



Minutes of River Market  
Board of Directors Meeting  
Tuesday March 8th, 2016  
6:30 p.m. in the River Market Loft

### **Attendance**

#### **Directors Attending**

Alison Komarek  
Dan Puraty  
Sara Morrison  
April Rust  
Mandi Leonard  
Brock Ehnert  
Kellie Seth  
Nate Hart  
Elissa Cottle

#### **Directors Not Attending**

Matt Ludt  
Carolyn Scott

#### **Also Attending**

Mead Stone  
Carl Rothousen  
Allan LaValier  
Clem Douglass

### **Call to Order 6:39 pm**

President April Rust called the River Market Board of Directors meeting to order at 6:39 pm.

### **Owner comments**

Allan wanted to follow up on comments from last meeting. He wondered about managers signing comment cards. He had seen this done at other co-ops. Mead indicated that it hasn't gone anywhere as he has been on vacation.

Allan also commented that he had heard of an incident where a friend of his was let go from the River Market and was told he could not enter the store. Mead said that this was true, and that it is at least a 6 month cooling off period as the former employee was violent and the police had to be called. A discussion ensued regarding special needs and perhaps if the former employee had a professional accompany him he could shop. Mead's position is that he takes the safety of the Co-op employees very seriously and the 6 month suspension was for everyone's safety.

Allan then brought up his concerns from previous meetings about a needs-based discount and cited the policies of the Viroqua Co-op, the research done on the community demographics of River Market and how could a discount be applied that is equitable for all owners and not just seniors on Tuesday. Mead indicated that for the year there have been about \$60,000 in senior discounts which translated into \$500,000 in extra sales and that he wasn't really ready to give up those sales. Allan thought that this was an inequitable arrangement and perhaps this should then turn into a patronage refund. Discussion about other co-ops patronage refund policy ensued. Mead wondered if perhaps those other co-ops were charging too much. He also explained that the patronage refund is a tax loop-hole that co-ops get to take advantage of.

### **Points of order 7:05**

- April wanted to add committee updates, a short closed session at the end of the meeting and that C reports were not on the agenda as they are being addressed by the Policy and Rules Committee.
- Elissa added that the Growth and Engagement committee did not meet.

### **Approval of Procedural Documents 7:10**

The Consent Agenda was called. Items on the Consent Agenda are:

- A. Meeting Agenda
- B. Open Meeting Minutes 2/9
- C. New & Leaving Owners List
- D. GM Informational Report
- E. D.3 Report - Delegation to the GM
- F. D.4 Report - Monitoring the GM's performance
- G. B.5 Treatment of Consumers

**All items were approved**

## **Board Study and Engagement – Ends Discussion: Inclusively Socially Responsible Business Practices**

During the Study and engagement portion of the meeting the Board discussed the Ends statement and in particular the third bullet point which is “Inclusively Socially Responsible Business Practices”. The notes will be posted on backpack.

## **Business**

### **BOD/GM Open Discussion – 8:30 pm**

- October 1<sup>st</sup> will be the Annual Meeting at the Lift Bridge, this gives Mead a chance to get back from the fall NCG General Assembly and be at the store for a week before the meeting.
- Financials are improving, labor is down and will be decreasing and margins are strengthening. Along with this the pricing department, Nick and Ola, are helping the managers manage their categories with few items having variable pricing. UNFI pricing will be done one time each month for clearer price measures to consumers.
- The topic of ‘turns’ was then discussed. Turns are the number of times a store turns over its inventory in one year. Mead indicated that this is one of the measures of using cash wisely and providing quality products. The example he used was produce where turns of 130-150 means that the average life of a product in the Produce Department is two days, which equals longevity in the customers’ refrigerator.
- In April, Mead will discuss the employee satisfaction survey, and the results are positive. The conclusion is that The River Market is a great place to work.
- The deli is still at double digit sales growth and this year they are headed into summer fully staffed up.
- Brock wanted some clarification regarding labor hours and wanted to be sure that increased hiring from past months isn’t leading to lay-offs. Mead said that the labor decreases amounted to about 1 to 2 hours per week per employee, and that an increase in sales means a better labor percent for the store.
- Dan wanted to know if the store was reducing cash out in other ways, like donations. Mead said that donation fulfillment has been cut back. He takes the Profit and Loss statement to the managers meetings so they as a group can watch expenses. There are occasions where a bill comes in that must be paid, a repair bill for instance, that can’t be helped. Mead is also addressing all of these issues in the Open Books Management meetings and all staff seem to be taking it in stride.

