



2023 ANNUAL REPORT



CONTENT



ABOUT TPSS CO-OP	3
LETTER FROM THE PRESIDENT OF THE BOARD	4
2023 FINANCIAL REPORT	6
LETTER FROM THE GENERAL MANAGER	8
NEWS FROM OUR DEPARTMENT MANAGERS	9
YEAR AT A GLANCE	10
LOCAL VENDORS	11

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

BOARD OF REPRESENTATIVES

Contact your Board of Representatives at board@tpss.coop



President
Bob Gibson
Term Expires: 2024
9 Pine Avenue
Takoma Park, MD 20912
Energy Writer and
Consultant



Vice President
Elizabeth Teuwen
Term Expires: 2023
418 Circle Avenue
Takoma Park, MD 20912
Food Access Coordinator,
Montgomery County Food
Council



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



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



Susan Cho
Term Expires: 2023
179 Crestview Drive
Jaffrey NH 03452
Co-Owner of Fulfillery



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



Ami Amin
Term Expires: 2025
6315 9th St NW
Washington, DC 20011
Program Analyst, USAID



Taylor Dibbert
Term Expires: 2025
600 Tewkesbury Pl NW
Washington, DC 20012
Nonprofit Professional and
Writer



Orly Keiner
Term Expires: 2025
416 Boston Ave
Takoma Park, MD 20912
Owner, HouseMouse Books
and Vintage

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,



The TPSS Food Co-op has been serving our community for more than 40 years, beginning in our original small store in Silver Spring, and over the past 25, at our current location on Ethan Allen Avenue in Takoma Park.

In the early years, the co-op all but cornered the market on the sale of “natural foods” and business was run by the members (literally, from stocking shelves to making purchasing decisions). Members who were part of those early years still wax nostalgic about the ‘hands on’ experience.

Once in the much bigger space at Takoma Junction, the nature of the co-op’s business practices evolved. Professional staff gradually took over the day-to-day operations that were once handled by volunteer members.

TPSS Food Co-op has thrived as it has matured. Our financial health is in the top tier of the more than 200 food co-ops in the U.S. Guided by General Manager Mike Houston, our staff runs an efficient grocery that offers a unique selection of quality foods at price points for every budget. In a survey conducted earlier this year, members provided the Board of Representatives with glowing feedback on satisfaction with their co-op.

So, have the member-owners taken a back seat now that we have a more ‘conventional’ approach to how our store is managed?

Not at all. The role and importance of members has evolved, right alongside the changes in the grocery business.

Members are directly involved in the business of the co-op through the Board of Representatives they elect each year. Our board oversees the store operations by setting out member expectations for our business through policies to be followed by the general manager. The Board holds ultimate fiduciary responsibility for the investments made by our 11,000 members. Today, organic foods are big business and corporate giants as varied as WalMart and Whole Foods are leading retailers of what is labeled as

organic food. Our staff, our Board and all our members have roles to play in keeping our business strong in this competitive environment.

With this in mind, it was instructive – and refreshing – for me to visit two new co-ops in the mid-Atlantic area this year – the Fredericksburg Food Co-op in Fredericksburg, Virginia, and the South Philly Food Co-op in Philadelphia.

Fredericksburg and South Philly stories provide insights into the continued relevance of the co-op business model. A co-op is a grassroots, democratic exercise that can succeed in any setting, from small towns to suburbs to inner cities. It also takes incredible persistence and belief as start-up funding from conventional lenders is hard to come by.

South Philly opened its doors in 2020, after a ten-year organizing and fund-raising effort led by its members. It occupies a tiny storefront on a narrow street in a densely





populated neighborhood with scant parking, where deliveries are made through the front door. Inside, it is a well-lit, colorful and welcoming space, and includes an improbable sunken herb garden and plant nursery outside the back door. It features local producers and hosts community events and activities, in the store and around the city. Philadelphia has many grocery options, but South Philly is thriving because it offers a community connection and values-based business not found at corporate competitors.

The small city of Fredericksburg is not a food desert, but the relative lack of natural food options inspired a small group of residents to organize a co-op. As with South Philly, it took years of signing up people to achieve the critical mass required to actually open a store. A founding board member says, "We were selling a dream," when it came to convincing new members to loan money for a business that didn't yet exist.

