TPSS Co-op







2026 ANNUAL REPORT

Nourishing our community for 45 years

Contents

About TPSS Co-op.....1
Letter from our General Manager...2
Board of Representatives.....3
From our Board President.....4
From our Treasurer.....5-6
Our Pillars
- Trusted Grocer.....7-8
- People First.....9-10
- Sustainable Standards.....11-12
- Service-focused.....13-14



About TPSS Co-op

OUR MISSION

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!

OUR MANAGEMENT TEAM

General Manager: Mike Houston
Store Manager: Hussein Choteka
Assistant Store Manager: Mercy Belhu
Community Engagement Manager: Amy Leo
Finance Manager: Yodit Gebremeskel
Human Resources Manager: Leandra "Len" Nichola
Information Technology Manager: Eddie Brosnan
Beer & Wine Manager: Min Chan Kim
Front End Manager: Kijaa Rashid
Grocery Manager: Joao Carlos Vieira
Produce Manager: Mauricio Pineda
Refrigeration Manager: Edwin Zarate
Wellness Manager: Jane Batt



Left to right: Lili, Claudia and Rosi pose with fresh flowers on Valentine's Day.

From our General Manager

TPSS Member-owners,



So much of my daily work at TPSS is focused on the future, sometimes the far future. This year especially has been one of planning several years out, so writing this annual report letter is a nice opportunity to look back and appreciate what we have accomplished. I am blown away by how much we did!

We have settled into our new store following the 2024 remodel and made some upgrades, like adding an all-weather awning on the front of the store to help control the climate inside. It was a very strong year for sales, as you'll see in the financial recap in this report. The fall saw an unexpected crisis when the government shutdown meant that SNAP benefits were not paid out. Co-op members stepped up and contributed money for store gift cards for SNAP recipients to use until the shutdown ended.

In January, we kicked our Second Store Expansion Project into high gear by having food co-op expert Jon Steinman travel from British Columbia to Takoma Park. Jon gave a presentation on the grocery industry and where co-ops fit in, and then led our members in a visioning exercise around our second store. Attendees were universally thrilled with the experience, so much so that we incorporated it into our Spring Member Meeting as well.

Spring was busier than usual with a number of large projects all happening at once. I was lucky to have plenty of help as we added some incredible new staff members. Len Nichola joined TPSS as our new HR Manager, returning after having previously worked at the Co-op from 2018-2022. We also welcomed Amy Leo as our new Community Engagement Manager. Amy hit the ground running to promote the store in new and creative ways, and help members learn about our Expansion Project.

We also negotiated a new collective bargaining agreement with our Union, IWW Local 1. This is our third full collective bargaining agreement with the union that represents our hourly workers here at the store, and I'm very happy with the process and outcomes from that negotiation. Knowing your working conditions and compensation for years at a time allows a level of security and planning for our workers, who average over 9 years of service at TPSS. That's far higher than comparable retailers. The same faces year after year.

Lastly, we navigated the continued impacts of changes in the federal government on our store and community. Tariffs continued to drive higher or volatile pricing on raw ingredients, like coffee and bananas. During the summer, a series of food-borne outbreaks, like cyclospora and salmonella, led to massive product recalls. Thankfully, the Co-op's product standards in produce, 100% organic or local, helped us avoid any recall issues.



It's been quite the year, and we have big things coming up in the future. But it sure is nice to look back and appreciate everything we've done.

Lastly, we are using new categories to organize this report: **Trusted Grocer, People First, Sustainable Standards, and Service-focused**. Eagle-eyed sleuths and fans of acronyms will notice that the first letter of each category spells TPSS! These categories represent the core pillars of our mission as a community-owned grocery store, so you'll be seeing them more in the next year.

Mike Houston
General Manager

Board of Representatives



Board President
Orly Keiner
Term Expires: 2026
Small Business Owner



Vice President
Elizabeth Teuwen
Term Expires: 2026
Co-Executive Director, Montgomery County Food Council



Treasurer
Bob Gibson
Term Expires: 2027
Retired Energy Writer and Consultant



Secretary
Sheila Rieser
Term Expires: 2027
Retired Civil Servant



Hilary Abell
Term Expires: 2026
Civil Servant



Mary Arimond
Stepped Down March 2026
Retired Nutrition Researcher



Surabhi Dabir
Term Expires: 2028
Nonprofit Executive



Jimmy Daukas
Term Expires: 2028
Nonprofit Executive



James Gibson
Term Expires: 2026
Stay at Home Father



Matt Littlejohn
Term Expires: 2026
Retired Nonprofit Executive



Margaret Morehouse
Term Expires: 2026
Retired Organizational Development Consultant



