



PEOPLE'S FOOD CO-OP
NATURAL FOODS MARKET



FOOD FOR THOUGHT

Newsletter of the PFC Board

September 2026

THE BOTTOM LINE

By Clay Briegel, General Manager



Howdy folks,

The Co-op got off to a great start in 2026. The first quarter of the year marked our first profitable quarter in well over a decade. Our Co-op showed a net operating income of \$54. This may not seem like much (because it isn't), but when you consider that during the same quarter in 2025 we lost \$69,712, and in 2024 we lost \$116,256, you can see it's kind of a big deal.

To celebrate this achievement, I bought a trophy for the staff. We had to put the trophy somewhere, so we created a trophy shelf. It's currently a bit bare, but we're working hard to fill it up. Maybe one day we can all sit around and look at our accomplishments! Making a profit by such a narrow margin presented a wonderful opportunity to discuss the how and why of profit. At our quarterly staff meeting, we had a great conversation about all the little things we do every day that impact profitability. We talked about how just a couple of small mistakes during the first three months of

the year would have put us in the red. We also looked at it from the other side and discussed the little things we did that allow us to be profitable.

As a cooperative, we don't measure success by profit alone. Yes, we have to keep the lights on, but profit isn't the goal. Profit just allows us to work toward our goals. Or, in our case, the Ends Policy. As one staff member pointed out during our meeting, "That was a lot of work to make \$54." Yes, it was. But look at what else we did. We offered healthy food options to our community. We all had jobs! We supported local businesses. We raised money for local charities. We offered a place for friends to meet. We did a heck of a lot more than make \$54.

Maintaining profitability will be a real challenge in the third quarter. Our sales drop substantially during the summer when many people leave Ann Arbor. It's nearly impossible for us to be profitable during June and July. Come August, it goes from nearly impossible to plain-old difficult. Yeah, it'll be hard. That's fine. We're staffed with people who are really good at doing hard things.

Thank you for being part of our Co-op.
Local, Ethical, Together.

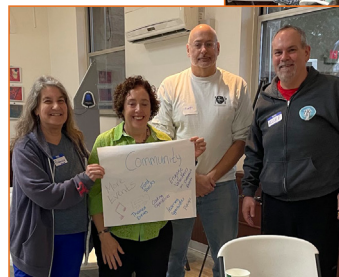
SUMMARY OF PFC'S ANNUAL MEETING APRIL 16, 2026

By Susan Randall, Board Member

PFC marked 2025 as a year of leadership transition and meaningful steps toward a financial and organizational turnaround. The year began with Interim General Manager Chris Morris guiding the Co-op while a search for new leadership was underway, culminating in the appointment of Clay Briegel as General Manager in April. The Board also launched a Working Capital Campaign that raised \$103,000 from more than 50 members, providing critical support for the leadership transition, store improvements, marketing research, training, consulting, and cash reserves. Board members also engaged the community through focus groups, surveys, and in-store feedback as they worked toward updating the Co-op's Ends statement.

Financially, PFC continued to face challenges but showed significant improvement over the previous year.

The Co-op ended 2025 with a net loss of \$113,963, substantially lower than the \$285,440 loss reported in 2024. Losses narrowed throughout the year, with the fourth-quarter loss reduced by two-thirds from the fourth quarter of 2024. Operating expenses also declined as a percentage of sales, and the Co-op ended the year with approximately \$92,400



in cash and cash equivalents while reducing accounts payable. Although profitability was not achieved, multiple profitable months and improving quarterly results suggest that operational changes are beginning to create a turnaround.

Continue on pg. 4

AROUND THE NEIGHBORHOOD: CHANGES & OPPORTUNITIES

By Bobbi Coluni, Board Member



As you shop at the Co-op and walk through the Kerrytown district, the cranes and construction barriers are prominent signs of the ongoing effort to increase housing supply in downtown Ann Arbor. Our Co-op neighborhood is in the midst of a major transition. While opinions on densification as laid out in Ann Arbor's Comprehensive Land Use Plan are mixed, more downtown residents could create some great opportunities for the People's Food Co-op.

