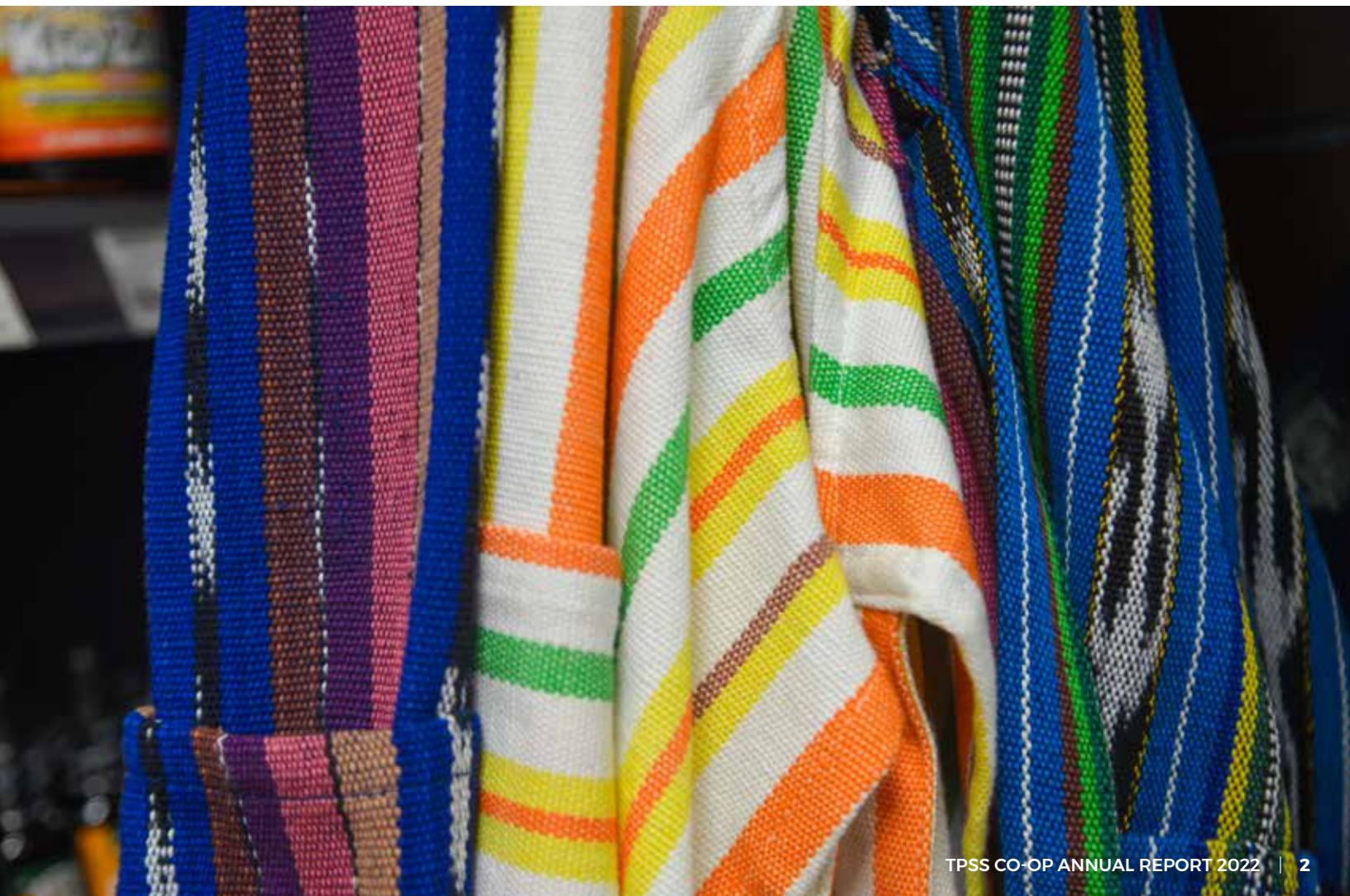
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# ABOUT TPSS CO-OP

## 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](http://www.tpss.coop)

## BOARD OF REPRESENTATIVES

Contact your Board of Representatives at [board@tpss.coop](mailto:board@tpss.coop)