Located in a shopping center on the edge of downtown, the Fredericksburg co-op has plenty of parking. In a community with fewer options than a Philadelphia or Takoma Park, the co-op board went against the advice of grocery consultants

and made room for a full-service café and a community gathering space. The spacious store features huge photos of the farmers and other local producers that help supply the inventory. Now, two years after opening, their only regret is that they didn't make that space even bigger.

At our co-op, we're about to embark on inspiring change and growth. Next year, our current store will undergo a substantial renovation. We have the reserves in hand, supplemented by a grant from the state of Maryland, to cover the renovation costs. An even bigger project to follow is a serious exploration of expansion to a second store. If we take that step, we will again be turning to our members, for both financial help in the form of loans, as well as for the process of strategic visioning. Members are crucial to ensuring that we grow in ways that help us better meet our mission and best reflect the values of our community.

Bob

Bob Gibson
Board President

2022 FINANCIAL REPORT

TREASURER'S REPORT

ADAM FRANK, TREASURER



As we progress away from the Covid pandemics worst effects, our finances continue to get better and better. However we do now face other challenges as well. Inflation has greatly impacted our Cost of Goods as well as our operating expenses. Despite this we are almost back to our pre-pandemic levels at this time.

Thanks again to our general manager, Mike Houston, and to all our staff who have worked hard to get us here.

Our gross sales for this year (starting July 1, 2022 and ending on June 30, 2023) were up from last year (July 1, 2021 through June 30, 2022) by about \$550,000. In addition, our net income (net sales minus expenses) (not taking into account any monies received by the government to help with the Covid Pandemic) increased by over \$300,000. Last year, I stated that our large increases in net sales and net income were due to the Government relief programs. This

year, despite those programs being over, we were able to grown both our net sales and net income over last year, and to basically break even without any government assistance.

The Co-op also remains in a very good financial position. We still have ample reserves in the bank to help us begin and finish our upcoming renovations and reimagining of our current space as well as to help us with any future plans to expand though an additional store. 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. Thank you all for your patronage.

Adam

Adam Frank
Treasurer



2022 FINANCIAL REPORT

YEAR END FINANCIAL STATEMENTS

YEAR END: JUNE 30, 2023

Income Statement

	FY 2022-2023 7/1/2022- 6/30/2023	FY 2021-2022 7/1/2021- 6/30/2022	Change
Sales	\$9,827,641	\$9,260,096	\$567,545
Other Income	45,867	1,105,772	(1,059,905)
Less: Cost of Goods Sold	(6,872,137)	(6,468,225)	(403,912)
Gross Income	3,001,371	3,897,643	(896,272)
Interest income	27,676	707	26,969
Total Net Revenues	3,029,047	3,898,350	(869,303)
Expenses			
Personnel Costs	2,219,322	2,070,807	148,515
Occupancy	340,579	326,163	14,416
Operating Costs	295,400	323,178	(27,778)
Administration / Other	128,932	145,660	(16,728)
Marketing & Outreach	17,329	43,865	(26,536)
Governance	47,009	134,553	(87,544)
Total Expenses	3,048,571	3,044,226	4,345
(Loss) Gain before Interest, Taxes,			
Depreciation & Amortization (EBITDA)	(19,524)	854,124	(873,648)
Less: Depreciation	760	1,535	(775)
(Loss) income before Interest & Taxes (EBIT)	(20,284)	852,589	(872,873)
Income tax expense	28,900	103,700	(74,800)
Net (loss) income	\$ (49,184)	\$ 748,889	(798,073)