- Nate wanted Mead to know that he was behind Mead's decision regarding the earlier mentioned former employee and that Nate wouldn't be comfortable unless the person escorting the former employee was a cop.
- Spring Retreat will be after the April BOD meeting with Bill Gessner, from 9-3 April will check on securing Warner Nature Center.
- The City of Stillwater has allowed only 8 car show dates during the summer, the organizers proposed 14. Mead has tracked the sales on car show days and it amounts to a 5% drop in sales each time as a result of closing the parking lot and shoppers not able to find places to park.
- Open Book Management meetings, called River Cast were then discussed and an open invitation to the board was issued. These meetings are every Tuesday at 1pm.

## **Board Budget Approval**

- Matt Ludt sent a memo the week before the board meeting requesting that all directors think critically about the future and doing some investment in the depth of the board through trainings. His comments were directed at the Board budget. Nate was concerned about the logistics. If it is approved at the meeting it must then go into the May packet? Mead wanted to caution the board about spending money in an effort to create a better hire in his replacement. He thought that a new hire could just be the wrong person, or that person would feel as though they weren't properly trained, no matter what the board spent on preparing themselves for the transition.
- April suggested some research be done regarding hiring GM's and would talk to Todd about it, Mead is bringing Melanie Reid in next December to talk with the board about GM succession strategy, Nate will follow up with Matt.

## **CCMA Attendance 2016**

- CCMA early bird sign up deadline is April 15, so the board has time after the April meeting to decide on attending or not.

## **C-Share Reimbursement Request**

- The Policy and Rules Committee did meet, but did not have a quorum, so a recommendation cannot be made to the board at this time. There is another meeting scheduled in March. The owner requesting the refund was fine with a one month delay.

## **Board Committee Updates 9:04 pm**

- April mentioned that it timing seems to be a struggle with scheduling this year. Her suggestion was to have committee chairs pair down committees to 3 or 4 directors per committee to 'keep it lean' and to also consider the use of free conference call software for meetings.
- Policy and Rules Committee: Nothing to report
- Growth and Engagement Committee: Nothing to report
- Board Development Committee:
  - There will be a social gathering at Maple Island Brewing on April 21 from 5:30-8:30 for candidates and anyone who is interested.
  - The 3<sup>rd</sup> Friday in May is the submission deadline
  - The committee has a meeting scheduled for the week after the March board meeting.

## **Events/training**

- September 24<sup>th</sup>: CBLD Training

## **Media: Currents; Website, etc. 9:15 pm**

- Currents Deadline is April 20<sup>th</sup>
- Board went around the table and each talked a bit about their personal lives by way of introduction.

## **Director Questions & Assignments**

### **April Assignments:**

### **Board Monitoring Reports**

- 6 Month Review of C Policies (No actual reports; just discussion)
- C.1-Governing Style
- C.3-Annual Agenda Planning
- C.6-Officer's Role

**Board Tasks and Work**

- Board Budget Approval if not done yet 4/30 Deadline

**GM Activities**

- Organize & Plan for RMCC Annual Meeting: Establish a date & time for the meeting, entertainment, guest speaker, vendors, meeting location and refreshments
- Monitoring Reports - B.6 Staff Treatment, B.9 GM Succession Plan
- Monthly GM Report

**Board Development Committee**

- Submit Board Candidate Recruitment Plan

**Other**

- CBLD Consultant Call
- April 20th Deadline for Currents.

**Open Session Adjournment 9:37 pm**

The Board held a Closed Session which was called to order at 9:40 pm

Closed Session Adjournment 9:48 pm

Respectfully Submitted

Sara Morrison

Board Secretary and Board Administrative Assistant