**President**  
**Bob Gibson**

Term: 2024  
9 Pine Avenue  
Takoma Park, MD 20912  
Consultant



**Vice President**  
**Diane Curran**

Term: 2023  
22 Montgomery Avenue  
Takoma Park, MD 20912  
Lawyer



**Treasurer**  
**Adam Frank**

Term: 2023  
408 Boyd Avenue  
Takoma Park, MD 20912  
Immigration Attorney



**Secretary**  
**Elizabeth Teuwen**

Term Expires: 2023  
418 Circle Avenue  
Takoma Park, MD 20912  
Lawyer, Chef, Food Security  
Outreach Vista



**Susan Cho**

Term Expires: 2022  
59 Hebron Avenue  
Attleboro, MA 02703  
Co-Owner of Fulfillery



**Esteban de Dobrzynski**

Term Expires: 2024  
7406 Cedar Avenue  
Takoma Park, MD 20912  
Attorney, Inter-American  
Development Bank



**Fred Feinstein**

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



**Katea Stitt**

Term Expires: 2024  
8000 Greenwood  
Avenue # 2  
Takoma Park, MD 20912  
Program Director, WPFW



**Katherine Tsantiris**

Term Expires: 2022  
11 Underwood Street N.W.  
Washington, D.C. 20011  
Senior Government  
Relations Manager,  
Ocean Conservancy

## MANAGEMENT TEAM

**General Manager:** Mike Houston

**Store Manager:** Hussein Choteka

**Assistant Store Manager:** Mherete Belhu

**Community Engagement Manager:** Chloe Thompson

**Finance Manager:** Yodit Gebremeskel

**Human Resources Manager:** Irene Cox

**Information Technology Manager:** Eddie Brosnan

**Beer & Wine Manager:** Philippe Varlet

**Front End Manager:** Kija Rashid

**Grocery Manager:** Joao Carlos Vieira

**Produce Manager:** Mauricio Pineda

**Refrigeration Manager:** Edwin Zarate

**Wellness Manager:** Jane Batt



# LETTER FROM THE PRESIDENT OF THE BOARD

## DEAR CO-OP MEMBERS AND FRIENDS,

When I became the TPSS Board President last December, the Co-op was facing challenges. Like almost every other retail business, we had absorbed a significant loss of business as a result of the pandemic. The practices and procedures required to protect human health inconvenienced shoppers but placed a much heavier burden on our employees. All the while, along with the rest of the Takoma Park community, we were waiting to see how county and state planning and regulatory bodies would rule on the development application for the lot adjoining our store.

In spite of these uncertain times, we have quite a lot to celebrate over the past year. Here are a few of the highlights:

- As we enter the last quarter of 2022 the Co-op is closing in on a return to the record sales numbers we were experiencing right before the pandemic hit. Our recovery can be credited to the leadership of our general manager Mike Houston, including obtaining significant federal Covid support grants; the dedication of our employees; and the loyal support of members and shoppers.
- In April we reached an amicable agreement on a new three-year contract with the Union representing our hourly employees. Our contract includes a starting salary of \$16.53, along with full medical benefits.
- Thanks in part to our competitive wages and benefits, our staff turnover rate of 11% was below the national average for food co-ops and far below the typical retail grocery store in our region.
- In April we saw the return of an Earth Day celebration hosted by TPSS on the parking lot and in May we enjoyed our first in-person Membership Meeting in two and one-half years (at the fire station).
- The Co-op continued to offer recipients of Supplemental Nutrition Assistance Program (SNAP) benefits the ability to double the value of their fresh produce purchases. We teamed up with Crossroads to apply to the U.S. Department of Agriculture for a grant to continue the program during the coming years. This SNAP "Double-Up" program helps lower-income shoppers stretch the value of their dollars spent. The benefit is significant for the more than 22% of Co-op shoppers who live in households earning less than \$50,000 a year.





