



Annual Report

2024

CELEBRATING 25 YEARS AT 16TH & MADISON



12 Principles

The 12 Principles are values that Central Co-op uses to guide decision-making for our stores and our organization more widely.

1. Voluntary and Open Membership

Central Co-op is a voluntary organization, safe and open to all persons able to use our services and willing to accept the responsibilities of membership, without discrimination based on race, religion, age, social status, political affiliation, sexual orientation, or gender identity.

2. Democratic Member Governance

We are a democratic organization governed by our members. Representatives are elected to serve the whole membership. All members have equal voting rights.

3. Member Economic Participation

Members contribute equitably to, and elected representatives direct, the capital of our cooperative. A portion of that capital is the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for developing their cooperative, setting up reserves, benefiting members in proportion to their participation, and supporting other activities approved by the membership. Members are encouraged to patronize and invest in the Co-op.

4. Autonomy and Independence

We are an autonomous, self-help organization governed by our members. If we enter into agreements with other organizations, including governments, or raise capital from external sources, we do so on terms that maintain our cooperative autonomy.

5. Education, Training, and Information

We provide education and training for our members, elected representatives, managers, and employees so they can contribute effectively to the development of our cooperative. We proactively inform the general public about the nature and benefits of cooperation.

6. Cooperation Among Cooperatives

We strengthen the co-op economy locally, regionally, nationally and internationally by working together.

7. Concern for Community

We support the sustainable development of our communities.

8. Concern for Ecosystems

Recognizing our dependence on the Earth's natural systems and resources, we respect animal habitats, human habitats, and the Earth's biological and physical equilibrium in the course of our activity as a cooperative.

9. Concern for Workers

We strive to provide purposeful, dignified employment and to encourage and enable worker participation in the governance and economic success of the Co-op.

10. Skilled Cooperative Management

Recognizing the need for organizational capacity, we rely upon effective management and accountable empowerment, filtering management decisions through the lens of the cooperative model. We seek opportunities to develop organizational skills and cooperative understanding for the benefit of our business and the cooperative movement.

11. Strategic Leadership

We are committed to cultivating leadership, accountability and trust at all levels. Leaders are tightly aligned on our principles and strategy, while demonstrating individual initiative and a bias for action. They seek diverse perspectives and work to challenge their assumptions.

12. Innovative Culture

We serve our members by fostering a culture of learning, continuous improvement and innovation, to ensure the continued relevance and success of the co-op. We strive to develop and implement new ideas for increasing value and relevance to members.