Annual Board Retreat



Spring Member Meeting

From our Board President

Dear Co-op Community,

One recent Sunday morning, I was walking towards the Co-op when a large number of low-flying military aircraft destined for the Indycar races around the National Mall thundered right over me. It was very loud and intimidating and left me feeling stressed and uneasy. Walking in the doors of TPSS, I felt so grateful for the familiar faces of the cashiers, my fellow member-owners in the bulk aisle, and Licking Creek Bend Farm's delicious local peaches. Our co-op felt quite literally like a refuge from a darker world and reminded me that there are still good things happening around us.

The Co-op celebrates its 45th birthday this year. Recently, I had the privilege of speaking with several of our founding members and had the chance to thank them for their beautiful idea to establish a natural foods grocery, cooperatively owned by the Takoma Park-Silver Spring community, and run on principles of love and respect for people and the planet. While the world has changed a lot since our founding, their vision is just as relevant today as it was 45 years ago.

TPSS remains true to our founding principles even in the dark and turbulent times we find ourselves in. We continue to support our local and organic food systems in this age of corporate consolidation; we value humans as the era of AI dawns; we provide good union jobs as the gap between rich and poor widens each year; we remain committed to high product standards as federal food safety oversight erodes; and we strive to uplift all parts of this community in the face of layoffs and deportations.



Earth Day Festival

We partner with amazing community organizations like Small Things Matter and Crossroads Community Foods Network to increase access to healthy foods across our community. During the pause in SNAP benefits during the recent government shutdown, we offered gift cards to those in need. We do all this while running a successful business.

The TPSS Board of Representatives believes that our world could use more of what cooperative businesses have to offer. This conviction has driven us to move forward with a plan to open a second store in the near future, and FY 2026 saw us take a number of important steps towards that goal. During the year, the board received and analyzed a new market study that is guiding our thinking about where to look for our second location, as well as a financial pro forma that allowed us to start projecting future revenue and costs associated with expansion.

In January, we hosted Jon Steinman, a dynamic and visionary expert on food co-ops, to help guide a discussion with member-owners about what our co-op could become with a second store. Many members who attended told us they left feeling inspired and more connected to each other and the Co-op they own.

The board has also been planning for another big step in our preparations for the second store – a member investment campaign. Raising $2.4 million in member capital next year will allow us to reduce the amount the Co-op needs to borrow, strengthen our financial position, and demonstrate community support behind our expansion. We marked a major milestone in June when TPSS membership voted overwhelmingly to support amendments to the Co-op's Articles of Incorporation that allow for the issuance of preferred shares – the vehicle members can use to invest in the expansion project.

Your co-op is doing big and brave things, and we will need the strong support of our membership more than ever in the coming years. Let's work together to bring more cooperative goodness into the world.

In cooperation,

Orly Keiner
Board President

From our Treasurer

TPSS Co-op Member-Owners,

The TPSS Co-op closed our fiscal year 2025-26 in June with a **strong increase in sales over the previous year** while maintaining healthy reserves. **We enjoy a very positive long-term financial outlook ahead of our planned expansion to a second store.**

We did experience a small loss in the past year, but we have significantly closed the anticipated gap beteen revenues and expenses that resulted from the costs associated with the store remodel of 2023-24. The investment in the remodel is now delivering tangible financial benefits, including increased sales and more efficient and profitable utilization of our Ethan Allen Avenue building.

Another impact of the remodel is seen in our balance sheet, which reflects the large changes in the nature of our assets, as old and fully-depreciated equipment was replaced by new equipment. This changes our depreciation schedule, which combined with the need to account for our long-term lease as a liability, led to a small decrease in overall assets.

On the flip side, we saw a **gain of $167,005 in EBITDA** (Earnings Before Interest, Taxes, Depreciation and Amortization), following a loss in 2024-25. EBITDA is a key financial metric reflecting our store's overall profitability.

We continue to maintain a debt-to-equity ratio that is well above industry standards. Our strong cash reserves of more than $1.4 million are a significant asset in our expansion plans.

Bob Gibson
Board Treasurer



Our highest annual sales to date!