Finally, I want to call particular attention to a new Board initiative undertaken in 2022: a several-week program of Diversity, Equity and Inclusion training. Our nine-person Board joined 13 members of the TPSS management team in examining how centuries of racism and prejudice have led to damaging inequalities in the U.S. and around the world. We undertook this study in hopes that it would deepen our sensitivities to realities that exist close to home. What can we do differently to create a more just and fair society? How might we conduct our business in ways that serve the lofty aspirations contained in our Co-op mission and Ends statements? We will use what we have learned as we go about the business of governing the Co-op and we hope to continue this important work in the future.

One of the unexpected benefits, from the Board's perspective, was the occasion to spend time with employees (if only virtually). We were impressed with how much the staff enjoy their jobs and value their interactions with member-owners and shoppers. They see the Co-op as a special place – and that is an invigorating reminder to the Board of why our work matters.

As we look forward to the coming year, I am proud that the Co-op will continue to serve as a strong anchor business and employer in the heart of the Takoma Park community. We are happy to be able to offer free parking and space for events on the city-owned lot (which we sublease from the Neighborhood Development Company). We are also happy to see that the lot is full almost every day with shoppers who come not just to the Co-op but to the other existing and new businesses in the Junction.

We will also be looking at opportunities for growth and expansion. As we explore our options, we hope our member-owners will join us in the process. Please watch our newsletter for more information in the coming months.

Finally, a big thank you for your continued patronage and support of the Co-op!

All the best,

*Bob*

Bob Gibson  
Board President





# 2022 FINANCIAL REPORT

## TREASURER'S REPORT

ADAM FRANK, TREASURER

The ongoing effects of the Covid pandemic are still with us today. However the Co-op has recovered from the worst of the effects and is returning to its pre-pandemic levels, albeit slowly. This is due to two significant factors. First, the General Manager and Staff have all worked extremely hard to ensure that the store is successful. Second, Government relief programs and associated tax benefits have greatly helped us cover any gaps in our income versus pre-pandemic levels.

Our gross sales for this year (starting July 1, 2021 and ending on June 30, 2022) were up from last year (July 1, 2020 through June 30, 2021) by about \$1.5 million. In addition, our net sales (gross sales less cost of goods and adding in other income) was up by over \$1 million year over year, and our net income (net sales minus expenses)

increased by almost \$700,000. While the increased sales is great to see, the large increases in net sales and net income are very much due to the Government relief programs and tax benefits.

The Co-op also remains in a very good financial position. We still have ample reserves in the bank to help see us through whatever else the Pandemic throws at us as well as for any reinvesting in our store and improving the space to help our shoppers as well as our bottom line. Our sales are looking better and have been steadily increasing. Thanks to our General Manager and all the staff of TPSS, we are in a good position to increase our sales again this year, hopefully getting fully to pre-pandemic levels. Thank you all for your patronage.



# 2022 FINANCIAL REPORT

## YEAR END FINANCIAL STATEMENTS

YEAR END: JUNE 30, 2022

### Income Statement

	<b>FY 2021-2022</b> 7/1/2021- 6/30/2022	<b>FY 2020-2021</b> 7/1/2020- 6/30/2021	<b>Change</b>
Sales	\$ 9,260,096	\$ 7,764,277	\$ 1,495,819
Other Income	1,105,772	406,678	699,094
Less: Cost of Goods Sold	(6,468,225)	(5,453,106)	(1,015,119)
Gross Income	3,897,643	2,717,849	1,179,794
Interest income	707	4,847	(4,140)
Total Net Revenues	3,898,350	2,722,696	1,175,654
Expenses			
Personnel Costs	2,070,807	1,963,101	107,706
Occupancy	326,163	270,175	55,988
Operating Costs	323,178	260,949	62,229
Administration / Other	145,660	154,147	(8,487)
Marketing & Outreach	43,865	12,567	31,298
Governance	134,553	110,587	23,966
Total Expenses	3,044,226	2,771,526	272,700
Loss before Interest, Taxes, Depreciation & Amortization (EBITDA)	854,124	(48,830)	902,954
Less: Depreciation	1,535	1,168	367
Loss before Interest & Taxes (EBIT)	852,589	(49,998)	902,587
Benefit from Income Taxes	103,700	(122,600)	226,300
<b>Net Income (loss)</b>	<b>\$748,889</b>	<b>\$ 72,602</b>	<b>676,287</b>

