



2024 ANNUAL REPORT

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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

BOARD OF REPRESENTATIVES

Contact your Board of Representatives at board@tpss.coop



President
Elizabeth Teuwen
Term Expires: 2026
418 Circle Avenue
Takoma Park, MD 20912
Program Director,
Montgomery County
Food Council



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



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



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



Kopal Jha
Term: 2026
810 Colby Avenue
Takoma Park, MD
20912
Scientist



Tatiana Dzekon
Term Expires: 2024
8313 Haddon Drive
Takoma Park, MD 20912
Non-profit Program
Manager



Adria Armbrister
Term Expires: 2024
4943 Fitch Place NE
Washington, DC 20019
International Civil Servant



James Gibson
Term Expires: 2024
219 Manor Circle
Takoma Park, MD 20912
Stay at Home Father



Sheila Rieser
Term Expires: 2024
319 Boyd Avenue
Takoma Park, MD 20912
Analyst

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 MEMBERS AND COMMUNITY,



As I write this, my first president's letter for the TPSS Co-op's 2024 Annual Report, I am positive there is one question on everyone's mind: what is going on behind those windows covered in brown paper? Our store is currently undergoing a much needed renovation, and what is happening behind those windows is an improved layout for a better shopping experience,

a new roof that is now capable of supporting solar panels, and energy efficient refrigeration for expanded fresh produce and prepared food offerings.

I want to first say a special thank you to our incredible Co-op staff, who have worked tirelessly to keep our Co-op going during construction. I hope that during this time of transition you have had the opportunity to "shop the tent." This innovation is the brainchild of our General Manager, Mike Houston, who is already receiving inquiries from co-ops around the country about his unique approach for maintaining sales and customer continuity during construction. The tent has kept our staff fully employed and remains a critical source of organic fruits, vegetables and other specialty items for our community of shoppers - especially those who rely on our SNAP double-up program.

With all that is going on at the store, it may come as a surprise that your TPSS Co-op Board has spent most of 2024 not on the current renovation, but rather looking to the future and exploring expansion to a second location. I want to make it very clear that the Board is fully committed to the continued vitality and growth of our store on Ethan Allan Avenue - the remodel project is prime evidence of that fact.

It is this very commitment that forces us to look at expanding to a second store. We are proud of the financial strength of our Co-op due to the overwhelming support from our community. But the financial indicators are clear; the limited footprint of our current location can only support so much sales growth. To put this in perspective, co-ops are normally driven to expansion when they reach an average of \$1,500 in sales per square foot; TPSS has

surpassed \$2,300 per square foot. If we did not consider expansion, we would eventually reach the point where we were physically unable to sell enough groceries to meet the pace of naturally increasing business costs. It is critical to plan for expansion now, so that we never face that problem.

This is just one of the many factors the Board has considered in examining the rationale for expansion. Beyond financial necessity, a second store will have tangible benefits for our current location. Buying in greater volume could translate directly to more local products on our shelves, as smaller vendors often require greater minimum orders. It may also allow for expanded services and opportunities that the limited space of our current location does not afford, such as a community gathering space and a greater selection of prepared foods.

The Board also believes in expanding the reach of our value-driven grocery store to other communities. More people should have access to healthy foods with environmentally sustainable packaging and to stable, unionized jobs. To ensure that our existing Co-op community is fully aligned in those values, the Board is reviewing and revising our Ends Statement - the lodestar of our system of policy governance that describes the collective impact we want to have on our entire community of members, staff, customers, producers, and the cooperative economy at large. We look forward to sharing the details of our new Ends Statements with you in the coming months. Your feedback on these efforts, and in our continued exploration and investigation, will be critical to the success of opening a second store.

I am so thankful to the Co-op staff, management, my fellow Board members, and to our committed member-owners, for making the Co-op the innovative, community-focused, and financially sustainable institution it is today. I am also incredibly excited for what lies ahead. With your continued support and engagement, TPSS will not only thrive but grow to meet the future needs of our community. I look forward to seeing you all in our beautifully remodeled store and cooperating with all of you to plan our future.

