



Minutes of River Market  
Board of Directors Meeting  
Tuesday June 9, 2015

**Attendance**

**Directors Attending**

David Browne  
Alison Komarek  
Dan Puraty  
Matt Ludt  
Carolyn Scott  
Mandi Leonard  
Sara Morrison

**Directors Not Attending**

April Rust  
Nate Hart  
Elissa Cottle

**Also Attending**

Mead Stone  
Rose Hauge  
Trista Reuter  
Nicole Sullivan

6:30 p.m. in the River Market Loft

**Call to Order 6:35 pm**

President David Browne called the River Market Board of Directors meeting to order at 6:35 pm.

Introductions were made around the table.

**Owner comments**

There were no owner comments.

**Points of order**

David Browne relayed the outcome of a meeting with CDS consultant, Todd Wallace regarding technical procedures for Board closed sessions. Agenda items for the closed session may be discussed during the closed sessions but no decisions should be made at this time. The closed session should end and the open session reconvened to make any decisions by vote.

## **Approval of Procedural Documents**

The Consent Agenda was called. Items E-B2.I and the May 12, 2015 open meeting minutes were pulled. All others were approved.

## **Meet the Department Manager – Trista Reuter**

Trista Reuter is the Produce Manager for River Market Co-op. She began working for River Market ten years ago and within only nine months of being hired she became the department manager. These past ten years have been a pleasure for her and she enjoys her job. Through her guidance River Market has been the recipient of six consecutive NCGA awards for the best quality produce. Trista said the consistent quality has a great deal to do with being fairly generous with local farmer compensation as well as the wonderful staff who work very hard every day at River Market.

Trista became interim General Manager about four years ago. She co-writes the GM reports which is a team effort. In addition, Trista helps out wherever needed, for example, she did the book keeping for the store this year when her colleague, Dorothy was unavailable.

As Produce Manager, Trista likes all farmers to practice organic farming methods even if they are not actually “certified” organic. Trista enjoys meeting with the farmers and learning about their farming methods. This enables her to share a great deal of knowledge about the produce with the customers in the store which adds to the produce department being one of the most customer service orientated departments.

Handling the product and merchandising are Trista’s favorite parts of her job. Due to her diverse capacity, she tends to be pulled in many different directions but it is thanks to the great staff who fill in and help out as needed that allows the department to run smoothly.

## **Board Engagement**

### **- Primes – Chapters 10 & 11**

The Board engaged in a discussion and evaluation of Primes, chapters 10 (Saying and not saying, listening and not listening) and chapter 11 (Overcoming resistance). The notes will be posted to backpack.

### **– Expansion (follow-up from retreat – Growth Committee leading) – 7:45 pm**

Members of the Growth Committee reported on the outcomes of their recent meeting. They felt the meeting went very well and are excited about the discussions they had. One item which they would like to discuss with the Board is regarding permission to change the name of the committee to “Growth and Owner Engagement Committee”. This will be placed on the business section of next month’s Board meeting agenda so that it may be discussed when all members of the Growth Committee are present.

## **- Engagement discussion on GMOs**

Dan Puraty talked about a meeting he had with owners regarding the issue of GMOs. Dan was wondering about the possibility of having the owners put together a small focus group to give input on the topic of GMOs. Dan could then meet with the group and present their findings to the Board.

The primary issues regarding GMOs at River Market, is the feasibility of placing information on the website and labeling products. These are both operational issues that need to be discussed.

The main owner concerns are to make known their own desires with regards to GMOs and to provide information and education for other owners.

Concern was raised as to what the article that Dan Puraty will be writing for the Current will be portraying and if he will be speaking on behalf of the Board's view on GMOs. It was made very clear that the article on GMOs in the Current by Dan Puraty will be written from his perspective as an owner and not as a representative of the Board.

This discussion will be continued during the expansion section at next month's Board meeting.

## **Business**

### **BOD/GM Open Discussion**

Mead Stone gave a summary of his GM report. He stated that he is very proud of the budget which had been reworked three times. He said they reflect very realistic sales.

The sales were \$7,261,121 with a GP% of 37.7%. Direct wages of \$1,254,932 (17.28%) and total labor of \$1,652,519 (22.76%). Benefits cost was 5.09% which is standard for benefits. There are bonuses in this year's budget of \$20,000 for the year. The net income is \$38,157 (0.53%). Cash goes from \$302,910 to \$446,041 by the end of the year. Mead concluded that it should be a good cash flowing year.

Mead explained that they are entering into an exercise phase in the management team. The exercise is to look at the possibility of the chain Fresh Thyme opening up in our area within the next two years.

They are a dynamite chain operated by Meijer Inc. out of Michigan. They currently have four locations in the Twin Cities. They opened up near a co-op in Indiana and the co-op sales went down 17%. The scenario of them opening up near River Market is fictional but the exercise is to prepare for something like that happening.