Total Net Revenues - Total Expenses = EBITDA

Income Statement

	FY 2026 7/1/2025-6/30/2026	**FY 2025** 7/1/2024-6/30/2025	**Change**
Sales	**$10,390,115**	$7,304,103	$3,086,012
Other Income	$36,195	$26,547	$9,648
Less: Cost of Goods Sold	$ (7,053,313)	$ (5,057,647)	$ (1,995,666)
Gross Income	$3,372,997	$2,273,003	$1,099,994
Interest income	$44,294	$66,946	$ (22,652)
Total Net Revenues	**$3,417,291**	**$2,339,949**	**$1,077,342**
Expenses			
Personnel Costs	$2,326,325	$2,225,535	$100,790
Occupancy	$348,365	$352,262	$ (3,897)
Operating Costs	$289,517	$307,186	$ (17,669)
Administration / Other	$165,490	$165,679	$ (189)
Marketing & Outreach	$20,007	$28,865	$ (8,858)
Governance	$100,582	$72,710	$27,872
Total Expenses	**$3,250,286**	**$3,152,237**	**$98,049**
Depreciation & Amortization			
EBITDA	**$167,005**	**$ (812,288)**	**$979,293**
Less: Depreciation	$282,276	$129,406	$152,870
Income (loss) before Interest & Taxes (EBIT)	$ (115,271)	$ (941,694)	$826,423
Less: Income tax expense	-	$108,900	$ (108,900)
Net income (loss)	**$ (115,271)**	**$ (1,050,594)**	**$935,323**

Balance Sheet

Assets	Jun 30, 2026	Jun 30, 2025	Change
Current Assets			
Cash	**$1,440,353**	$632,197	$808,156
Certificates of Deposit	-	$1,000,720	$ (1,000,720)
Inventory	$317,104	$271,045	$46,059
Other Current Assets	$148,816	$111,205	$37,611
Total Current Assets	$1,906,273	$2,015,167	$ (108,894)
Net Fixed Assets	$1,634,119	$1,666,400	$ (32,281)
Operating Lease - Right of Use Asset	$819,211	$892,305	$ (73,094)
Other Assets	$216,459	$230,347	$ (13,888)
Total Assets	**$4,576,062**	**$4,804,219**	$ (228,157)
Liabilities & Equity			
Liabilities			
Current Liabilities			
Trade Debt	$299,506	$301,544	$ (2,038)
Other Current Liabilities	$116,353	$199,532	$ (83,179)
Operating Lease Liability, Current	$73,474	$70,745	$2,729
Total Current Liabilities	$489,333	$571,821	$ (82,488)
Operating Lease Liability, Noncurrent	$748,019	$821,492	$ (73,473)
Deferred compensation, Noncurrent	$10,500	$9,000	$1,500
Total Noncurrent Liabilities	$758,519	$830,492	$ (71,973)
Total Liabilities	**$1,247,852**	**$1,402,313**	**$ (154,461)**
Equity			
Member Paid-in Capital	$1,252,364	$1,210,789	$41,575
Donated Capital	$324,800	$324,800	-
Retained Earnings	$1,751,046	$1,866,317	$ (115,271)
Total Equity	**$3,328,210**	**$3,401,906**	**$ (73,696)**
Total Liabilities & Equity	**$4,576,062**	**$4,804,219**	$ (228,157)

Our strong cash reserves of more than $1.4 million are a significant asset in our expansion plans.







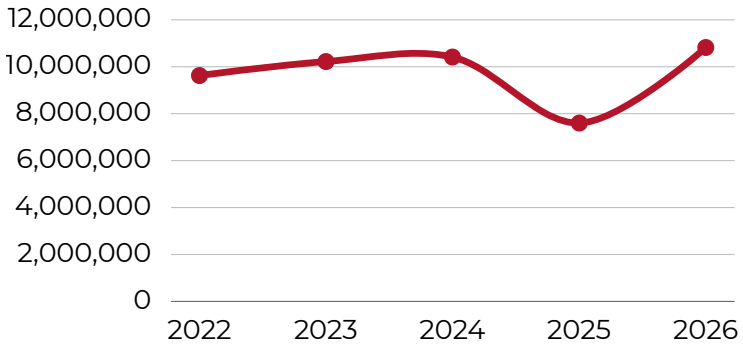
Trusted Grocer

"Local farmers and producers, especially historically underrepresented businesses and other cooperative enterprises, have ***expanded access to the grocery marketplace***."

