



**New Pioneer Board of Directors  
Open Session Meeting Minutes  
[Wednesday, December 16, 2020]  
[New Pioneer Food Co-op, Cedar Rapids, IA]**

Present: Caitlin, Jon, Julie, Kelli, Ramji, Wannette

Late: None

Absent: Christine

Member Owners Present: Jennifer Murphy

Staff Present: Matt, Linda

Meeting Called to Order at 6:33PM

**Member Open Forum**

No member open forum: Management team will make certain it is posted in-store and online in a timely manner for the January Meeting.

**B1 Financials and Finance Committee Report (Matt and Ramji)**

- Non-compliant in only one item (B1.2 Net Income); Growth is still good; November financials are coming in and growth is good. Auditors finished work for the prior fiscal year and received a clean opinion which board will receive in January; All loan ~~rates~~ dropped a bit in October after we moved the payroll account to Hills Bank.
- Caitlin asked if Matt believed that there were any anomalies with the current sales growth? Matt believes we are now officially out of the woods; Labor, volume and sales growth have been key. eCommerce is helping sales per labor hours. We have the highest percent of sales in eCommerce recently at 18%. The 'Wine freak out' was transformed to an online format and produced more sales. While prepped food is highest margin it also is labor intensive. Margins have gone down but labor cost has decreased. Ramji asked if we might be cutting to close to the bone with labor? Matt said that we have the ability to add baseline/PT labor to avoid management burnout.

**Ramji made a motion to approve B1 Financials noting area of non-compliance; Jon seconded; Approved 6-0-0.**

**B3 Asset Protection (Matt)**

- Nothing different from the past. Insurance coverage is current and accurate. This is the first time we've stress tested our insurance coverage. Legal counsel was obtained, and an independent adjuster was used. Insurance coverage worked well, and we received the amount we needed. No changes to the insurance coverage what we currently have appears to be adequate.
- IT has informed to keep cyberattacks on our radar with regards to asset protection in the form of data. We are aware of it and we are working on it. Matt to provide further information on ransomware attacks, prevention and backups.

**Kelli made a motion to approve B3 Asset Protection; Ramji seconded; Approved 6-0-0.**

**B4 Member Rights and Responsibilities (Matt)**

Matt suggests adding this to a consent agenda since this is laid out in the By-Laws and Articles. Operationally member shares monitoring and reporting is delegated to management. Board maintains control of the equity amount which has been \$60 since 1982. Having someone as a member in that time is a lot different from today. The Board to have future discussions on member share amount and incentives to join.

**Julie made a motion to approve B4 Member Rights Report; Wannette seconded; Approved 6-0-0.**

#### **Member Owner Relations Committee Report (Christine - Absent)**

The Board had a brief round table discussion regarding the Annual Meeting. The online format was executed well and there was a total of 20 or so member participants.

#### **Coralville Store HVAC Capital Request (Matt)**

- The HVAC system in the Coralville Store is the only significant issue requiring capital investment. It's a large expense that needs to be completed and Matt recommends doing it now. The units and cost have been determined. This can be completed by mid-January.
- Ramji inquired about energy savings. Matt responded that it will be far more efficient than what we have now which are 20- and 30-year-old units, including recycled units from the old theater. It will reduce our energy usage. Caitlin asked about store disruption. Matt anticipates a pretty smooth operation with no store downtime. Customers may witness roof activity and some noise from it. Ramji affirms that we can afford this now.

**Jon made a motion to approve a capital expenditure of \$85,000 for replacing the HVAC units in the Coralville Store; Ramji seconded; Approved 6-0-0.**

#### **Director Appointment**

- The Board discussed candidate qualities for pending appointment to fill Kelli's vacancy term ending in 2022. The board can appoint to fill the vacancy. Kelli reached out to Martha Paysuer from Mt Vernon who own's and operates a bed and breakfast. Martha is very active in the LGBTQ community and Kelli feels aligns well with the Coop. Marti worked in the non-profit industry with a background in special events, marketing and communication.
- Caitlin opened it up for a round table discussion. Ramji sees the need for a board member with a strong financial background and has someone in mind. Julie suggests someone with a sustainability background and agreed to reach out to Tamara Marcus (Advocates for Social Justice). Ramji reiterated the importance of maintaining robust list of potential candidates that meet a strategic need whether filling a vacancy or recruiting board members.
- Caitlin will reach out to Marti and Julie will reach out to Tamara and invite both to the January meeting.

**Thank you to outgoing Board of Director, Wannette for your service!**

**Ramji made a motion to adjourn; Approved 6-0-0; The 2020 Board adjourned at 8:29pm.**

**2021 Board convened at 8:30pm**

#### **Elect 2021 Officers**

- President
- Vice-President
- Secretary
- Treasurer

#### **Assign Committee Chairs**

- Finance
- Governance
- Member Owner Relations
- Planning
- Management Relations