UKIAH NATURAL FOODS CO-OP

BOARD OF DIRECTORS SPECIAL MEETING HIGHLIGHTS

July 27th, 2026

Meeting Date & Venue: July 27th, 2026, Via Zoom| **Next Meeting:** August 17, 2026, at Ukiah Co-op

Overview

The Board received an update from Interim General Manager Wynston Estis on operational improvements, financial performance, and plans to strengthen the Co-op's long-term sustainability. The meeting also included committee updates, leadership transitions, and progress on the search for a permanent General Manager.

Key Updates & Decisions

- **Interim GM Update:** Wynston Estis reported progress on operational improvements, including stabilized pest control, clearer department responsibilities, and efforts to improve efficiency while maintaining strong customer service.

- **Budget & Operations:** The Co-op continues to perform in line with its financial plan. Leadership is developing future budgets around long-term profitability to support reinvestment, employee opportunities, and member value.

- **Merchandising Improvements:** Management is reviewing product selection to create a more focused assortment that improves inventory management, strengthens product availability, and enhances the shopping experience.

- **Board Leadership:** Treasurer Tim Dolan announced his resignation after seven years of service. The Board thanked him for his many contributions, and Ky Mayers agreed to serve as Treasurer on an interim basis while recruitment begins for a new board member with financial expertise.

- **Executive Search:** The search for a permanent General Manager continues to move forward, with more than a dozen applicants received and three candidates advancing in the interview process.

What's Ahead

- Continue interviews for the permanent General Manager position.
- Advance operational improvements and long-term budget planning.
- Launch the Owner Relations Committee's 2026–2027 engagement initiatives.
- Gather input from local farmers to help shape the Farmer Loan Committee's future programs and charter.

UKIAH NATURAL FOODS
(A.K.A THE HOMESTEAD EXCHANGE)
MINUTES OF THE BOARD OF DIRECTORS

A special meeting of the Ukiah Natural Foods Board of Directors was convened on Monday, July 27th, 2026, at 5:32 PM via Zoom.

BOARD DIRECTORS PRESENT: Gideon Burdick (President), Tim Dolan (Treasurer), Christine Rodrigues (Secretary), Anthony Browning , Maria Landaeta, Ky Mayers, Steve Turner, Jen Dalton

BOARD DIRECTORS ABSENT: Angie McChesney (Vice President)

STAFF PRESENT: Wynston Estis (Interim General Manager)

President Burdick called the meeting to order at 5:32 P.M.

1. **Introductions and Check-Ins:**

2. **Brief Announcements; Confirm Agenda:**

   Board Member Dalton **MOVED to approve the agenda.** Seconded by Board Member Mayers. **MOTION PASSED.**

   Yes: Board Members;
   Rodrigues, Burdick, Turner, Dalton, Browning, Dolan, Mayers, Landaeta

3. **Consent Agenda:**

   Secretary Rodrigues noted a spelling correction on the ORC meeting minutes.

   Secretary Rodrigues **MOVED to approve the consent agenda with changes as presented.** Seconded by Board President Burdick. **MOTION PASSED.**

   Yes: Board Members:
   Rodrigues, Burdick, Turner, Dalton, Browning, Dolan, Mayers, Landaeta

4. **Public Comment:**

   None

5. **GM Report:**

   Interim GM Estis provided updates on the following items:

- Pest Control: The recent rat issue appears to have stabilized. Trap activity has decreased, sightings have significantly reduced, and staff have clear expectations for monitoring and managing the situation.

- Operational Assessment: There has been a proactive, hands-on approach to identifying operational issues and implementing improvements where appropriate. Interim GM Estis is reviewing organizational systems, team structures, and determining whether responsibilities are assigned to the right people as the Co-op has grown into a $16 million organization.

- Role & Process Clarity: Several departments lack clearly defined processes and responsibilities, creating inefficiencies. She is working with department leaders to clarify roles, improve accountability, and resolve operational bottlenecks.

- Financial & Sales Performance: Financial performance is tracking as budgeted, but sales growth remains below expectations. The Co-op is meeting its planned financial targets.

- Culture & Engagement: Interim GM Estis observed that staff generally perform their individual responsibilities well, but believes the organization lacks a sense of urgency, innovation, and enthusiasm. She feels the store is not aggressively pursuing market share or creating enough excitement for customers and the community.

- Leadership Approach: This was described as action-oriented and focused on making improvements quickly during her interim tenure. Rather than maintaining the status quo, she wants to use her limited time to implement meaningful operational changes.

- Labor & Productivity: One of the primary concerns is labor utilization. She believes the Co-op has more staffing hours than necessary, which limits its ability to offer more competitive wages and contributes to slower work pace. She emphasized that grocery retail requires efficiency and urgency.

- Positive Progress: Many employees have been receptive to refining systems and improving workflows. Wynston noted that customers have also responded positively to operational changes, particularly when staff explain temporary disruptions such as pallets on the sales floor during merchandising or stocking efforts.

