



Finance Committee Meeting Minutes

February 10, 2026

Zoom

Present at meeting

Finance Committee: Mike Connors (Treasurer), Chris Copple (Member at Large), Diane Sharples (Member at Large), James Kloor (Member at Large), Elizabeth (Lizzy) Gahm

Board Members: Hayley Simera, Jon Haumeder, George WinterSun

Staff: Emily Walter, Sean Nolan, Barney Doyle

Members:

1. **Welcome. Introductions. Agenda Review.**

The meeting was called to order at 6:00 by Mike and introductions were made.

2. **Approve January 2026 Finance Committee Minutes**

Approved by consensus.

3. **FY26 Q3 Finance Review** – reported by Barney

We continue to see member equity slowly dropping. Health care costs are maintaining under budget. G&A was over budget by about \$140k with some unexpected costs. Net profit is \$105k.

- Sean – The G&A was due to several unexpected costs: We had a big roof leak in Arcata that was fixed. The water heater in Eureka needed to be replaced. The HVAC system in Arcata failed and was repaired. We had to replace a few cold cases.
- Diane – On the Balance Sheet equipment dropped \$219k. I assume from a disposal of equipment. Why is there not a category on loss/disposal of equipment?
 - o ACTION: Barney – I think that has to do with leases. I will dig deeper into this.
- Diane – I noticed some of our local products are being sold at a high price compared to other stores. I would think the Co-op would be promoting local products and picking up margin on other products.
 - o Sean – No local products have higher margin than others. We do have a program where we selectively cut prices of local products.
- Chris – Increasing consistency across the board is what I noticed reviewing these financials.
- Diane – I was thrilled to see our retained earnings so high.
- Mike – I keep seeing the top line is not growing at the rate we want.
 - o Sean – Sales declined during the Government shutdown and a bigger drop-off when SNAP benefits were eliminated due to the shutdown. It took a while for SNAP sales to pick back up and it didn't come back to where it was prior to the shutdown. We've controlled expenses and now we're focused on sales growth.
- Mike – It's nice to see we can hit some bumps in the road and still come out with a profit.

MOTION: Recommend the Board accept FY26 Q3 Financials.
Motion by James, 2nd by Chris. All in favor, motion approved (5/0/0).

4. FY27 Budget Update – reported by Sean

We are on track to meet our budgeting deadline. We plan to submit the draft to the Finance Committee by the end of the third week of March.

5. Buying Club – reported by Sean

This topic was brought up at the last Finance meeting. The Buying Club is a staff benefit that allows staff to purchase products from the UNFI catalogue. We set the margin so that employees pay just above cost. Not many employees use it. When I looked into it I saw that the margin for Buyers Club was negative. One contributor is that rebates are given to the department where the product is sold and not to the buyers' club. It currently stacks with the employee discount which it shouldn't and I'm working on that. It also wasn't always counted during inventory. So, there are some things contributing to the numbers being wonky. I plan to clean up some of these operational errors.

6. C and D Share Discussion

No interest in discussing.

7. Owner Comments

- James – If we end the year with a profit I would like to start a patronage refund discussion earlier this year. If we decide not to offer a patronage refund, I would like to thoughtfully communicate this to the owners.

8. Set Future FC Meeting Date and Agenda Items

Next Meeting: Thursday, March 26, followed by Thursday, May 7

Agenda Items:

- FY27 Budget Review
- Patronage Refund Discussion (April/May)

9. Meeting Adjourns

Consensus reached to adjourn the February 10, 2026, meeting at 6:52pm.

Minutes submitted by Emily Walter.