Yours in cooperation,

Elizabeth

Elizabeth Teuwen
Board President

2024 FINANCIAL REPORT

TREASURER'S REPORT

BOB GIBSON, TREASURER



I am pleased to report that the TPSS Co-op ended its fiscal year 2023-24 in June in very strong financial condition. Despite the lingering effects of a period of high inflation we posted a net positive income. We saw a slight decrease in expenses while experiencing the best sales year since the Co-op opened its doors nearly 43 years ago.

We continue to maintain a debt-to-equity ratio that is well above industry standards and enjoy ample cash reserves. This - in conjunction with a \$500,000 grant awarded by the state of Maryland back in 2017 - placed us in the enviable position of undertaking our recent store remodel without having to take on debt.

The impact of the remodel on our finances will be fully reported on in the 2025 Annual Report, at the end of our current fiscal year. During the recently concluded three-month period in which we operated out of the tent, our revenues took a hit, as anticipated, with sales of 25 to 30% of normal operations. Again, our strong cash reserves and sound business management should allow us to weather this sales decrease with no reasons for concern. We expect that the revitalization of the store as a result of the remodel will provide a boost in foot traffic and revenues. Combined with the usual higher sales experienced through the fall and winter holiday months, we should be able to again show a strong balance sheet at the end of fiscal year 2024-25.



2024 FINANCIAL REPORT

YEAR END FINANCIAL STATEMENTS

YEAR END: JUNE 30, 2023

Income Statement

	FY 2024 7/1/2023- 6/30/2024	FY 2023 7/1/2022- 6/30/2023	Change
Sales	\$10,016,670	\$9,827,641	\$189,029
Other Income	32,615	45,867	(13,252)
Less: Cost of Goods Sold	(6,943,315)	(6,872,137)	(71,178)
Gross Income	3,105,970	3,001,371	104,599
Interest income	113,547	27,676	85,871
Total Net Revenues	3,219,517	3,029,047	190,470
Expenses			
Personnel Costs	2,213,493	2,219,322	(5,829)
Occupancy	294,877	340,579	(45,702)
Operating Costs	290,420	295,400	(4,980)
Administration / Other	122,219	128,932	(6,713)
Marketing & Outreach	22,251	17,329	4,922
Governance	82,825	47,009	35,816
Total Expenses	3,026,085	3,048,571	(22,486)
(Loss) Gain before Interest, Taxes,			
Depreciation & Amortization (EBITDA)	193,432	(19,524)	212,956
Less: Depreciation	3,082	760	2,322
(Loss) income before Interest & Taxes (EBIT)	190,350	(20,284)	210,634
Income tax expense	56,000	28,900	27,100
Net (loss) income	\$134,350	\$(49,184)	183,534

Balance Sheet

Assets	30 June 2024	30 June 2023	Change
Current Assets			
Cash	\$2,564,323	\$1,528,749	\$1,035,574
Certificates of Deposit	999,810	2,323,123	(1,323,313)
Inventory	189,061	353,053	(163,992)
Other Current Assets	582,740	112,000	470,740
Total Current Assets	4,335,934	4,316,925	19,009
Net Fixed Assets	120,299	11,247	109,052
Operating lease - right of Use Asset	963,241	980,480	
Other Assets	354,484	344,005	10,479
Total Assets	\$5,773,958	\$5,652,657	121,301
Liabilities & Equity			
Liabilities			
Current Liabilities			
Trade Debt	225,836	200,491	25,345
Other Current Liabilities	175,679	177,711	(2,032)
Operating lease liability, current	68,100	65,537	
Total Current Liabilities	469,615	443,739	25,876
Operating lease liability, noncurrent	892,238	960,338	
Total Liabilities	1,361,853	1,404,077	(42,224)
Equity			
Member Paid-in Capital	1,170,394	1,141,219	29,175
Donated Capital	324,800	324,800	-
Retained Earnings	2,916,911	2,782,561	134,350
Total Equity	4,412,105	4,248,580	163,525
Total Liabilities & Equity	\$5,773,958	\$5,652,657	121,301

LETTER FROM THE GENERAL MANAGER



NO MARGIN, NO MISSION

It's a very popular phrase you'll hear in the cooperative grocery world. Essentially it means if you're not making money as a grocery business, you have nothing to left spend on the things that are important to your member-owners. No margin, no mission. Running our business well allows us to do all the things that make us proud to own this co-op.