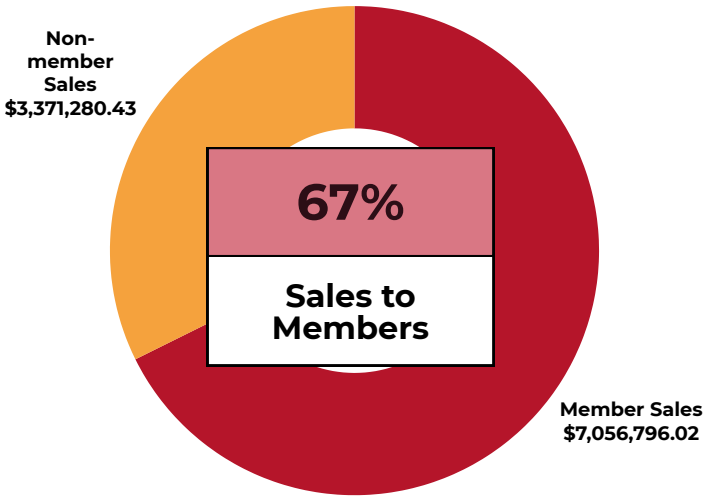
TPSS Co-op Ends Statement #2



Annual Sales Trends



The Co-op's sales in FY 2026 reflect the community's ongoing trust in our store as a destination for quality groceries. (Store renovations in FY 2025 resulted in lower sales.)





Co-op Ownership

442
New Member-owners

12,099
Total Member-owners

$43,975
New Member-owner Equity

$1,577,163
Total Member-owner Equity

New Local & Sustainable Microgreens

When Randi Drewry—who manages food distribution for more than 5,000 households each month at Clifton Park Baptist Church—saw that funding cuts might limit the church's ability to meet community needs, she got creative.

Randi learned how to grow food aeroponically and started **Green Seeds**, which donates one container of microgreens to a family in need for each container sold. The Co-op began carrying Green Seeds' delicious broccoli, red cabbage, and mixed superfood microgreens in March. Randi recommends trying them on tacos, eggs, in a salad or smoothie, or even plain! Kids love them!

As a small retailer that priorizes featuring local products, the Co-op worked hand in hand with Randi through the vendor onboarding process and has hosted numerous demonstrations so that Randi can introduce her products to the community.



Randi Drewry with her microgreens on their first day they hit the shelves.

Of her experience as a vendor at the Co-op, BelieveN Bread Founder Tracey Tucker says: **"The Co-op is an excellent venue for showcasing your products.** The management and staff are exceptional, consistently expressing gratitude and support to all vendors. Overall, being part of TPSS fosters a **positive business experience**."



Sustaining and Supporting Local Small Business Growth



Tracey Tucker, BelieveN Bread business owner, poses with one of her products.

Since 2019, the Co-op has carried breads and cookies from **BelieveN Bread**, a local plant-based and gluten-free bakery founded with the mission of expanding access to healthy food while building community.

TPSS was BelieveN Bread's second retail partner, providing an early opportunity to introduce its products to a broader customer base. The Co-op has helped sustain BelieveN Bread over the past seven years and its consistent market enabled Tracey to expand her offerings to include vegan meatballs, macaroni and cheese, and kale salad in spring 2026.

People First

Our mission is carried out every day by a dedicated staff of **44 employees**. As a community-owned cooperative, we strive to provide stable employment, opportunities for advancement, competitive wages and benefits, and a workplace where employees can build long-term careers.

> "Our community, including our employees, experiences a ***welcoming culture of openness, belonging, and respect***."
>
> **TPSS Co-op Ends Statement #2**

Our tenure and turnover rates reflect high staff satisfaction:

9 years	**Average Employee Tenure**
57%	**Percent of staff who have worked at the Co-op for over 5 years**
8	**Number of staff with over 15 years of service at the Co-op**

Turnover Rate:

TPSS Co-op	**15.7%**	**Grocery Industry**	**69%**

Welcome New Staff



Amy Leo, Community Engagement Manager



Leandra "Len" Nichola, HR Manager



David Ayers
Fridge Stocker



Logan Hilzer
Grocery Stocker



Micah Weinstein
Float Stocker

We fill leadership opportunities from within, with three employee promotions and two internal transfers this year. Of our 13 management positions, 46% are held by employees who were promoted internally.