Balance Sheet

Assets	30 June 2023	30 June 2022	Change
Current Assets			
Cash	\$1,528,749	\$1,819,951	\$(291,202)
Certificates of Deposit	2,323,123	742,513	1,580,610
Inventory	353,053	335,064	17,989
Other Current Assets	112,000	752,216	(640,216)
Total Current Assets	4,316,925	3,649,744	667,181
Net Fixed Assets	11,247	12,007	(760)
Operating lease - right of Use Asset	980,480	-	
Certificate of Deposit	-	744,715	(744,715)
Other Assets	344,005	270,619	73,386
Total Assets	\$5,652,657	\$4,677,085	975,572
Liabilities & Equity			
Liabilities			
Current Liabilities			
Trade Debt	200,491	211,030	(10,539)
Other Current Liabilities	177,711	155,783	21,928
Operating lease liability, current	65,537	-	
Total Current Liabilities	443,739	366,813	76,926
Deferred rent	-	44,558	
Operating lease liability, noncurrent	960,338	-	
Long-term Liabilities	960,338	44,558	915,780
Total Liabilities	1,404,077	411,371	992,706
Equity			
Member Paid-in Capital	1,141,219	1,109,169	32,050
Donated Capital	324,800	324,800	-
Retained Earnings	2,782,561	2,831,745	(49,184)
Total Equity	4,248,580	4,265,714	(17,134)
Total Liabilities & Equity	\$5,652,657	\$4,677,085	975,572

LETTER FROM THE GENERAL MANAGER



A FEW YEARS BACK, A FEW

members of the co-op staff were in a meeting with a large non-profit organization. We were discussing ways to partner together and what their model and philosophy were. This particular non-profit was

in the food justice space and worked with national corporations in addition to smaller stores like the TPSS Food Co-op. The non-profit staff member expressed how much easier it would be to work with the co-op.

"Organizations like you all want to do the right thing, that makes it easy for us. Larger corporations that we work with want to do the wrong." he caught himself before he could finish the word.

"...have to be made to do the right thing" he finished.

I spend most of my days around small businesses and organizations and people that are genuinely trying to make the world and especially the food system a better place. So, it's jarring to remember that it isn't the case for many other businesses. In fact, those large corporations with a profit motive and continual growth at all costs model are the ones we're trying to save the food system from. When our cooperative makes business decisions, we do so with the community and the greater good in mind.

In the past year, that principle has been most evident in our SNAP matching Fresh Checks program in partnership with Crossroads Community Food Network. TPSS and Crossroads hosted a USDA press conference at the store in November announcing the nationwide USDA grantees to provide double dollars for SNAP recipients on fruits and vegetables. As one of the grant recipients, TPSS has matched \$65,500 (\$131,000 worth of produce) on purchases this year. TPSS makes no additional income from this program, nor do we get support for the administrative tasks that come along with a federal grant. We do it because it's the right thing to do.

We do however need to stay in business in order to continue to make an impact, and I'm happy to report our

fundamentals were strong this year. We saw excellent sales growth of just over 6% to come close to our best sales year ever. We increased our cash reserves and are on an excellent pace on our project to remodel the store and update equipment in the next year. The co-op remains poised for long term growth with second store expansion on our horizon after the remodel project. It's an extremely exciting time to be a part of this enterprise and I'm so proud to continue serving as your General Manager.

In addition to the USDA press conference, we hosted and participated in some wonderful community events in the past year. We hosted our annual Earth Day celebration in April with a theme of 'The Future of our Food System'. Twenty different community groups and food businesses helped us raise awareness and make connections in furtherance of a more resilient food system that centers climate solutions. We also sponsored the Crossroads Farmer's Market and Montgomery County Food and Beverage Expo presented by the Montgomery County Food Council. We remain in strong partnership with Small Things Matter on food security work locally. The board of TPSS hosted educational programming on food insecurity and plastic waste reduction to help educate members and the public at large.

To do the right thing isn't easy. It typically isn't profitable. If it were, and trust me on this, EVERYONE would do it. Doing the right thing for community and planet requires effort, thought and resources. I remain endlessly proud to lead a store in this community that is so committed to those principals. I hope you all are equally proud of your part supporting this cooperative business. I look forward to seeing you all in the store and around the community in the coming year.

Thank you so much for your support.

Mike

Mike Houston
General Manager

NEWS FROM OUR DEPARTMENT MANAGERS



HR It's been a huge year for Human Resources – the staff have enjoyed pay raises, the option to go mask or no-mask, the return of the in-person holiday party, and new savings opportunities through MarylandSaves and our Employee Assistance Program. HR ran an engagement survey for our staff; the average co-op's score is 3.87 and TPSS's is 4.05!



WELLNESS In the Wellness Department we are proud to be serving a very diverse global village. We offer an array of supplements, including Ayurvedic Herbs from India, and Medicinal Mushrooms from Asian traditions, alongside Western Herbal Blends, including organic + vegan options. Our Body care shelves hold many cruelty-free, organic and vegan products as well as a growing selection of plastic-free packaging. Our Fair Trade crafts include dresses from Tanzania, lavender sachets from Haiti, and meditation cushions from Tibet. "Every Day is Earth Day" is our motto.