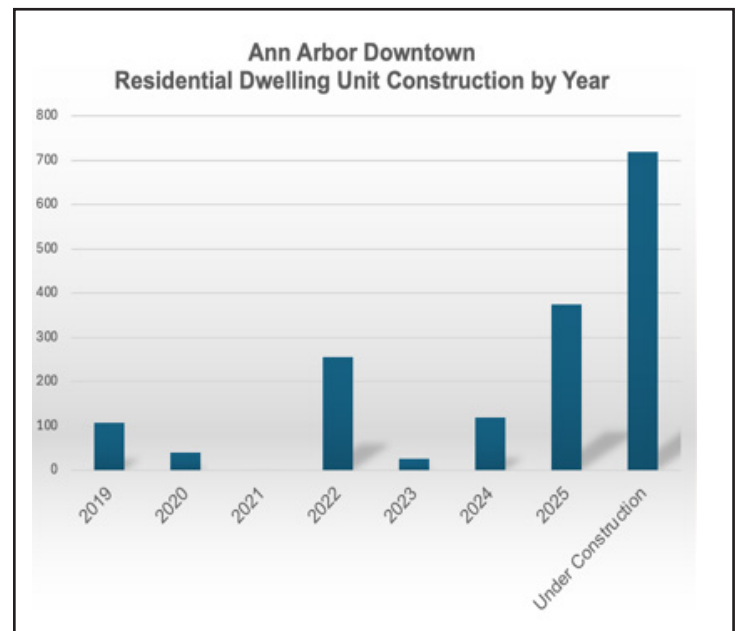
Growth in downtown housing construction is proceeding at a rapid clip. Currently, there are 4,516 multi-family or student housing dwellings within downtown Ann Arbor (using the Downtown Development Authority's boundaries). In 2025, there was a 9% year over year increase in downtown housing. Given new projects either being planned or in development in 2026, this growth rate may increase even more in future years.

For many downtown dwellers, having convenient, walkable access to stores to purchase groceries and other essentials is an important part of living in a vibrant urban neighborhood. Indeed, one of the City of Ann Arbor's goals is to promote "complete neighborhoods" where residents can meet their basic needs without having access to a car. Many of our city's goals in encouraging more downtown residents align with our aims at PFC of creating local community, promoting sustainability and equity. The Co-op is a full service grocery store providing fresh, local sustainable food and is located downtown. This is a great competitive advantage and is aligned with downtown residents' needs and the city's stated goals.

As we discussed in our PFC Annual Meeting last April, we have a critical goal to increase our sales. Our GM and staff have done an

excellent job managing operational costs, but we ultimately need higher sales for ongoing fiscal sustainability. Serving new downtown residents provides a real opportunity. If 20% of the new downtown residents become PFC shoppers or members, this could boost sales meaningfully. To this end, we are working to raise visibility about the Co-op with new residents. For example, when Dunbar Towers opened, we delivered gift bags to new residents with goodies and discount coupons to encourage them to visit PFC.

Given both the PFC's current financial realities and the ongoing investments in downtown Ann Arbor, the PFC Board has been assessing strategic options over the past nine months. Would it be better to move the Co-op to another downtown location with more space and foot traffic to improve sales? Would making some major investments in our current PFC store



New Housing in the PFC Neighborhood

DEVELOPMENT	DWELLINGS
Dunbar Towers (121 E Catherine)	63 units
Braun Court	36 condos
Market Place (303 Detroit)	18 condos
330 Detroit Street (triangle)	15 condos
Projects In Planning:	
350 S Fifth St (Former 'Y')	330 units
390 S Ashley (Former Klines Lot)	450 units
LIVE building (W Huron/S 1 st)	280 units

* Data From AA Downtown Development Authority



to improve the shopping experience, expand offerings and reduce operational costs have a good return? This strategic analysis quickly highlighted the importance of improving the Co-op's current fiscal health before taking on additional debt. At this point, the investments made to relocate or make major changes to the existing store would not be justified by the return. This strategic evaluation helped highlight the importance of taking actions that will drive an increase in shoppers and grow our sales.