Wellbeing-centered Benefits

The Co-op continues to provide a comprehensive benefits package for eligible employees. Of the 44 employees on staff, **90% (40) were eligible for employer-sponsored health insurance**, and 36 participated in the plan.



On May Day, Co-op staff enjoy a catered lunch provided by the Board of Representatives.

A New Collective Bargaining Agreement

This year, just in time for International Workers Day (May Day!), the Takoma Park Workers Union and TPSS Co-op management successfully concluded negotiations on a new three-year collective bargaining agreement, extending through April 2029. The agreement was reached through a collaborative bargaining process and provides stability for both employees and the Co-op over the coming years.

We're Listening: 2025 Shopper Survey


2025 Shopper Survey Results

Survey Overview & Methodology

The Takoma Park-Silver Spring Co-op (TPSS) conducted a 39-question shopper survey in fall 2025 to capture customer preferences, perceptions, and engagement. The survey was distributed via email, website, and in-store promotion with 387 responses collected. Because survey results are not statistically representative of TPSS Co-op shoppers and reflect the perspectives of the most engaged, long-term shoppers, feedback is best interpreted as insight into the Co-op's core base rather than the full shopper population.

Overall, survey results were strongly positive. Shoppers consistently describe TPSS as a "beloved community institution," emphasizing quality food, friendly staff, and a strong sense of community connection.

Why Shoppers Choose TPSS
1. Location
2. Availability of natural/organic foods
3. Product quality
4. Business ethics and local sourcing
5. Price and variety

Takeaway: While the Co-op model matters to some, most shoppers choose TPSS for convenience and product offerings.

TPSS staff pose with flowers on Valentine's Day

Communication Preferences
Shoppers primarily receive information from TPSS via email and in-store signage, and prefer these channels.

Shoppers reported that they are most interested in hearing about:
1. Products, sales, and discounts
2. Store updates
3. Social and agricultural issues
4. Community efforts and events

Membership & Participation
- 88% of survey respondents are members
- Shoppers' primary motivation to become a member-owner: discounts and co-ownership
- Governance (voting, elections) is a weak motivator

Engagement gaps:
- 61% of survey respondents have not voted in elections*, citing lack of awareness, lack of information, or low interest
- Member meeting attendance is relatively strong, though it varies

TPSS Member Meeting at Koiner Farm

Key Themes in Open Feedback
- **Strong goodwill:** 35% of comments were purely positive, TPSS is seen as more than a grocery store
- **Affordability concerns:** Many shoppers cannot afford to do full grocery trips
- **Product selection requests:** More prepared foods, specialty items, and local products
- **Operational improvements:** Stock availability, layout, checkout clarity
- **Produce consistency:** Some concerns about freshness
- **Sustainability expectations:** Desire for less packaging and more bulk options

Key Insights & Implications
Shopper survey respondents agree that the Co-op is meeting its Ends Statements goals. The store is viewed as a community institution connecting shoppers with high-quality natural and local foods. Improvement efforts should focus on maintaining and increasing quality and affordability.

*The contested annual election that followed this survey had strong member engagement.

Overall, survey results were strongly positive. Shoppers consistently describe TPSS as a **"beloved community institution,"** emphasizing quality food, friendly staff, and a strong sense of community connection.



Product Suggestion Feedback Loops

Another key venue for shopper feedback is our in-store and online product suggestions forms. Our Department Managers do their best to fulfill shopper suggestions when possible and follow up with an answer either way.

Our ability to take in and respond to shopper suggestions is one thing that sets us apart as a community-owned store.

(Left) Front End Manager Kijaa Rashid holds the Product Suggestion clipboard at the customer service desk.

Introducing the Co-op Explorers Program

This spring, the Co-op launched National Co-op Grocers' Co-op Explorers program to make grocery shopping more welcoming and enjoyable for families with young children.

After signing up for the free program, Co-op Explorers receive a free banana to enjoy while they shop. The Co-op also set up a play area near the registers to keep kids busy with toys and coloring pages while their parents shop.



Co-op Explorers reflects the Co-op's commitment to serving households of all ages. By creating a family-friendly environment, the program helps make the store a place where children feel included, parents feel supported, and shopping for healthy food becomes a shared community experience rather than just another errand.



A Co-op Explorer shops with a child-sided cart.