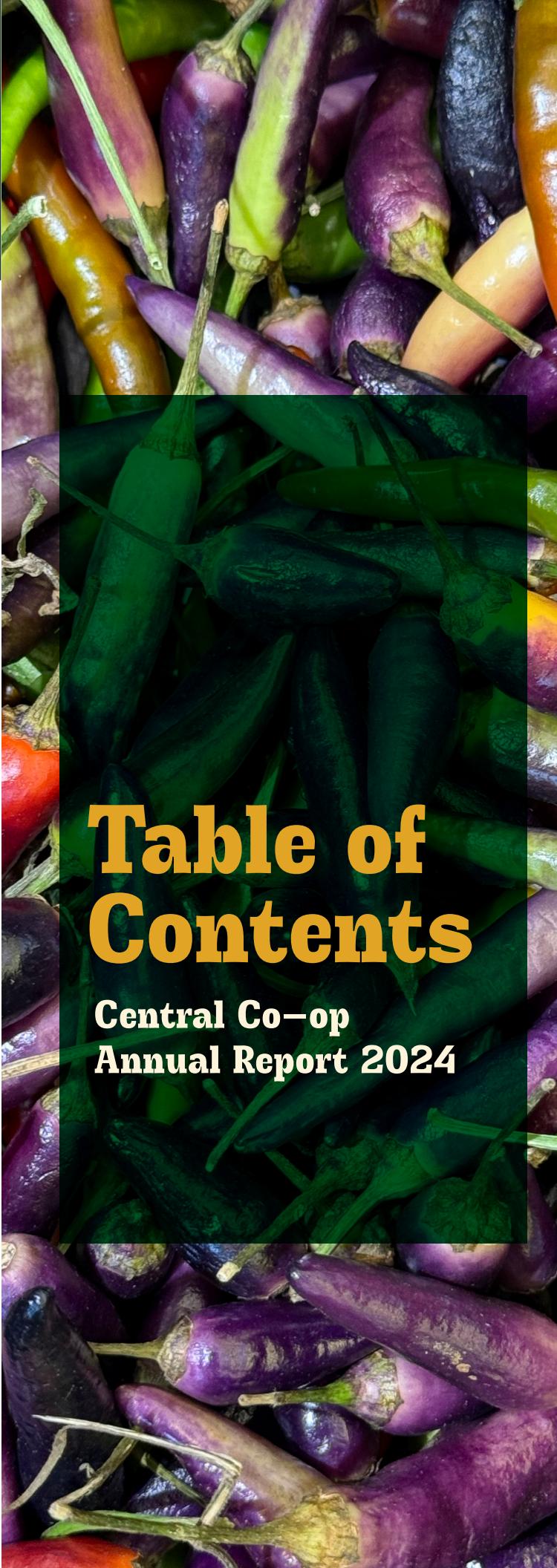


Table of Contents

Central Co-op
Annual Report 2024

Central Co-op's 12 Principles

- 2 CEO's Report**
- 4 Community Outreach**
- 6 Staff Engagement**
- 8 Distinguishing Ourselves
in the Marketplace**
 - Supporting Local Vendors & Producers*
 - Member Benefits*
- 10 Focus on Seattle**
- 11 Focus on Tacoma**
- 12 Financial Report**
- 13 Financial Summary**



CEO's Report

Ron Lawrence



Greetings, Central Co-op Members,

The 2024 year was the beginning of a recovery after several years of declining sales due to significant challenges including new competition in our Seattle market, a rapid increase in inflation, and two years of Madison Street Transit Line construction. During 2023, we focused on improving store conditions, strengthening our store management teams, providing more value options to customers, and adjusting our operating expenses to align with lower sales.

As a result of all those operational improvements, sales increased 4% in 2024 and our operating loss was reduced by \$375,000 to \$272,000. We have also experienced continued sales growth in 2025, which has resulted in an operating profit during the first six months of the year. As sales continue to grow, with our long-term debt full paid, we plan to increase our cash reserves and strengthen our financial position over the next few years.

Community Support

One of the important missions of the Co-op is to give back to our community. We continued three important programs that help address food insecurity in our community.

Through the City of Seattle's Fresh Bucks program, which started in 2022, eligible consumers were able to purchase over \$51,000 of fruits and vegetables from Central Co-op in 2024.

With Central Co-op's long standing Healthy Community Program, registered restricted-income shoppers saved over \$56,000 on purchases.

We've continued our partnership with Too Good to Go, which began in 2022. This year, we have saved over 3385 meals, and customers have saved over \$25,000.

Supporting Local Vendors and Producers

Our commitment to supporting small local vendors and producers remains unchanged. Through direct contact or buying through local farm incubator programs such as Puget Sound Food Hub we provide an opportunity for those firms to have their products in our store. In 2024, we added 22 new local vendors and producers -- seven in Seattle, and fifteen in Tacoma.

Our Employees

Our employees are the backbone of our business, and we thank them for all their hard work, dedication, and willingness to adapt to the challenges we have faced. In Seattle, 36% of our employees have been with the Co-op for more than 5 years. We provide our terrific staff with an employment package that includes wages and benefits among the highest in our market. We also empower our managers to engage with local vendors and farmers to discover new products so they can have an impact on the business.