AS A PFC MEMBER, HOW CAN YOU HELP?

- 1. Be a Co-op Advocate.** Share why you shop at the Co-op. Spread the good word about why the PFC is not just another place to buy groceries – be vocal about what you love and value about it. We have a new marketing director, Boyce Jensen who is improving our digital presence. Share your perspective about PFC on your social channels – both analog and digital!
- 2. Share Your Ideas.** As a member-owner, what are your ideas about how we could expand our sales? Are there creative approaches you've seen used elsewhere that we ought to pursue? Are there small investments in the store experience that would have big impact?
- 3. Participate in Outreach Efforts.** As we work to raise the visibility of the Co-op with new residents (and old!), there will be new opportunities to participate in community outreach efforts. We welcome your ideas and engagement.

Come join us! Let us know that you are in by sending your ideas or interest in participating here. outreach@peoplesfood.coop



Change for our Community gives PFC shoppers the opportunity to donate to local organizations every time they shop by rounding up. This is one of the ways we support Community Building. Every month we feature a different organization and they get 100% of all donations collected. In 2025, PFC's Change for our Community program raised close to \$15,000 for 12 local organizations. Here is a list of the agencies we partnered with last year:

January	Humane Society of Huron Valley	\$1,356
February	Hands-On Museum	\$1,187
March	The Ark	\$1,333
April	Washtenaw County Alano Club	\$1,089
May	People's Food Co-op.....	\$1,522
June	Corner Health Center	\$1,163
July	Jim Toy Community Center	\$1,041
August	The Guild of Artists & Artisans / Gutman Gallery	\$918
September	Home of New Vision	\$1,105
October	Habitat for Humanity of Huron Valley	\$1,230
November	Shelter Association of Washtenaw County	\$1,202
December	FedUp Ministries	\$1,502

PFC strives to partner with organizations that share our commitment to the health, well being, sustainability and education of our community. Let us know if you have a suggestion for an organization we should consider supporting in the future. *Thank you for helping to foster Change in our Community!*

People's Food Co-op BOARD OF DIRECTORS



JANE DIXON
PRESIDENT
TERM EXPIRES 2027
PRESIDENT@PEOPLESFOOD.COOP



MICHAEL FINNIGAN
VICE PRESIDENT
TERM EXPIRES 2028
VICEPRESIDENT@PEOPLESFOOD.COOP



LEE HERMAN
TREASURER
TERM EXPIRES 2028
TREASURER@PEOPLESFOOD.COOP



SUSAN RANDALL
SECRETARY
TERM EXPIRES 2029
SRANDALL@PEOPLESFOOD.COOP



KATE KRAUSS
DIRECTOR
TERM EXPIRES 2027
KKRAUSS@PEOPLESFOOD.COOP



JAIME MAGIERA
DIRECTOR
TERM EXPIRES 2028
JMAGIERA@PEOPLESFOOD.COOP



BETSY WILLIAMS
DIRECTOR
TERM EXPIRES 2029
BWILLIAMS@PEOPLESFOOD.COOP



BOBBI COLUNI
DIRECTOR
TERM EXPIRES 2027
BCOLUNI@PEOPLESFOOD.COOP

ABOUT: The Board of Directors are elected by PFC members to represent them in setting policy and ensure the financial well-being of the Co-op.

Member-owners are encouraged to participate in the Co-op's decision-making process and to attend monthly board meetings. Time is set aside for public comments at the start of each meeting. Have a topic you would like the board to consider? The deadline for member requested agenda items is two weeks before the scheduled meeting. Contact president@peoplesfood.coop for more information.