Fair wages and benefits for our staff. SNAP double up through our Fresh Checks program. Sponsorship of community events like the Crossroads Farmer's Market and Montgomery County Food Council local food and beverage expo. Donations to non-profits and fundraisers throughout the course of the year. Staff and Board time to support and learn from other cooperatives. Our co-op can do these things because our business generates sufficient income to cover them.

I spent most of my time this year helping to plan for a significant investment in our business in order to keep growing both our margin and our mission. Our 2024 remodel is the largest project the co-op has undertaken at the Takoma Park store since we moved here in 1998. It involves new floors, a new roof, new equipment, new bathrooms, and frankly new everything. The project involved dozens of partners in the design and construction. It has truly been an exercise in cooperation.

Planning for the new design we incorporated feedback from member-owners and shoppers throughout the years. Our shopper surveys gave helpful feedback about the uneven floors, crowded registers and store layout challenges that we were able to build into the new store design. We're also privileged to be able to upgrade and replace our aging refrigeration and freezer cases with new energy efficient models. A state grant the co-op received in 2017 helped to cover most of the equipment costs.

In addition to the remodel helping to run our business better and more efficiently, we incorporated aspects of our mission into the new store design as well. Shopping in bulk and package-free at the co-op is a big focus for our shoppers. Our bulk section is significantly larger than other stores, and we maintained that in the remodeled store. We also expanded our produce section to allow us to carry even

more local and package-free produce. Additional shelf space in the grocery, frozen and refrigerated departments will allow for additional local and low-cost items as well.

Our member-owners stepped up to the plate big time as we talked about the changes this summer in order to accomplish the project. Being out of our building during construction meant hardship for staff and shoppers alike, but we've gotten nothing but support and goodwill as we've navigated this summer. While our tent operation couldn't replicate the experience of shopping at the co-op, so many of our regular shoppers came out to shop all the same.

The payoff for our planning and patience is so close and I can't wait, like many of you, to see our brand new store. Making investments in our business in order to keep supporting local businesses and a more sustainable food system is incredibly important. Grocery is a difficult industry, but arguably it has never been more important to have mission-focused retailers thriving. It continues to be an honor to work with this community and this co-op to make a real difference in getting food to people. Margin pays the bills, but mission feeds the soul.

Thank you for your support of our store.

Mike

Mike Houston
General Manager



NEWS FROM OUR DEPARTMENT MANAGERS



BULK The Bulk Department got a spatial and aesthetic facelift this year! We got new bins and new layout for our incredible zero-waste section. The containers in the department and the layout may have changed slightly, but it's still the same great products



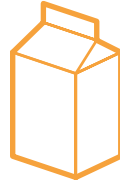
HR It was a very unique year for us as we prepared staff for the renovation. We worked through many unknowns, talked each other through different scenarios and prepared our staff for the upcoming renovation. Side note: The holiday party came back in person this year!



PRODUCE One of the most major additions to the Produce Department this year was that we gained a new Produce Stocker, Majid! He is a perfect fit on the Co-op team, and staff + shoppers appreciate his help in the store. Every year, we care about bringing in more local produce. We're pleased to say that our fall pumpkin display was from Four Seasons, and that pictures of it became kinda internet famous!



BEER & WINE The Beer & Wine Department is happy to welcome Ricardo as our new buyer. We are looking forward to working in our renovated space. Beer will essentially be in the same place, but our wine selection will have a brand new look.



GROCERY In the Grocery Department this past year, snacks such as cookies, crackers, chips and granola have been hugely popular. We have also brought in new local products such as Safia Soups, which have been a real hit, and more recently, Donna Fay's Granola, which sold out in record time.



IT Upgrades have been the name of the game for the past year! We've been focusing on either upgrading or laying the groundwork to upgrade, well, pretty much everything. In the last year, we have upgraded our registers and credit card machines, installed a digital monitor by the entrance, and with the remodel, there's so much more coming down the pipeline!



FRONT END On the Front End, we noticed this year that customers appreciate when the Co-op prioritizes community engagement and sustainable practices. This fosters a sense of belonging amongst our member-owners, and we could sense that this feeling was more prevalent over the course of the year. Customers seem to be happy to shop at the Co-op because we are intentionally creating a positive shopping experience for them.