- Merchandising Strategy: It was noted that there are opportunities to refine the Co-op's merchandising philosophy. She questioned the current policy language emphasizing offering the greatest quantity of products, suggesting the focus should instead be on providing the best value and product selection for customers. She believes the store carries too many product variations for its size. Reducing the number of SKUs and adopting a "good, better, best" assortment strategy would simplify inventory management and improve operational efficiency. Streamlining product selection would reduce the labor required for ordering, receiving, stocking, and inventory management while allowing for better shelf utilization and fuller product displays.

  Interim GM Estis outlined a new approach to the Co-op's budgeting process by focusing first on achieving a defined profitability target rather than simply projecting sales. She proposed building the budget around a goal of approximately 1.5% net profitability, then determining the necessary sales growth, gross margins, labor levels, operating expenses, and capital investments required to achieve that outcome. She emphasized that sustainable profitability would position the Co-op to reinvest in its future through potential patronage dividends, employee gain-sharing opportunities, and other initiatives that strengthen the business and its service to the community.

6. **Credit Card Authorization**

Board President Burdick **MOVED to approve adding Wynston Estis, Joseph Reimann, and Lodi DeAlba to the Ukiah Natural Foods Merchant Services account.** Seconded by Board Member Landaeta. **MOTION PASSED.**

Yes:	Board Members: Rodrigues, Burdick, Turner, Dalton, Browning, Dolan, Mayers, Landaeta

7. **Committee Reports**

Finance - Year-to-date sales remain essentially flat, tracking approximately 0.17% below budget, with sales through June totaling about $8.2 million. Cost of sales is performing in line with budget, and the Co-op has recorded a year-to-date net loss of approximately $117,000, which the committee considers manageable. Labor costs appear to be trending downward, although concerns remain regarding employee absences and scheduling challenges, which management will continue to address. Work on updating the chart of accounts is temporarily on hold. The committee also provided an update on a previously discussed $4,000 IRS late-filing penalty, noting that Wegner believes the Co-op may be able to recover the funds.

Treasurer Dolan announced his resignation after seven years of service, citing ongoing health issues that require more of his attention and a desire to reduce personal commitments. He reflected positively on his time with the Board, expressing appreciation for the collegial relationships he built and pride in what the Board accomplished during his tenure.

Board President Burdick thanked Tim Dolan for his seven years of dedicated service, expressing appreciation for his leadership, contributions to the Board, and the support he has provided to fellow board members. President Burdick also noted that Tim Dolan's resignation creates a vacancy on the Board and leaves the Treasurer title open, including the position of Finance Committee Chair, and opened discussion about how the committee would address the upcoming leadership transition.

Board Member Mayers expressed willingness to serve as Board Treasurer on an interim basis, recognizing the importance of maintaining the Finance Committee. Board Member Mayers emphasized the importance of recruiting a new board member with finance or accounting expertise to fill the vacancy and strengthen the Board's financial oversight going forward.

Board President Burdick **MOVED to Ky Mayers as Treasurer.** Seconded by Board Member Turner. **MOTION PASSED.**

Yes: Board Members:
Rodrigues, Burdick, Turner, Dalton, Browning, Dolan, Mayers, Landaeta

Owner Relations - The Owner Relations Committee finalized its 2026–2027 committee goals, becoming the first board committee to complete its annual work plan. The committee's goals include publishing one board-written article each quarter in The Beet newsletter, establishing regular Board Office Hours at the Co-op to strengthen communication with members, supporting membership drives through board engagement and outreach, and redesigning the Annual Member-Owner Meeting into a more interactive event featuring facilitated "World Café"-style discussions while maintaining a welcoming social atmosphere. The committee tentatively scheduled the 2027 Member-Owner Meeting for Saturday, April 24, 2027. Members also discussed ways to increase outreach to younger and more diverse community members during future membership campaigns.

Farmer Loan - The Farmer Loan Committee discussed the need to establish a clear charter to define the committee's purpose and direction. Before developing a formal program or framework, committee members agreed it is important to better understand the needs of local farmers. Members committed to meeting with local farmers and agricultural representatives before the next committee meeting to gather feedback and identify priorities. The committee will use that information to guide future discussions and shape the committee's charter and potential programs.

Executive Search - The Executive Search Committee reported continued progress in the search for a permanent General Manager. The position has attracted more than a dozen applications, with three candidates identified as qualified to advance in the selection process. Search consultant Melanie completed her first telephone interview and has two additional interviews scheduled. Recruitment efforts have included advertising through the National Co+op Grocers (NCG) website, three weekends of advertising in the Press Democrat and its affiliated publications, including the Petaluma Argus-Courier and the North Bay Business Journal, to broaden the candidate pool.

8. <u>Little Questions:</u>

The next meeting is August 17th, 2026 at Ukiah Natural Foods.

9. <u>Topics for Next Month:</u>

- GoogleDrive

10. <u>Closing and Evaluation:</u>

President Burdick adjourned the meeting at 6:43 P.M.
The next Meeting is on **August 17th, 2026,** via Zoom
Submitted by Erica Ramirez, Board Administrator, edited by Secretary Rodrigues