Our Members

Without your support none of the things you are reading about in this annual report would be possible ... our staff, support for local vendors and farmers, and community outreach. Your loyalty has enabled us to continue to have a positive impact in our communities. Each time you shop at Central Coop you are supporting our mission, and we are focused on doing as much as possible to support our community.

Board of Trustees

Finally, I would like to thank your Board of Trustees who have been very supportive through all the challenges we have faced and provided their talent and shared vision to our management team.

Gratefully,
Ron



Community Outreach at Central



Despite lower sales and overall operating losses for the past few years, Central Co-op has continued our commitment to providing access to healthy food through partnering with and supporting organizations in food security, education, and social justice. We have also prioritized maintaining our own programs for restricted-income shoppers.

A sampling of our 2024 Community Partners

Busy Bee Food Pantry
Byrd Barr Food Bank
Community Alliance for Global Justice
Jewish Family Service
Jack & Jill Cooperative Preschool
Metro Parks Tacoma
Point Defiance Elementary
Point Defiance Parks
Point Defiance Zoo/Zoo Boo
Real Change Seattle
Sherman Elementary PTSA
Stevens Elementary
Skate Like a Girl
Young Women Empowered Seattle
YWCA of Pierce & Kitsap Co.
YMCA East Madison

Round Up at the Registers

When you, our members and shoppers, round up to the next even dollar on your shopping trip at Central Co-op, that money goes directly to mission-aligned local food banks and community organizations. Your small change adds up and makes a big impact!

Over the past three years, Round-Up donations have put \$51,000 back into our neighborhoods and communities in Seattle & Tacoma.

Healthy Community Program (Seattle & Tacoma)

Our Healthy Community Program offers an everyday 10% discount to restricted-income shoppers, significantly reducing barriers for shoppers to take advantage of that benefit.

In 2024, shoppers in the Healthy Community Program collectively saved over \$56,000 on their groceries. Over the past three years, nearly \$180,000 has been saved through HCP.

Interested in the Healthy Community Program? Learn more by asking your cashier next time you're in-store -- it's easy to sign up at both Seattle & Tacoma. Registration is only available in person.

Too Good to Go (Seattle & Tacoma)

Central Co-op also entered its third year of participating in Too Good To Go, an app that aims to reduce food waste and food disparity. The app facilitates selling food nearing the end of its shelf-life at a discount, to make sure as much food as possible is consumed and enjoyed.

Too Good To Go is currently working with the Meat departments in Seattle & Tacoma to offer a variety packs of our sustainably-sourced Meat & Seafood sold at a flat price (\$10 for \$30 worth of food) that shoppers can pick up in-store to eat same day, or soon thereafter. With every bag picked up using the Too Good To Go app, around 5.5lbs of CO2e is saved.

In 2024, 3384 meals were saved, with customers receiving around \$25,000 in discounts. Since the program began in April 2022, over 6600 meals have diverted from waste, with customers saving nearly \$80,000.

Fresh Bucks (Seattle only)

A partnership with the City of Seattle's Race and Social Justice Initiative, Fresh Bucks aims to eliminate racial disparities in access to healthy food among historically underserved communities. Every month, participants receive \$40 to purchase fruits & vegetables at participating retailers.

Central Co-op began offering Fresh Bucks in June 2022, and in 2024, participants received over \$51,000 in fresh produce. Since it began, nearly \$110,000 in fruits and vegetables have been purchased from Central using Fresh Bucks.

For more information about this program, including eligibility and how to enroll, visit www.seattlefreshbucks.org.



Staff Engagement at Central



Central Co-op's employee team is the backbone of our organization, and their commitment, hard work, and community-minded approach makes what we do possible.

We are stronger for our diversity and wide range of skills, and we are proud to offer our workers an exceptional range of benefits and opportunities.

Board Opportunities for Worker-Members

Central Co-op is one of only a handful of co-ops in the country to have dedicated seats for both Consumer-Members and Worker-Members on its Board of Directors and Nominating Committee.