The GM presented a sales graph to the group and talked about timeline highlights since 2009.

- 2009 he walked the store with Paula Gilbertson which started the remodel conversation.
- 2010 they received a new POS system
- 2011 began open book management, advertised in the Pioneer Press and sent out egg coupons

- 2012 audit and branding session
- 2013 second employee satisfaction survey
- 2014 remodel

All this time our produce just kept getting better and better. That's what brings the customers in along with the bulk department. River Market has seen double digit customer growth which directly shows owner engagement.

The Board congratulated Mead on the Cooperative Community Fund. Mead said they were proud to be selected for the Fund. A name is needed for the fund. "River Market Cooperative Community Fund" is one name they are considering. In addition, they need to form a CCF advisory committee. The fund will be started with \$5000. The BOD will decide how the funds will be used. The fund will be managed by Twin Pines Foundation and it will be separate from the store.

Both Spiral and Whole Earth Grocery have new general managers.

A question was asked about how the egg coupon goes out in White Bear Lake. The egg coupon gets 8% redemption.

### **Annual meeting update**

Andre is looking into food options for the annual meeting. One possibility is to get different dishes from a variety of local businesses.

### **Annual Work Plan update 8:17 pm**

This is the time to make adjustments to the work plan so that they can take effect next year. It was confirmed that monitoring reports will be pushed back a month so that they do not coincide as much with other busy times such as the retreats. All Board monitoring reports begin to be due in February.

In the Annual Work Plan on pg 10-13, the C-reports need to be removed from the GM reports and kept on the Board monitoring reports list.

Last year the B1 report was done on unaudited information, however, this year the report will be delayed until September so that the final numbers can be used.

Sara Morrison made a motion to adopt the Annual Work Plan. Alison Komarek seconded. The motion carried.

## **Board Development Committee – Approve candidate slate 8:27 pm**

The Board is to approve the slate for BOD. Mandi Leonard presented the slate on behalf of the Board Development committee. Those on the slate are: Kellie Seth, Brock Ehnert, Matt Ludt, Elissa Cottle and Carolyn Scott.

David Browne asked if all candidates were eligible. Eligibility requires that they are an owner in good standing. Yes, they all qualify. The committee has met with all of them.

Dan Puraty moved to approve the slate. Sara Morrison seconded. The motion carried.

The committee posed a question to the BOD as to whether they would accept one or two alternate directors.

- By-laws state that there can be no more than nine board members but alternate directors are allowed.
- Two alternate directors would mean more people to step in and help especially with upcoming growth.
- The alternate directors are decided from the next highest number of votes.
- Having two alternate directors would include the whole slate.

Matt Ludt made a motion to accept two alternate directors. Mandi seconded. The motion carried.

## **Policy & Rules Committee – Changes to policy language**

Motion to accept language change to C3 policy on issue #2, last four lines of paragraph. A Vote was taken. Motion carried

Issue #1 – changing the word “members” to “owners” throughout the Policy Register. A Vote was taken. Motion carried.

Rose Hauge has redone the Policy Register document into a workable word document. Dan Puraty reviewed and compared the newly reformatted word version with the most current PDF version 3 and highlighted corrections. Nicole will make the corrections in the word document and send to the Policy and Rules Committee.

## **Events/training (CCMA & other) 8:47 pm**

CCMA in Boise – some directors are going and will report back to the board. Elissa Cottle is attending the Dave Thomas workshop and will write about it in Currents.

## **Media: Currents; Website, etc. 8:49pm**

June 20<sup>th</sup> is the deadline for Currents.

## **Reports**

### **Pulled Reports**

Dan Puraty pulled B2 report for a misplaced comma on Pg 16, under Data. The figure should read \$38,157. Ends Statement should not have an apostrophe in the word its. Mead Stone will send report with moved comma and removed apostrophe. Matt Ludt moved to accept B2 report. Sara Morrison seconded. Motion carried.

Alison Komarek pulled May meeting minutes for discussion regarding Currents article on GMOs. Alison moved to accept the meeting minutes. Sara Morrison accepted. Motion carried.

### **Director Questions & Assignments 8:55pm**

- No reports
- CBLD conference call
- Notify candidates of nomination by June 30<sup>th</sup>
- End of fiscal year is June 30<sup>th</sup>. \$6,500,000 in year end sales is expected but Mead will have more accurate information next month.
- Policy and Rules Committee to submit a report to BOD on annual meeting bylaws provision.
- Secretary to submit summary report of GM monitoring reports.
- Preparation for annual GM evaluation

### **Open Session Adjournment 8:58 pm**

Respectfully Submitted  
Nicole Sullivan  
Board Administrative Assistant