Sustainable Standards



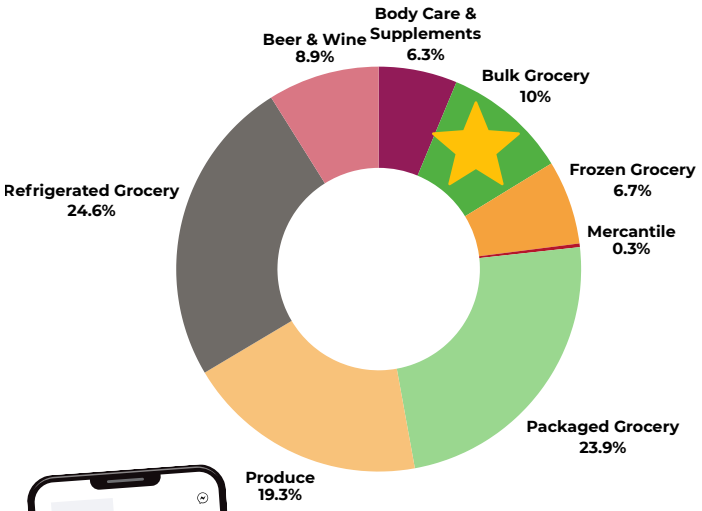
In March, an awning was added to the store's front entrance for energy efficiency.

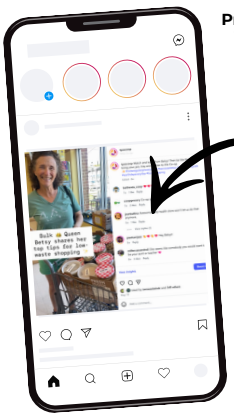
Sustainability shapes every part of how we do business, from the products on our shelves to the way we operate our store. Our buying standards prioritize products that are **responsibly produced, environmentally sustainable, ethically sourced, and aligned with our values**, while supporting local farmers and producers whenever possible.

13,011 LBS	**Food waste diverted** to the compost stream through our partnership with Compost Crew
26%	**Utility usage decrease** since energy efficiency improvements were made during our 2024 renovation

Revamping and Reintroducing our Bulk Section

The Co-op offers over 400 bulk items, including grains, spices, beans, nuts, honey, oil, and even feta and tofu. Bulk Department sales totaled **$987,968.64**, around **10% of total store sales in FY26**. This figure is an increase from $668,016.64 in FY25, though last years' bulk section sales were impacted by our renovation project.





We promoted the bulk department with videos and posts on social media, including one Instagram reel of a shopper and her jars that reached over 8,500 views, nearly 7,000 unique accounts, and earned 350 likes.



New signs in the bulk department list steps for weighing and labeling bulk containers.



Take a Bag, Leave a Bag





Our Take a Bag, Leave a Bag crate returned to the front of the store in January and has been full nearly every day since, giving shoppers the option to keep excess tote bags in circulation and reducing the need for paper shopping bags.

Inspired by the Fredericksburg Co-op, we hosted three Bag Bees in March and April. Volunteers transformed over 200 donated t-shirts into reusable shopping bags!

Our Annual Earth Day Event

Our annual Earth Day Celebration, organized for the first time in partnership with the City of Takoma Park, featured educational workshops, interactive activities, live music, and opportunities to connect with organizations working to build a healthier, more sustainable community. Attendees learned practical skills such as reducing food and packaging waste, improving recycling habits, and composting at home through presentations and guided store tours led by local experts and community partners. Local food vendors served savory and sweet offerings to event attendees and used compostable food containers to make Earth Day a low-waste event.











Clockwise from top left: Co-op Board Members share information; Climate Action Coffee educates event attendees about pollinators; Lilo Gonzalez plays songs for a better world; the UMD Bug Zoo introduces children to rare creatures; Stephanie Miller gives a zero-waste tour of the store.