Our Solidarity Co-op structure provides the unique opportunity for our workers -- at all levels -- to serve on our Board once they have made the choice to invest as Worker-Members. To qualify for Worker-Membership, employees must have worked for the Co-op for a full year, and invest a standard equity payment. To serve on the Board of Trustees, qualified Worker-Members must be elected or appointed in the same process as Consumer-Members.

This opportunity for workers to participate in high-level strategic conversations and visioning for the Co-op's future provides a unique angle to the worker experience, and a richer perspective and voice for our Board of Trustees as a whole.

Comprehensive & Accessible Employee Benefit Package

Central Co-op is a proud Union workplace, with the vast majority of our employees represented by UFCW 3000 in Seattle and UFCW 367 in Tacoma. All of our staff continue to earn above-industry-average wages and receive excellent benefits, which include:

100% Employer-paid Medical, Dental & Vision Coverage

Central Co-op covers all premium costs for all employees who work 28 hours or more per week. We also offer a cost-sharing structure for dependent children, spouse/domestic partners and part-time employees who regularly work more than 20 hours per week.

Additional Insurance Coverage

Short-term disability, long-term disability and life insurance are also 100% employer paid for all employees who regularly work 20 hours or more per week.

Expansive Paid Time Off Package

Central Co-op employees enjoy generous Paid Time Off (PTO) accrual rates that increase with years of service: full-time new hires receive 120 hours of PTO in their first year, while a full-time employee with five years of service receives 240 hours per year.

Employee Discount

All employees receive an everyday 20% discount on groceries purchased at Central Co-op.

Matching 401(k)

Central Co-op 100% matches 401(k)-retirement plan contributions up to 4%.

Training Opportunities

Central Co-op partners with National Cooperative Grocers (NCG) and other organizations to provide on-site, online, and conference-based learning resources on current trends and industry best-practices to employees.

Fostering Relationships

A cornerstone of Central Co-op's operations is an exceptional degree of autonomy that we grant to our individual store department management and buyers. We entrust them to build relationships with local vendors and suppliers and to make informed choices about the products their departments carry. This degree of freedom is uncommon in the grocery industry, and fosters authentic engagement between our staff, vendors, and the consumers who buy our products.



Central Co-op is proud to be a runway for newly emerging vendors, committed to caring for the body, community, and planet.

As part of our holistic approach to the partnership between shopper and vendor, we have continued to provide outstanding benefits and value for our Members.

Supporting Local Vendors & Producers

The past few years have magnified our understanding of, and response to, the needs and hardships continuing to be faced by small vendors and farmers. Taking on these small vendors gives them a toehold from which to grow, providing a vital lifeline for the survival of their businesses.

Central Co-op is often approached by small vendors who are rejected by other grocery chains and even co-ops for not being able to produce enough for multiple locations. During 2024, we added 22 local vendors in Seattle & Tacoma.

We are also proud to support local farm incubator programs, such as Viva Farms in Skagit Valley, which works with small & medium-sized farms to provide land, marketing, and distribution resources that assist in increasing the markets and sales available to small farmers who are just starting out.

Much of the stunning seasonal produce that you find on Central Co-op's shelves from small Skagit Valley and Whatcom County farms is thanks to cutting-edge programs like this.



New Vendor Spotlight

Plantbaby Seattle, 98144

Plantbaby was born out of a love of plants, plant diversity, and the concept of sustainability and the circular economy. We're on a mission to take the plant industry completely sustainable. Because, after all, if the plant industry can't be sustainable for our planet, what can? To that end, all our plants are peat-free and grown by local Seattle area growers. This is just our first step in moving towards a more sustainable plant economy in Seattle.

For more info, visit plantbaby.io

Steel Wheel Farm Fall City, 98024

Steel Wheel Farm is a small, first-generation family farm with one goal in mind: To improve the way in which produce is grown, harvested and distributed. Everything we do is guided by our mission of being quality-driven, environmentally friendly and stewards of the land. We believe that quality food begins with the farmer, and because of that, we provide only fresh, local and organically-grown items.