### Balance Sheet

<b>Assets</b>	<b>30 June 2022</b>	<b>30 June 2021</b>	<b>Change</b>
Current Assets			
Cash	\$ 1,819,951	\$ 3,227,447	\$ (1,407,496)
Certificates of Deposit	742,513	250,060	492,453
Inventory	335,064	334,867	197
Other Current Assets	752,216	116,757	635,459
Total Current Assets	3,649,744	3,929,131	(279,387)
Net Fixed Assets	12,007	4,393	7,614
Certificate of Deposit	744,715	-	744,715
Other Assets	270,619	270,845	(226)
<b>Total Assets</b>	<b>\$ 4,677,085</b>	<b>\$ 4,204,369</b>	<b>472,716</b>
<b>Liabilities &amp; Equity</b>			
Liabilities			
Current Liabilities			
Trade Debt	211,030	168,910	42,120
Other Current Liabilities	155,783	154,314	1,469
Short Term Debt-PPP	-	363,287	(363,287)
Total Current Liabilities	366,813	686,511	(319,698)
Long-term Liabilities	44,558	33,118	11,440
<b>Total Liabilities</b>	<b>411,371</b>	<b>719,629</b>	<b>(308,258)</b>
Equity			
Member Paid-in Capital	1,109,169	1,077,084	32,085
Donated Capital	324,800	324,800	-
Retained Earnings	2,831,745	2,082,856	748,889
<b>Total Equity</b>	<b>4,265,714</b>	<b>3,484,740</b>	<b>780,974</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$4,677,085</b>	<b>\$ 4,204,369</b>	<b>472,716</b>



# LETTER FROM THE GENERAL MANAGER

My wife and I were blessed this June to welcome our second child, a baby girl named Tessa. Our first child was turning 3 that same month. With a newborn in the house again, the muscle memory all comes flooding back. The needs of a baby are so incredibly different from what you become accustomed to with a toddler. Overnight wakeups, diaper changes, nap schedules, fussiness, rocking, soothing and a lack of ability to communicate with words all mark the first few months. Meanwhile a toddler is focused on play, socialization, artwork and breaking everything in the house they can get their hands on.

Businesses have lifecycles that they all go through just like people. New businesses experience dramatic growth and change, while mature businesses focus on steady growth and keeping up with new market forces. How you operate a store with high sales and staff continuity differs dramatically from building a new store. Our Co-op celebrated its 40th anniversary last year, a monumental achievement. Every one of those years took hard work and dedication from staff, member-owners, vendors and so many more that make our store what it is.

Covid has provided a significant disruption to both individual families like mine, and to our Co-op as a business over the last two and a half years. I'm thankful that the foundation of our cooperative is strong enough to withstand new shopping patterns, supply chain disruptions and any manner of unexpected challenges. As we learn to live with a pandemic transitioning to endemic, we are ready once again to look to the next life stage of TPSS.

We have exciting reinvestment coming for our aging store. We'll be looking to replace and modernize equipment to provide a better sales experience and more environmental efficiency. We also announced this year that we're beginning to look at the possibility of expansion for our Co-op. It's an exciting opportunity to think about the next 40 years of TPSS and envision a future with even more cooperative owned and operated grocery stores in our region. TPSS is committed to helping boost the cooperative economy and lending support and knowledge to other cooperators.

We will always keep our commitment to community, to the standards of products we sell and to the staff that keeps our store going. I was thrilled to help TPSS sign a new 3-year contract with our unionized workforce and



provide for raises and bonuses based on years of service. We deepened our commitment to local vendors, but also to products that carry Organic, Fair Trade, B Corp and other important certifications. This spring saw the return of in-person events such as Earth Day where we welcomed our wider community and celebrated every day progress.

Every kid is different. Some sleep well, others keep you up all night. Some need constant attention, others you forget are in the same room with you. All Co-ops are unique as well and have different needs depending on their unique circumstances. Our Co-op has accomplished incredible things in the last 40 years and served tens of thousands of customers. The future of TPSS is coming into focus and I'm excited to think about bringing the impact of this store and this community to even more people. Thank you all for the role you each play in helping our Co-op moving forward.

