

June 17, 2026 - People's Food Co-op Board of Directors Minutes

Board Attendance: Jane Dixon, Susan Randall, Bobbi Coluni, Betsy Williams, Kelly Finnigan

Absent: Kate Krauss, Jaime Magiera

Guests: John Fieldstorm from NCG; Lee Herman, member

Staff Attendance: Clay Briegel, Ken Davis

Meeting called to order by President Jane Dixon Via Zoom at 6:30 p.m.

	Mission <i>The People's Food Co-op of Ann Arbor provides our community with accessible, sustainable, local food and household products as an economically just, member-owned business.</i>				
	Board of Directors Meeting Agenda				
	Wednesday, June 17, 2026, 6:30pm - 8:30 pm - Via Zoom Meeting ID: 844 3872 0433				
Item	Item Title	POLICY	WHO ?	ACTION	MAT'LS
A	Agenda Review	G.4.1d/G.7.4	Board	Alignment	A1
B	Member Comments (10 minute maximum)	G.9	Attendees	Listen	None
C	Consent Agenda: June Minutes; Absences; NCG Report; Board Apt announce; GM Report; Finance report	G.7.7, By-laws 6.2	Board	Approve	C1, C2, C3, C4
D	Co-op Performance and Profit Growth, Performance Metrics and Financial Review, Sales Growth and Financial Planning, NCG Impact Survey Discussion				D1,D2,D3,D4
E	Appointment of Lee Herman to open board seat – 2 yr. term Appointed Treasure	By-law 5.9	Board	Motion	E1
F	President's Report/Announcements		All	Info share	F1, F2, F3, F4
G	GM's Report	G.2.2, M.4	GM	Q/A	G1, G2
H	Ends Reporting	G.2.2, M.4	GM, Board	Q/A, Review and approve	H1
I	Board Calendar	G.6	Jane; All	Review and approve	See General Calendar tab

Approved by Board - July 15, 2026

J	Committee Assignments	G.5	All	Assign	See Committees tab
K	2025 Financial Review	By-law 11.2	Jane; All	Motion to Accept with Conditions	K1, K2
L	Task List Review/Future Meeting Date	Board	Admin Asst	Set	Task List
N	Adjournment	Board	Board	Adjourn	None

Agenda: Susan moved to approve the agenda as distributed; Kelly seconded. Motion carried unanimously.

A. No members present for comment.

B. Consent Agenda: Jane called for approval of the May Board minutes and excused absences at May meeting. Susan moved to approve; Kelly seconded. No discussion. Motion carried unanimously.

C. Co-op Performance and Profit Growth

John Fieldstrom from National Co-op Grocers presented the 2025 Annual Co-op Performance Report, highlighting that People's Food Co-op Ann Arbor achieved its first quarterly operational and net profit in about 12-13 years during Q1 2026, despite struggling sales growth. He explained that while the median co-op achieved 2.6% growth and the 75th percentile achieved 3.1% growth, Ann Arbor's performance was notable given national headwinds including inflation and competition from discount retailers. John attributed the success to operational improvements rather than sales growth, noting that grocery stores typically aim for 1-3% net profit margins.

D2. Performance Metrics and Financial Review

John explained the performance metrics, clarifying that typical performers represent the 50th percentile while top performers represent the 75th percentile, and noted that sales figures vary significantly based on store size. He highlighted that Ann Arbor's recent profit was primarily driven by improved personnel efficiency and labor management under Clay's leadership. John also reviewed balance sheet trends, explaining that while equity growth had been declining for several years, recent improvements suggest the store may be reaching a turning point, with cash stabilizing at around \$100,000 and efforts underway to manage accounts payable more effectively.

D3. Sales Growth and Financial Planning

John discussed plans to stabilize and grow sales through a new marketing lead position and improve store gross margins, which would help achieve consistent profitability and increase equity ratios. Lee inquired about access to financial data as a potential board treasurer, and John confirmed that Lee would have access to comparative financial metrics and suggested Clay could provide additional data or analysis. Betsy raised questions about measuring ethical business practices and employee benefits, to which John

responded that NCG tracks co-op impact metrics including local sourcing, sustainability, and employee benefits through surveys, and recommended implementing regular employee surveys at PFC.

D4. NCG Impact Survey Discussion

John discussed the NCG impact survey, explaining that while it's technically required for co-ops to participate, PFC's specific survey data submission status was unclear. He noted that Ann Arbor's marketing spending was 0.6% of sales in Q1, which falls within the recommended range of 0.5-1.5% for struggling co-ops. The group also reviewed the NCG Co-op Performance Report, though John clarified it focused more on financial metrics rather than impact measures.