For more info, visit steelwheelfarm.com

The Pickled Chef Tacoma, 98022

Born and raised in Tacoma, Chef Mahogany Williams is a true Pacific Northwesterner. She completed training at the Seattle Academy of Culinary Arts in 2017 and went on to work closely with James Beard Award-winner Tamara Murphy at her principal Capitol Hill establishment, Terra Plata. Today, Chef Mahogany aims to blend the flavors of her travels with the homestyle cooking she grew up eating. Inspired by the soul food classics her mother and grandmother served, her philosophy centers on offering fresh, hand-crafted bites that reflect the changing tastes of her community.

For more info, visit thepickledchefnw.com

Member Benefits

As many of you already know, we proudly launched a new Member Benefits Program for our Consumer members in 2023. In 2024, members received over \$242,000 in discounts on purchases. Some highlights of the member benefits include:

Four Seasonal 10% Off Coupons

Take 10% off the shopping trip of your choice each season!

Case Discounts

Central Co-op Members save 10% on pre-ordered cases.

Wellness Wednesdays

Members save 10% on supplements and body care products every Wednesday

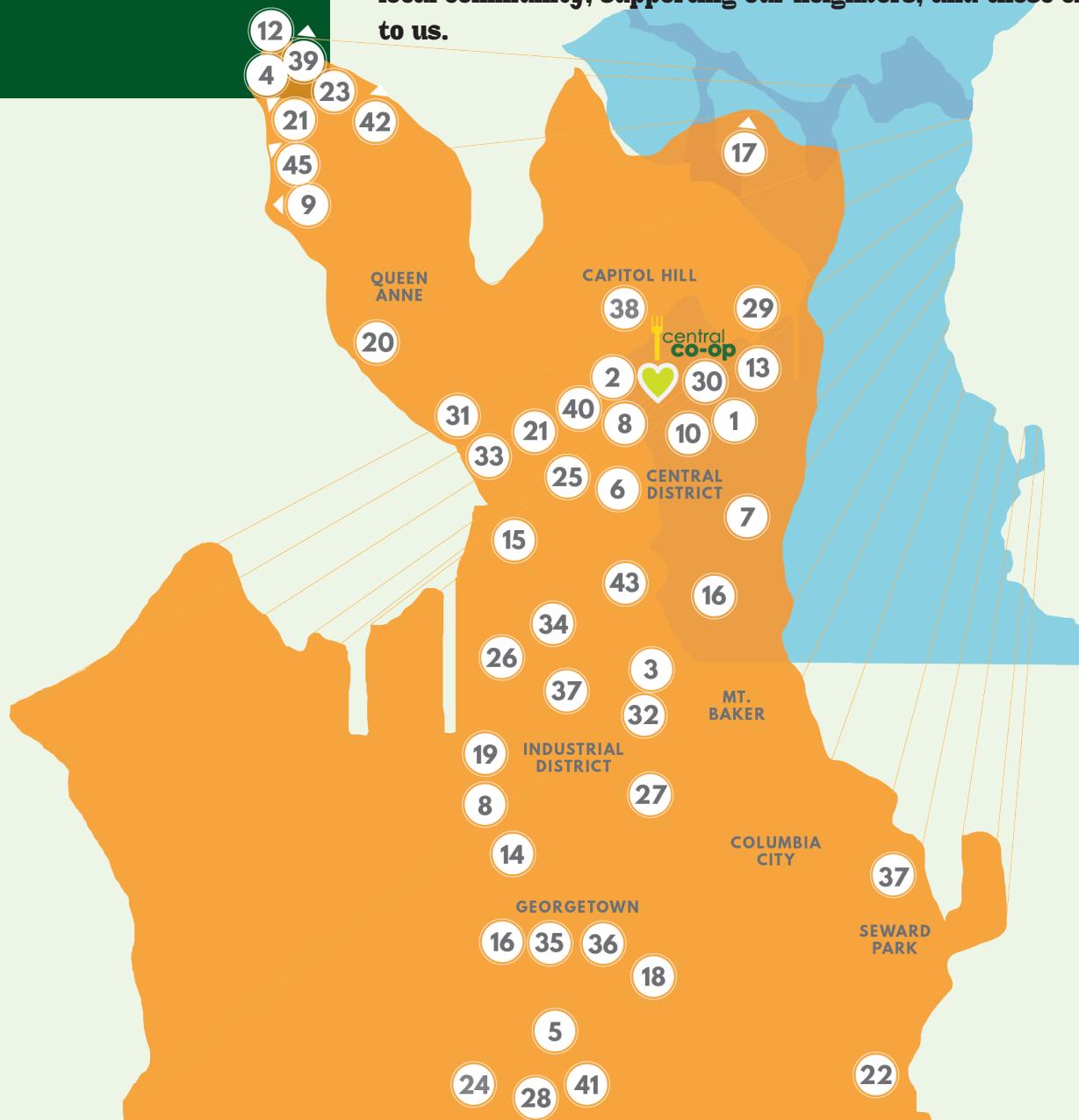
Bulk 15

Members save 15% on bulk foods on the 15th of every month.

Focus on Seattle

New Members in 2024: 394
Total Seattle Members: 13900