*Mike*

Mike Houston  
General Manager





# NEWS FROM OUR DEPARTMENT MANAGERS



**HR** We are seeing light at the end of the tunnel with Covid this year! We are shifting our focus back to all of the fun we were able to implement prior to Covid era, including staff training. So excited to be bringing this back to our staff, while keeping them safe and masked up!



**WELLNESS** Wellness Department has been welcoming more Local Business like Push Services and 67 Naturals. We now carry Shafa Herbal Blends and Lemuria Moringa Soaps. Muldoon Hemp and Sunny C's make CBD gummies and tinctures. The Wellness Department also offers Global Fair Trade products such as lavender sachets from Haiti, dresses from Tanzania, and Pashmina Shawls from Nepal. We continue to add non-plastic packaging with Attitude Deodorant from Canada and Up in Arms Deodorant from Baltimore.



**PRODUCE** The produce department continues thriving and recovering from the pandemic. We continue to fulfill our missions of offering the best organic and local produce to our customers.



**BEER & WINE** We are happy to welcome Leo, our new associate, as a member of the Beer & Wine Department staff.



**GROCERY** In the Grocery Department this year, Field Day products have been selling very well. They are all organic, and reasonably priced. Overall, sales are increasing!



**IT** IT worked to upgrade equipment around the store and keep our online shopping experience running smoothly.



**FRONT END** Our cashiers are happy with more normalcy in the store, and it's exciting to have more customers shopping in-person. A great year for the front end!



**FRIDGE** The Refrigerated Department is pleased with the increases in sales, especially with specialty beverages and vegan treats.



# YEAR AT A GLANCE



The Co-op contributed \$61,786 to our Double Up program which doubled fresh fruit and vegetable spending for customers paying with SNAP

Partnering with Small Things Matter to feed folks in Takoma Park



The return of Earth Day



Time for change - inspiring positive change in the community and our world

Keeping staff and shoppers safe



Sponsoring the Crossroads Farmer's Market

## CO-OP OWNERSHIP

**353**

NEW OWNERS



**10,573**

OWNERS

**\$32,085**

NEW OWNER EQUITY



**\$1,109,169**

TOTAL OWNER EQUITY



# PARTNERING WITH 203 LOCAL VENDORS IN 2022

## 17 HYPER LOCAL VENDORS

### WITHIN 2 MILES

3 Stars Brewing Company  
Aku Wellness Tea  
ANXO Cidery  
Artisan Wellness Project  
Astro Lab Brewing

Bete Ethiopian Cuisine  
David's Natural Market  
Demeter's Pantry  
Denizens Brewing Company  
Everlasting Life

Health Neurotics  
Olive Tree  
P.U.S.H  
Purple Mountain Organics  
Silver Branch Brewing Company

Soupergirl  
The Vegetable Garden

## 186 LOCAL VENDORS

### WITHIN 150 MILES

67 Naturals  
7 Locks Brewing  
8 Myles  
Aellen Brothers Farm Brewery  
Albert's Organics  
Arcadia Publishing  
Asmar's Mediterranean  
Atlas Brew Works  
Aufschnitt Meats  
Baguette Republic  
Bakefully Yours  
Baltimore Baked Goods  
Baltimore Beer Works  
Believe N Bread  
Bete Ethiopian Cuisine & Cafe  
Beyond Body Butter  
Blind Dog Cafe  
Blue Mountain Organics  
Blue Nile Botanicals  
Blue Ridge Bucha  
Blueberry Bill Farms  
Body Butters by Jada  
Bold Rock  
Boordy Vineyards  
Broodjes & Bier  
Brookeville Brewing  
Canela Bakery  
Capital Baking Company  
Capitol Cider House  
Capitoline Vermouth  
Ceremony Coffee  
Charm City Meadworks  
Checkerspot Brewing  
Chesapeake Bay Roasting Company  
Chouquette  
Chocotenango  
Chris Luckman Art  
Cinnamon Tree Organics  
City-State Brewing  
Coastal Sunbelt Produce  
Compass Coffee  
Crooked Crab Brewing Company  
Cured & Crisp  
Dallas Popcorn  
Danisas Fresh Flowers  
Dutch Touch  
DC Brau  
DC Vegan Catering