- D. Board Appointment. Jane thanked Lee Herman for his application statement and willingness to serve in an open position on the Board. **Motion: Susan moved to appoint Lee to the two-year open seat; Besty seconded. The motion carried.**

Kelly moved to elect Lee Herman to the open position of treasurer. Bobbi seconded. The motion carried unanimously.

- E. President / Announcements. Jane acknowledged Dan Gannon's resignation from the board since he was applying for employment at PFC. He expressed intention to continue to coordinate the Sculpture Plaza Gardeners and possible reappointment to the Board in the future. The board agreed to address the vacant secretary position at their July meeting.
- F2. The board also reviewed a letter from Justin Yono, owner of Natural Food Patch, who reached out to discuss potential strategic partnerships or other opportunities. The board determined no further response was needed.
- F3. Susan reported on receiving a \$5,000 Ladder Up grant and mentioned plans to share insights from six technical training sessions with the GM.
- F. GM Report. Clay provided a comprehensive GM report covering financial metrics, equipment issues, and staffing updates. He reported that accounts payable days were at 32 and cash on hand at 11 days, with 6 new members, 3 reinvested, and 2 refunds in April. A significant equipment issue was resolved when two rusted water heaters in the old cheese room were removed for \$1,200 after multiple plumbers were contacted due to shortage of trades. Clay announced the hiring of Ken for a board administrative position and offered the marketing position to Boyce Jensen, who will start July 1st working 20 hours per week with a 90-day probationary period. The co-op implemented a new cybersecurity program through NCG and Cyber Advisors, and Nourish will stop operations while Juicy Kitchen plans to return in mid-July with an expanded product line. Clay also discussed a potential collaboration with University of Michigan business students through Propel Impact Counseling Group for marketing support.

Financial Reporting. GM presented the financial report showing April sales of \$332,000 with a gross profit of 36.48%, which was a two-point improvement from March but still below target. The store lost \$427 in net earnings due to high services costs including \$8,800 for the Wagner review and \$1,800 for Simply Voting. GM also reviewed the ENDS report highlighting the co-op's support of local food systems, environmental sustainability efforts, ethical business practices including union status and health insurance, and community building initiatives including a monthly register roundup program that raises \$1,000-1,300 monthly.

- G. Ends Reporting - GM Clay referenced his Ends written report and noted several additional ways PFC accomplishes its ends:
- Supporting local food systems: PFC carries several more local farmers and vendors than those noted;
 - Ethical business practices: work with vendors who share PFC values and are mission-driven, such as Fair Trade products; employees are union represented and receive health insurance and other benefits, along side fair wages;
 - Community building: neighborhood engagement activities and soon-to-be-launched staff paid-time-off to volunteer at local non-profits;
 - Co-operative principles: collaboration with other co-ops is deep in the organization and expanding.

The board requested incorporating measurable impact metrics into future ENDS reporting. Susan noted that the written Ends report's opening statement departs from the Board-approved language: *everyone in the community, regardless of economic circumstances, will have physical and cultural access to a grocer that embodies these values*. A request that future Ends reporting comport with the Board-approved Ends language and a suggestion that specific metrics like SNAP transactions and Double Up Food Bucks usage be provided as evidence. **MOTION: Susan moved to approve the report. Betsy seconded. Motion carried.**

Board Annual Calendar. The Board reviewed and edited in real time Jane's proposed annual calendar. **MOTION: Bobbi moved to approve the revised calendar (see Agenda tab "General Calendar '26-'27"; Lee seconded. Motion carried.**

- H. Committee Assignments. Jane reviewed the Board Committee roster and suggested appointments, based upon input she received from various board members. .

Ad Hoc Committee Establishment. **MOTION: Lee moved to establish a new ad hoc committee for By-laws and policy review with a focus upon policy sections—governance process, board general manager linkage, and owner responsibilities. Susan seconded. The motion passed unanimously.** Lee, Susan and Betsy volunteered to serve on the Ad Hoc committee.

Following further edits in real time to the Committee tab, Betsy moved to approve the Committee appointments. Kelly seconded. Motion carried unanimously.

K. 2025 Financial Review. The board discussed CPA firm Wegner's draft 2025 financial review. Jane proposed revised language for Note 11 - Going Concern (see Board packet item K2). **MOTION: Susan moved to accept the 2025 Financial Review with inclusion of PFC's Note 11 language; Lee seconded. The motion carried unanimously.**

Susan requested that all board members receive an electronic copy once finalized.

Susan moved to adjourn the meeting, seconded by Betsy . Motion carried. Meeting adjourned at 9:15pm.

Minutes recorded by Administrative Assistant Ken Davis.