In Seattle, we recognize the impact of centering producers and partners from our local regions of the Puget Sound, Washington State, and the Pacific Northwest, but even more so, our hyper-local community right here in Central-South Seattle. This map highlights local producers & distributors that we support through carrying their products in-store. Central Co-op is committed to keeping money in our (very) local community, supporting our neighbors, and those closest to us.



(Super) Local Producers & Distributors We Support

1 ARCHAIC APOTHECARY	15 ESTRELLA SOAP	29 NATURAL STACKS	42 URBAN FAMILY BREWING
2 BENJI'S PEACH COBBLER	16 FARMSTAND LOCAL FOODS	30 NOWHERE FOODS	43 ULI'S SAUSAGE
3 BIANCO-ROSSO	17 FOODS WITH ROOTS	31 ONE FOR NEPTUNE	44 VINEA IMPORTS
4 BIZARRE BREWING	18 FRAN'S CHOCOLATES	32 R&K FOODS	45 WHITE WOLF FOODS
5 BIG DIPPER WAX WORKS	19 GRAND CENTRAL BAKERY	33 RACHEL'S GINGER BEER	
6 BOON BOONA COFFEE	20 GREENWOOD CIDER	34 SALMONBERRY GOODS	
7 BROADCAST COFFEE	21 HAITI COFFEE	35 SEATTLE EXPRESS WHOLESALE FLORIST	
8 CAFFE VITA	22 HAXAN HOT SAUCE	36 SEATTLE WHOLESALE GROWERS MKT.	
9 CAKE FOR BREAKFAST	23 LADRO ROASTING	37 SPECIALITY BOTTLE	
10 COMMUNITEA KOMBUCHA	24 LOKI FISH COMPANY	38 STAMP ACT COFFEE	
11 CORFINI MEATS	25 LONG WAY FARM	39 TALL GRASS BAKERY	
12 CULTURE SHOCK	26 MACRINA BAKERY	40 THE JUICY CAFE	
13 EMERALD TOUCH	27 MICGROW FARMS	41 TIMBER CITY GINGER BEER	
14 ESSENTIAL BAKING	28 MIDDLE FORK ROASTERS		

Focus on Tacoma

New Members in 2024: 315

Total Tacoma Members: 5519

In the five years since the store opened, we have added many producers and partners in the South Sound area. The map highlights a number of those neighbors that we support.

We continue to build our membership and store sales with well over 5500 members based in Tacoma.