PRODUCE The produce department increased our local purchasing this year and bought directly from several small local farms. Customers enjoyed a growing selection of products and many plastic-free options.



BEER & WINE We are happy to welcome Hayley as our new buyer for the Beer and Wine Department. Quite a few changes in the industry this past year, breweries closing, distributors being bought out, etc, have kept us on our toes. We have responded to the Co-op customers' interest in non-alcoholic beer and wine and have added new products to our shelves. We hope you like our choices.



GROCERY Field Day products have been massively successful this year. Field Day items make it possible for our shoppers and member-owners to get high quality groceries, even if they're shopping on a budget. We've also brought in a number of zero-sugar candies, to replace some of the sweets that have been in bulk for a long time. Finally, keeping the store beautiful through focusing on end-cap displays has heightened our sales. It's been a great year.



IT The biggest advancement in IT this year has been beginning the installation of a new camera system for the store. We're laying the groundwork for next year's remodel by refreshing our aged cameras, and ensuring the safety of our staff, shoppers, and member-owners.



FRONT END Our cashiers and shift coordinators were so happy to see our regular customers all year long and have the opportunity to serve you. We added many new member-owners over the course of the year.



FRIDGE Our variety of prepared foods to grab and eat were very popular this year. Customers also enjoyed new plant-based options in a variety of product categories. We're so excited for new refrigerated cases in the co-op's renovation plans.

MENU

YEAR AT A GLANCE

PARTNERSHIPS

2022 - 2023 witnessed a tremendous amount of connectivity between the Co-op and partner organizations like Small Things Matter, Crossroads Community Food Network, and the Montgomery County Food Council. We hosted and sponsored a jam session to benefit Small Things Matter's Kokua Foods Program, served as a donation site for STM's Winter Coat drive and Toy Drive in 2022, donated treats in support of STM's Kindness Day 2023, and served as a donation site for STM's 2023 Back to School Drive. The Co-op has continued to serve as the host-space for STM's monthly Teen Pantry. In collaboration with members of our Board and Crossroads Community Food Network, we hosted a well-attended virtual food insecurity discussion following the national reduction in SNAP benefits. We also were awarded a USDA grant in partnership with Crossroads that has allowed us to continue offering half-price on produce for our shoppers and member-owners who use food benefits! We sponsored the Montgomery County Food Council's monthly happy hour. We used the evening to discuss the benefits of co-operative ownership and the importance of sustaining our local food system. Thank you to the following organizations/individuals for sustaining long-lasting relationships with us or forming new connections this past year: DAWN, Alysia Cunningham, the

Takoma Park Presbyterian Church, DC Shadow, Takoma Play Day, Poplar Spring Animal Sanctuary, the Blair Crew Team, Swamp Rose Co-op, Clean Choice Energy, Takoma Park Elementary School, the Takoma Park Children's Business Fair, the Village of Takoma Park, and the Humane Rescue Alliance. Thank you to all of our excellent vendors who come in-store and sample, your presence is appreciated! And finally, our appreciation is with the co-operatives that make up the Mid-Atlantic Food Co-operative Alliance. Your support has given us the space to continue to dream big, and the awareness to recognize our co-op as a springboard for connectivity.

COMMUNITY EVENTS

The Co-op is proud to be a community space, a community partner for many, and a host for varying events throughout the year. This year we co-hosted a Community Art Fair with Silver Spring + Takoma Park Mutual Aid, ran a Plastic-Free Workshop with our Board and Fullfillery, were invited to join Strathmore's programming to promote cooperative industry, successfully facilitated our annual Earth Day event, tabled at Takoma Park's Street Festival, promoted our SNAP discount at the Crossroads Farmers Market, and had high in-person turn-outs at both our Spring Member and Fall Member Meeting.

