



Finance Committee Meeting Minutes November 16, 2022

Zoom

Present at meeting

Finance Committee: Humnath Panta (Treasurer), Kirsten Lindquist (President - Employee Director), Thomas Wehland (Secretary - Employee Director), Brenda Harper (Vice President), Laura Jones (Director), Michael Connors (Director), Chris Copple (Member at Large), James Kloor (Member at Large), Diane Sharples (Member at Large)

Staff: Emily Walter, Sean Nolan, Barney Doyle

Members:

1. Welcome

Meeting started at 6:03pm by Humnath. Introductions were made.

2. How to Read Financial Statements – presented by James

James gave a PowerPoint presentation to the committee about the basics of reading a financial statement.

- Everyone appreciated James' presentation.
- Humnath – I'd like to make sure that we continue to pay close attention to the Co-ops financials, but also comparing to other companies of similar size.

ACTION: Barney will produce a way to compare benchmarks quarterly

3. FY23 Second Quarter Financial Review – reported by Barney

Gross Net sales was down, due to renovations and some downturn in overall sales. The budget does not take into account for the renovation. We estimated that sales could have been worse during the renovations, so we are pleased they weren't worse case scenario. Health care cost benefits are higher than budgeted. Payroll is higher than budgeted due to union negotiations, backpay to employees and hourly increases.

The committee discussed insurance plan options. The Co-op currently uses a self-insured policy which doesn't allow for control of costs or an ability to budget concisely for costs.

- Humnath - health costs are increasing and the US economy is changing. What can the Co-op do to remain strong?
- Barney - I talked with the IRS this week about our Employee Retention Credit and expect to either receive a check or a letter from them in the next 30 days.
- Sean - Since the grand re-opening sales have been up, which is what we were hoping.

<p>Recommendation to the Board: Accept the FY23 Q2 Financials as presented. Motion by James, 2nd from Diane, motion passes (9/0/0).</p>

4. FY23 Fourth Quarter C Share Dividend Rate

- Kirsten – the current 2.5% rate has been in place for at least a year at this point. We aren't currently selling C shares. I don't think we should call attention to C shares or change the rate.
- Diane – I would like information about any agenda item with an action item.

ACTION: Emily will put something together about C share dividends/history.

The committee took no action, and the C share remains at the rate of 2.5%.

5. Member Comment on Reports

None

6. Set Future FC Meeting Date and Agenda Items

Next Quarterly Finance Committee Mtg. – Thursday, February 23 at 6pm

Agenda items:

- FY23 third quarter financials
- Approve FY24 first quarter C share dividend

7. Meeting Adjourns

Consensus reached to adjourn the November 16, 2022, meeting at 7:27pm.

Minutes submitted by Emily Walter