FRIDGE This year, the fridge department is pleased to say that we're continuing to carry the best selection of healthy items on the market. As usual, we're focused on local. Our refrigerated section is one of the most important in the store, so we hope to keep carrying the highest quality for shoppers and member-owners!



YEAR AT A GLANCE

COMMUNITY ENGAGEMENT

In the fall of 2023, we began hosting New Member Orientations to adjust new members to the process of democratic governance and familiarize them with our grocery store and co-operatives at-large. We continued to go to meetings of the Mid-Atlantic Food Co-op Alliance, in which food co-ops from up and down the Eastern seaboard share their progress and metrics for success. We also attended several meetings of the National Co-op Grocers, as members and change makers in this powerful national grocery co-operative. We began organizing with DC Fair Food, an offshoot of the Fair Food Project, as well as donating to and attending meetings of ReDelicious Co-op, a food waste re-use co-op in the Brookland neighborhood of DC. We also began hosting Free Reiki at the Co-op with local energy healer and yogi Angelique Raptakis, and have kept this as a permanent bimonthly offering. We tabled at Street Fest in the fall and hosted our annual Earth Day in the spring, and enjoyed highly attended Spring and Fall Member Meetings. In July of 2024, we hosted the first ever

Co-op Film Festival in collaboration with Rhizome DC, and tons of people came out! In our monthly newsletter, we introduced a new column called "Pro-Pollinator" in which local environmental activists Marguerite and Maureen from Climate Action Coffee wrote brilliant articles on the bugs and dirt in our regional biosphere. We also began republishing vegetarian recipes from the Co-op's archives cookbook, "Feeding Ourselves: a Community Cookbook."

Thank you to Takoma Park Middle School, Takoma Park Elementary School, local filmmaker Alyscia Cunningham, local writer and activist Risa Shaw, Wisdom Path Healing Center, Rhizome DC, Poplar Spring Animal Sanctuary, Takoma Families for Ceasefire, WPFW, Takoma Play Day, and the Takoma Foundation for letting us show off our community values by endorsing your work! Thank you to the local vendors that make us what we are, a natural foods store focused on buying local. And thank you to all our member owners, and everyone cooperating around the world! This year, it really felt like we were building out a food justice network.

HIGHLIGHTS

★ SNAP FRESH CHECKS

- The Co-op contributed \$61,395 to our Fresh Checks program which doubled fresh fruit and vegetable spending for customers paying with SNAP

★ EARTH DAY 2024

- 13,000 lbs of food waste diverted to the compost stream this year

★ SPONSORING THE CROSSROADS FARMERS MARKET

★ PARTNERING WITH SMALL THINGS MATTER TO FEED FOLKS IN TAKOMA PARK

CO-OP OWNERSHIP

332

NEW OWNERS



11,197

OWNERS

\$33,405

NEW OWNER EQUITY



\$1,495,194

TOTAL OWNER EQUITY

PARTNERING WITH 200 LOCAL VENDORS IN 2024

16 HYPER LOCAL VENDORS

WITHIN 2 MILES

3 Stars Brewing Company	Astro Lab Brewing	Everlasting Life	PUSH Services Shea Butter
Aku Wellness	Bete Ethiopian Cuisine	Health Neurotics	Purple Mountain Organics
Anxo Cidery	David's Natural Market	Loch Lomond Bakery	Silver Branch Brewing Co
Artisan Wellness Incense	Denizens Brewing Co.	Olive Tree	Soupergirl