- **The Co-op contributed \$65,489 to our Fresh Checks program which doubled fresh fruit and vegetable spending for customers paying with SNAP**
- **Our Compost Crew pickups diverted 14000 lbs of Food Waste into the Compost Stream This Year**
- **TPSS sponsored the Crossroads Farmers Market Season**
- **The Co-Op continued partnering with Small Things Matter to feed our community**
- **TPSS sponsored the MoCo Made Food & Beverage Expo In Fall 2022**

CO-OP OWNERSHIP

372

NEW OWNERS



10,908

OWNERS

\$31,970

NEW OWNER EQUITY



\$1,141,218

TOTAL OWNER EQUITY

PARTNERING WITH 180 LOCAL VENDORS IN 2023

15 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
Denizens Brewing Company

Everlasting Life
Health Neurotics
Olive Tree
P.U.S.H Services

Purple Mountain Organics
Silver Branch Brewing Company
Soupergirl

165 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
Believe N Bread
Beyond Body Butter
Black Flag Brewing
Blind Dog Cafe
Blue Mountain Organics
Blue Nile Botanicals
Blue Ridge Bucha
Bold Rock
Boordy Vineyards
Brookeville Brewing
Canela Bakery
Capital Baking Company
Capitol Cider House
Ceremony Coffee
Charm City Meadworks
Checkerspot Brewing
Chesapeake Bay Roasting Company
Cinnamon Tree Organics
City-State Brewing
Coastal Sunbelt Produce
Compass Coffee
Crooked Crab Brewing Company
Cured & Crisp
Dallas Popcorn
Danisas Fresh Flowers
DC Brau
DC Vegan Catering
Dodah's Kitchen
Dogfish Head Brewery
Duclaw Brewing Company
Dutch Touch
Eat Pizza
Elder Pine Brewing
Ever Bar
Evolution Craft Brewing Company
Farmer Focus

Fells Point Meats
Feridies
Firehook Bakery
Flying Dog Brewery
Full Tilt Brewing
G Formula Herbs
Garden Spot Distributors
Golden Angels Apiary
Golden Barrel
Grandma G's
Greek Table
Green Acres
Green Meadows
Greenjar Smoothies
Guess What's Poppin'
Gunter's Honey
Harmony Creek Farm
Harrisburg Dairies
Heavy Seas Beer
Heba's Health Foods
Hex Ferments
Honest Tea
Honey's Banana Bread
Hummingbird Farms
Hysteria Brewing Company
Ivy City SmokedHouse
IZAR's Natural Products
Jailbreak Brewing Company
Jar Goods
Jehovah-Jireh Farm
Joyhound Beer Company
Key Brewing
Kija's Textiles
La Pasta
Lancaster Farm Fresh Coop
Lauren Hill
Licking Creek Bend Farm
Linganore Winecellars
Livity Foods
Locust Point Farms
Lone Oak Farm Brewing
Manor Hill Brewing
Maryland Honey Company
Mason Dixie Biscuits
Mastiha
McCutcheon's Farm
MeatCrafters
Michele's Granola

Michelle Bailey
Mike Tabor
Minta's Magic Beauty Co
Montgomery County Food Council
Moorenko's Ice Cream
Mrs. Kaufmann's Coffee Cakes
Nagadi Coffee
Nana's Cocina
Nature's Yoke
Nepenthe Brewing Company
Nisani Farm
North Bay Trading Company
Ohm Nutritionals
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
Rainforest Distribution
RaR Brewing
Raw Bliss
Rosendorff's Bakery
Safta's
Shafa Blends
Shepherd's Health
Shiloh Farms
Sho Nuf Turkey Farm
Simply Sausage
Skin Can Do
South Mountain Creamery
Southern Exposure Seed Exchange
Sticky Fingers
Stoney Point Farm Market
Streets Market
Summer Creek Farm
SunNeen
Sweet and Natural
Sweetkiwi
The Common Market
The Vegetable Garden
The Winery At Olney
Thibaut-Janisson Winery

Troegs
True Pop
True Respite Brewing Company
Tsiona Foods
Tuscarora Organic Growers
Ula Tortilla
Union Craft Brewery
Union Kitchen
Up In Arms Deodorant
Uptown Bakers
Urban Winery
Veggie Confetti
Vegheaven
Washington Homeopathics
Whisked!
Wild Bay Kombucha
Wilma Bakes Cakes
Your Way Foods
Zamen Restaurant Inc.
Zeke's Coffee
Zion Roar



SHOP IN-STORE 8AM - 10PM

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