3 Musical Artists

4 Educational Workshops

8 Community Organizations

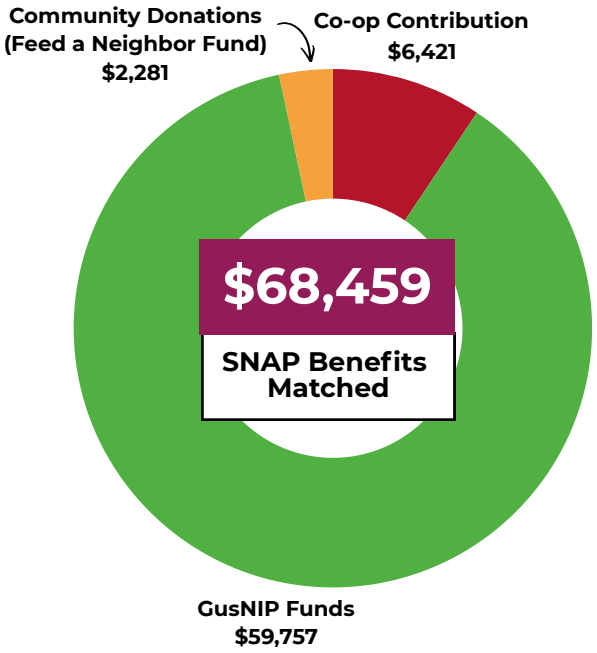
6 Local Food Vendors

~0 Waste Generated

Service-focused

Expanding Access to Healthy Food

Making healthy, high-quality food accessible to everyone is central to our mission. Throughout the year, TPSS Co-op continued to support community members through a variety of affordability programs, including accepting SNAP benefits, offering Fresh Checks SNAP matching incentives, and providing a 5% senior discount. **Seniors saved $64,103 at the Co-op this year!**



Total SNAP Sales in FY26 **$194,711**

Through the Fresh Checks program, **the Co-op matched $68,459 in SNAP benefits** spent on fruit and vegetables, helping families stretch their grocery budgets while increasing sales for local farmers.

Funding from the US Department of Agriculture's Gus Schumacher Nutrition Incentive Program (GusNIP) reimbursed **$59,757** of that amount. The Co-op contributed **$8,702**, and community members contributed **$2,281** through our Feed a Neighbor Fund.

During the fall 2025 pause in SNAP benefits, the Co-op also used the Feed a Neighbor Fund to distribute store gift certificates directly to shoppers experiencing food insecurity.

Investing in Our Community

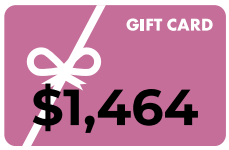
The Co-op is a pillar of our community and contributes regularly to organizations and initatives that align with our mission.







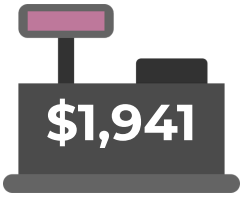
Clockwise from top left: Takoma Pride Parade; Mid-winter Play Day; the Crossroads Farmers Market.



Cash and in-kind donations to local schools, nonprofits, and community organizations for fundraisers, teacher appreciation initiatives, etc.



Organizational partnerships, such as sponsoring the Crossroads Community Food Network's farmers market.



Shopper donations through our **Round Up at the Register program.** We raised $1,637 for Koiner Farm in April and $304 for Small Things Matter in December.

$16,826 **Total Community Contributions in FY26**

Strengthening the Cooperative Economy

TPSS Co-op is committed to helping grow the broader cooperative movement. During the year, staff and leadership shared their knowledge and experience with emerging and expanding cooperatives throughout the Mid-Atlantic region.

Our cooperative lent knowledge and expertise to Catonsville Co-op, City Gardens Co-op, Community Grocery Cooperative, Cooperative Community Development, Fredericksburg Co-op, Lovettsville Co-op, Maryland Food Collective, Project Petworth, and Wholesome Harvest Co-op. TPSS Co-op staff also toured and met with their counterparts at Common Market to exchange ideas and learn from their experience of opening a second store.



Co-op managers Yodit Gebremeskel, Len Nichola, and Eddie Brosnan tour Common Market.





Building Community Through Participation

The Co-op created opportunities for Member-owners and neighbors to connect, learn, and shape the future of their cooperative. We hosted quarterly New Member Orientations, Spring and Fall Member Meetings to share updates and discuss strategic priorities, and our annual Co-op Film Festival in partnership with Rhizome.



Clockwise, from top left: Orly Keiner, TPSS Board President, addresses members during the Spring Member Meeting at Koiner Farm; representatives from three local co-ops share their experience during a post-film panel discussion; the Lunch Bunch crew gathers on a sunny day.











Takoma Park-Silver Spring Co-op
201 Ethan Allen Avenue
Takoma Park, MD 20912
301.891.2667
tpss.coop