NEXT BOARD MEETING:
Wednesday, September 16th from 6:30PM to 8PM. on Zoom. See the website under "Board News" for a link to the Zoom connection.

AISLE CHATTER: BRIEF MOMENTS WITH MEMBERS

Name: Betsy Williams

Co-op Member Since: 1990



What You'll Find in My Cart: My basics include bulk granola/nuts/grains, local greens, Calders milk, a ripe avocado, and the ingredients for a new recipe I want to try. I also grab something for the nights I don't have time to cook (frozen pizza, Amys' soup, or Mac and Cheese from Harvest Kitchen!).

Why I Love the Co-op: As a Kerrytown resident for over three decades, I am lucky to call the Co-op my neighbor. It is not just a place that has fed my family over the years but a place that feels like family - a third space where I go to converse with others and connect with the community.

What Excites Me Most About Serving on the Board: I am excited to give something back to a place that has been the source for healthy food and community health for so many. I want to help assure this opportunity is available to more people for many years to come through active engagement with our members, welcoming new members, and strengthening our alignment with community partners.

Name: Bobbi Coluni

Co-op Member Since: 1985



What You'll Find in My Cart: Coffee, Harvest Kitchen granola, yogurt, bread, rice, chickpeas, lentils, and whatever produce gets me thinking creatively about what to make for dinner. Oh, and lots of cumin.

Why I Love the Co-op: My family lives in the Water Hill neighborhood and the Co-op is our closest grocery store. One of my favorite Saturday rituals is to ride my bike up to the Farmer's Market and the Co-op to shop. I value being able to support our local food system and feel connected to my community when I shop at the Co-op.

What Excites Me Most About Serving on the Board: I want to ensure the organizations that make Ann Arbor a wonderful place to live are sustainable for the long-term. Downtown Ann Arbor is in a state of transformation with new downtown housing being built just blocks from the Co-op. I see a great opportunity for the Co-op to expand our customer base and sales by serving new residents who will benefit from the convenience of shopping at a downtown grocery store. I am excited to contribute to making these connections.

Name: Lee Herman

Co-op Member Since: 2021



What You'll Find in My Cart: Fresh and frozen veggies, olives, sliced ham, eggs, cottage cheese, ground beef, and lots of other things.

Why I Love the Co-op: The cooperative model is the best one for a community-focused business because ownership comes from the community. I can find foods I need and keep my money local.

What Excites Me Most About Serving on the Board: With dedicated long-time and new Board members, an energetic General Manager, and hardworking staff, the Co-op is poised to grow and prosper as downtown Ann Arbor changes with denser and more urban population. It's an exciting time to help the Co-op move forward.

continued from pg. 1



Looking ahead, the Co-op continues to explore ways to strengthen sales, deepen community connections, and create a more sustainable future. GM Clay highlighted an increased emphasis on local vendors, environmental initiatives such as minimal and compostable packaging, and collaboration within the cooperative community. The Board is also carefully considering PFC's future location and building needs: favorable lease terms were negotiated in July, while a Facility Future Committee was established to evaluate a variety of options with the support of market research and financial modeling. Members offered ideas for increasing sales and outreach, including connecting with new housing developments, expanding member engagement, and reconsidering how the store presents itself to potential shoppers.

In addition, results of the recent board elections were revealed at the Annual Meeting. Members Susan Randall and Dan Gannon were reelected, while long-time member Betsy Williams was voted onto the Board for the first time. All will serve 3-year terms.

The meeting ended with an interactive activity for members in attendance. Members engaged in small-group discussions, sharing priorities for the Co-op's location and facilities and PFC's Ends Policy. Throughout the meeting, appreciation was expressed for the staff, volunteers, and member-owners whose commitment has helped sustain the Co-op through a challenging period. As PFC enters its 55th year, its leadership remains focused on strengthening the organization while preserving its role as Ann Arbor's only locally owned, democratically governed grocery store.

PFC Mission Statement:

"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."