South Sound Producers & Distributors We Support

1 7 SEAS BREWERY	12 THE EGG LADY	23 MR. TEXAS
2 ADAM'S MUSHROOMS	13 E9 BREWING	24 NORTHBEST NATURAL PRODUCTS
3 AMBROSIA SELECTIONS	14 FOUR ELEMENTS FARM	25 OLYMPIA COFFEE
4 BABY CHAV'S	15 HILLSIDE QUICKIE	26 OLYMPIC EAGLE
5 BLOSSOM COFFEE ROASTERS	16 ISLAND COFFEE	27 THE PICKLED CHEF
6 BLUEBEARD COFFEE ROASTERS	17 LEFT FOOT FARM	28 A SMALL SPECIALTY
7 CAMPFIRE COFFEE	18 LIVING LOTUS GREENS	29 SWEET ALYSSUM FARM
8 CHAMBERS BAY DISTRIBUTING	19 MAGICAL MICROGREENS	30 TAYLOR'S HONEY FARM
9 CIVIC ROASTERS	20 MANIFESTO COFFEE	31 VALHALLA COFFEE ROASTERS
10 DAN CASEY CARDS	21 MIKE'S FINE BRINES	32 WASHINGTON FLORAL
11 DUDE'S DONUTS	22 MOUNTAIN MIST	33 WISER WORM FARMS

Financial Report

Ron Lawrence



Fiscal Year 2024 was the beginning of a recovery from several years of declining sales due to significant challenges, including new competition, in our Seattle market; a rapid increase in inflation; and two years of Madison Street Transit Line construction. As a result of our emphases during 2023 to improve store conditions and customer service, strengthening our store management teams, and providing more value options to customers, sales in 2024 increased in both of our stores.

Sales were \$20,275,000 in 2024, an increase of \$810,000 (4%) over 2023 with increases in both Seattle (3%) and Tacoma (7%). With careful management of our gross margins and operating expenses, the operating loss was reduced from \$647,000 in 2023 to \$272,000 this year, a \$375,000 improvement.

We continue our efforts to improve the long-term viability of our Co-op by remaining competitive in our existing markets, leveraging our administrative resources, supporting local vendors and farmers, providing above-average compensation to our employees, and supporting our local communities.

Since the end of 2024, sales growth has continued and we have achieved a small operating profit through the first half of fiscal year 2025. This is the first time in several years we have turned a profit, and our financial position continues to improve and stabilize.

With the loss of \$175k for the year, the Board of Trustees did not declare a patronage dividend in 2024.

Your loyalty has enabled us to retain our footing and continue to have a positive impact on your Capitol Hill and Tacoma communities. In 2024, members received over \$242,000 in discounts on purchases through our Member Benefit programs.

Financial Summary 2024

	YEAR 2024	YEAR 2023
ASSETS, LIABILITIES, & EQUITY		
CURRENT ASSETS	\$1,529,000	\$1,609,000
PROPERTY & EQUIPMENT	1,133,000	1,334,000
LEASE RIGHT OF USE ASSET	3,884,000	4,336,000
OTHER ASSETS	1,565,000	1,520,000
TOTAL ASSETS	\$8,111,000	\$8,799,000
CURRENT LIABILITIES	\$2,627,000	\$2,523,000
LONG-TERM DEBT	30,000	62,000
OPERATING LEASE LIABILITY	3,460,000	3,899,000
EQUITY	1,994,000	2,315,000
TOTAL LIABILITIES & EQUITY	\$8,111,000	\$8,799,000
OPERATING RESULTS	2024	2023
SALES	\$20,275,000	\$19,465,000
GROSS PROFIT	7,162,000	6,685,000
OPERATING EXPENSES	7,434,000	7,332,000
OPERATING (LOSS)	(\$272,000)	(\$647,000)
NET (LOSS)	(\$175,000)	(\$453,000)

Note: In 2022, the Co-op adopted the Accounting Standard Update (ASU) 2016-02, Leases (Topic 842), which requires lessees to recognize assets and liabilities for leases currently classified as operating leases. As a result, the balance sheet now reflects a right of use asset and corresponding liability.