184 LOCAL VENDORS

WITHIN 150 MILES

67 Naturals	DC Vegan Catering	La Pasta	Shiloh Farms
7 Locks Brewing	Dodah's Kitchen	Lancaster Farm Fresh Coop	Sho Nuf Turkey Farm
8 Myles	Dogfish Head Brewery	Lauren Hill	Simply Sausage
Aellen Brothers Farm Brewery	Duclaw Brewing Company	Licking Creek Bend Farm	Skin Can Do
Albert's Organics	Dutch Touch	Linganore Winecellars	South Mountain Creamery
Alchemy CBD	Eat Pizza	Livity Foods	Southern Exposure Seed Exchange
Arcadia Publishing	Eat the Change	Locust Point Farms	Spring Mill Bread
Archaikos Foods	Elder Pine Brewing	Lone Oak Farm Brewing	Sticky Fingers
Asmar's Mediterranean	Elizabeth Kleemeier	Manor Hill Brewing	Stoney Point Farm Market
Athletic Brewing Co	Ever Bar	Maryland Honey Company	Summer Creek Farm
Atlas Brew Works	Evolution Craft Brewing Company	Mason Dixie Biscuits	Sunny Cs
Aufschnitt Meats	Farmer Focus	Mastiha Bakery	SunNeen
Baguette Republic	Fells Point Meats	McCutcheon's Farm	Sweet and Natural
Bakefully Yours	Feridies	MeatCrafters	Sweetkiwi
Baltimore Baked Goods	Firehook Bakery	Michele's Granola	The Common Market
Believe N Bread	Flying Dog Brewery	Michelle Bailey	The Vegetable Garden
Beyond Body Butter	Full Tilt Brewing	Mike Tabor	The Winery At Olney
Black Flag Brewing	G Formula Herbs	Minta's Magic Beauty Co	Timothy Catron
Black History Calendars	Garden Spot Distributors	Montgomery County Food Council	Thibaut-Janisson Winery
Black Rooster Food	Golden Angel Apiary	Moorenko's Ice Cream	Troegs
Blind Dog Cafe	Golden Barrel	Mrs. Kaufmann's Coffee Cakes	True Pop
Blue Mountain Organics	Good Time Health	Nagadi Coffee	True Respite Brewing Company
Blue Nile Botanicals	Grandma G's	Nana's Cocina	Tsiona Foods
Blue Ridge Bucha	Creek Table	Nature's Yoke	Tuscarora Organic Growers
Bold Rock	Green Acres	Nepenthe Brewing Company	Ula Tortilla
Breads Unlimited	Green Meadows	New Trail Brewing	Union Craft Brewery
Broodjes & Bier	Greenjar Smoothies	Nisani Farm	Union Kitchen
Boordy Vineyards	Guess What's Poppin'?	North Bay Trading Company	Up In Arms Deodorant
Brookeville Brewing	Gunter's Honey	Ohm Nutritionals	Uptown Bakers
Canela Bakery	Harmony Creek Farm	Old Time Bakery	Urban Winery
Capital Baking Company	Harrisburg Dairies	Oliver Brewing Company	Veggie Confetti
Capitol Cider House	Heavy Seas Beer	Olney Winery	Vegheaven
Ceremony Coffee	Heba's Health Foods	Orchid Cellars Mead	Washington Homeopathics
Charm City Meadworks	Hex Ferments	Oscar Sushi	Whisked!
Checkerspot Brewing	Honest Tea	Outer Aisle	Wild Bay Kombucha
Chesapeake Bay Roasting Company	Honey's Banana Bread	Palden Imports	Wilma Bakes Cakes
Chocotenango	Hummingbird Farms	Para Hita	Your Way Foods
Cinnamon Tree Organics	Hysteria Brewing Company	Peabody Heights Brewery	Zamen Restaurant Inc.
Claudia Gonzalez	Idiom Brewing	Port City Brewing Company	Zeke's Coffee
City-State Brewing	Ivy City SmokedHouse	Potomac Sprout Company	Zion's Roar
Clear Skies Meadery	IZAR's Natural Products	Potomac Whole Foods	
Coastal Sunbelt Produce	Jailbreak Brewing Company	Rainforest Distribution	
Compass Coffee	Jar Goods	RaR Brewing	
Crooked Crab Brewing Company	Jehovah-Jireh Farm	Raw Bliss	
Cured and Crisp	Joyhound Beer Company	Rosendorff's Bakery	
Dallas Popcorn	Key Brewing	Safta's	
Danisas Fresh Flowers	Kija's Textiles	Shafa Blends	
DC Brau	Kipps Family Grapes	Shepherd's Health	



SHOP IN-STORE 8AM - 10PM
SHOP ONLINE [TPSS.COOP/SHOP](https://tpss.coop/shop) PICK UP 9AM - 7PM