Demeter's Pantry  
Denizens Brewing Co.  
Dodah's Kitchen  
Dogfish Head Brewery  
Duclaw Brewing Company  
Eat Pizza  
Elder Pine Brewing  
Ever Bar  
Evolution Craft Brewing Company  
Everlasting  
Farmer Focus  
Fells Point Meats  
Feridies  
Firehook Bakery  
Flying Dog Brewery  
Full Tilt Brewing  
George's Vegetable Garden  
Golden Angels Apiary  
Golden Barrel  
Goldilocks Goodies  
Grandma G's  
Greek Table  
Green Acres  
Green Meadows  
Greenjar Smoothies  
Gunter's Honey  
Harmony Creek Farm  
Harrisburg Dairies  
Heavy Seas Beer  
Heba's Health Foods  
Hex Ferments  
Honest Tea  
Hummingbird Farms  
Hysteria Brewing Company  
Ivy City SmokedHouse  
IZAR's Natural Products  
Jailbreak Brewing Company  
Jannah By Jay  
Jar Goods  
Jehovah-Jireh Farm  
Josi Severson Home Fashion  
Joyhound Beer Company  
Key Brewing  
Kija Textiles  
Kirchenberg Farm  
La Pasta  
Lancaster Farm Fresh Coop  
Licking Creek Bend Farm

Linganore Winecellars  
Living MaKa  
Livity Foods  
Locust Point Farms  
M & M Sea Moss Deluxe  
Mad Magic Kombucha  
MaKa  
Manor Hill Brewing  
Maryland Honey Company  
Mason Dixon Biscuits  
Mastiha  
McCutcheon's Farm  
MeatCrafters  
Michele's Granola  
Michelle Bailey  
Michelle Wilson  
Mike Tabor  
Mobtown Fermentation  
Montgomery County Food Council  
Moorenko's Ice Cream  
Mrs. Kaufmann's Coffee Cakes  
Nagadi Coffee  
Nana's Cocina  
Nature's Kitchen  
Nature's Yoke  
Nepenthe Brewing Company  
Nisani Farm  
NoBull Burger  
North Bay Trading Company  
Ohm Nutritionals  
Old Ox Brewery  
Old Time Bakery  
Oliver Brewing Company  
Olney Winery  
Oscar Sushi  
Outer Aisle  
Palden Imports  
Para Hita  
Peabody Heights Brewery  
Port City Brewing Company  
Potomac Sprout Company  
Potomac Whole Foods  
Prescription Chicken  
Rainforest Distribution  
RaR Brewing  
Raw Bliss  
Rosedale Farm  
Rosendorff's Bakery

Safta's  
Shepherd's Health  
Shiloh Farms  
Sho Nuf Turkey Farm  
Simply Sausage  
Skin Can Do  
Smoketown Brewing Station  
South Mountain Creamery  
Southern Exposure Seed Exchange  
Sticky Fingers  
Stoney Point Farm Market  
Streets Market  
Summer Creek Farm  
Sunbelt Natural Foods  
SunNeen  
Sweetkiwi  
Sweet and Natural  
Tall Tales Brewing Co  
Tasty6 Juices  
The Common Market  
The Winery At Olney  
Thibaut-Janisson Winery  
Troegs  
True Pop  
True Respite Brewing Company  
Tsiona Foods  
Tuscarora Organic Growers  
Ula Tortilla  
Union Craft Brewing  
Union Kitchen  
Up In Arms Deodorant  
Uptown Bakers  
Urban Winery  
Vanish Farmwoods Brewery  
Veggie Confetti  
Vegheaven  
Washington Homeopathics  
Whisked!  
Wild Kombucha  
Your Way Foods  
Zeke's Coffee  
Zion Roar



**SHOP IN-STORE** 8AM - 10PM

**SHOP ONLINE** [TPSS.COOP/SHOP](https://tpss.coop/shop) **PICK UP** 9AM - 7PM

COMMUNITY | NOURISHMENT | JUSTICE

1981



2021

Takoma Park Silver Spring Co-op