



Minutes of River Market
Board of Directors Meeting
Tuesday October 13, 2015
6:30 p.m. in the River Market Loft

Attendance

Directors Attending

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

Directors Not Attending

Also Attending

Mead Stone
Nicole Sullivan
David Tretcher
Allan LaValier
Cameron Murray
Andre Bessette
Angela Anderson

Call to Order 6:39 pm

Vice President April Rust called the River Market Board of Directors meeting to order at 6:39 pm. Introductions were made around the room. April noted that the Board will be using the relaxed version of the Robert's Rules which means that motions do not need to be made for everything if agreement is unanimous.

Owner comments

Cameron Murray, Owner, brought information to the Board regarding electric vehicle charging stations. The company Charge Point is the current US leader in charging stations. Cameron would like to propose that the Board consider placing charging stations in our car park. The average cost to add these ranges from \$5000 to \$7000 per two station charger. Member rates to use these could be set and usage can be monitored wirelessly on a website. A circuit of 220 volts and 40 amps is required and would be evaluated by an electrical company. Cameron is also working with the city on this and wanted to share this information. Charging stations are going in at Hy Vee in Oakdale and in some state parks but nothing closer than the Hy Vee and Cameron felt that this may fit in with the Co-op's mission.

Allan LaValier, Owner, talked about Dan Puraty's presentation he gave on GMOs. Allan was wondering if they could use Dan's presentation to show to the Co-op employees in order to provide more education on the subject. He thought it was well received and had a lot of good information. He suggested that Dan give an abbreviated presentation to the staff. Mead asked more about when they would like to do this and will talk further to Dan regarding this. In relation to this subject, Dan talked about the possibility of a questionnaire about GMOs in either Currents or the website. Dan provided a list of three example questions.

Points of order 6:43 pm

There were no points of order

Approval of Procedural Documents

The Consent Agenda was called. Item B (Open Meeting Minutes 9/8), item E (B1 Financial Report) and item G (C-Global Governance Commitment Policy) were pulled. All other items were approved.

Seating of New Directors

All Directors and Alternate Directors signed the Code of Conduct, confidentiality and Coop Metrics Agreement. The forms were collected by the Secretary.

Board Engagement - Guest Speaker – David Tretcher, UWRF

David Tretcher, Professor of Agricultural Economics at the University of Wisconsin, River Falls gave a presentation of the Owner Survey report and summary. The notes will be posted to Backpack.

Business

BOD/GM Open Discussion – 8:03 pm

- Mead Stone talked about the increased competition in the area with Lunds and Byerly in Woodbury, HyVee in Oakdale, Jerry's in Woodbury and Fresh Thyme opening in Bloomington. Fresh Thyme plans to have five to seven locations in the Twin Cities and are said to have Whole Foods selections with Trader Joes prices. The Seward Friendship store opened as well as Mississippi Market on East 7th. This all shows lots of growth and activity in the industry around the Twin Cities.
- We are going to lose money in the first quarter, however, we did have our second best sales quarter ever. River Market has had 14 consecutive months of sales growth. We lost money in July, made

money in August and broke even in September. Mead will have more information on financials next month.

- The Co-op's Basic Program (lower priced items) seems to be doing well. We have about 30 items from this program in the store and would like to have about 100 items by the New Year. This program is in response to improving owner satisfaction in the next owner survey with our pricing by 5%. Our current owner price satisfaction is very typical for a Co-op.
- Mead had sent out an article to the Board on preparing for GM retirement which showed we are doing a lot of things right in our preparation for this. It also gave other suggestions for the staff to look at.
- Mead recently came back from a conference in Seattle where they studied a great Co-op that was doing all the right things but still completely failed. This prompted Mead to look at 10 years of figures for River Market and compile this information into graphs. These graphs showed that we have had four good years of sales growth percentage. Our customers and owners keep growing. The last three years we have welcomed 300 new owners. Since 2006 our net worth has increased substantially. The average NCG (National Cooperative Grocers) state that anything above 2 ½ to 3 debt to equity ratio is to be of concern and we are only at a debt to equity ratio of 1. We have more cash on hand than in the past. Mead also charted donations.
- The question was asked whether we had a map of where our owners are located. We do not but our owners are from the River Valley. Dan Puraty is going to attempt to map owners with zip codes.
- Egg coupons mailed to downtown Stillwater had a very low response rate.
- Dan Puraty asked if we had had an official opening of the new deli. Mead said that we hadn't but that it could be something to consider when we have the full number of staff needed.
- Mead said that they have plans to do more marketing in the future and that this has been built into the budget.

Annual Meeting Follow-up

- Everyone thought that the Annual Meeting went very well. It was unanimous that next year we need to have a microphone and that if it is at the Lift Bridge Brewery again we need to test the acoustics.
- We had a good turn out to have a quorum and the music was great.
- April Rust has a letter from an owner with comments and suggestions which she will distribute to the Board.
- The owner that works with the Gateway Board is working with Andre to get a web link to us on their website.
- All thought it was one of the best Annual Meetings we have had.

Fall Retreat Update

- Date is confirmed for November 14th from 8 am to 2 pm. The retreat will be held at Warner Nature Center. There will be no cost for the use of the space and we can get in as early as 7:30 for setup.
- Todd, the CBLD (Cooperative Board Leadership Development) consultant will be facilitating the meeting as he has for the past 2 to 3 years. He will be staying with Elissa Cottles and will be picked up from the airport by Alison Komarek and taken back by Dan Puraty.

CBLD annual consultant contract

- The Board reviewed the 3rd quarter report from CBLD which shows what Todd does for us – monthly calls, training and retreats facilitator. This is the time of year when the Board decides if they would like to renew their contract with them. Many Board members believed this has been a very useful and valuable service. The annual cost is between \$7000 and \$10,000.
- Brock Ehnert attended the CBL 101 training which needs to be added to the 3rd quarter report.
- The Board will make the decision of whether to continue with this service at the November 2015 monthly meeting.

Officer Elections and committee selection 8:33 pm

- April Rust went over the rules for officer elections which are: anyone can nominate themselves; you cannot be nominated if you are not in attendance; the majority rules and alternate directors cannot be elected to office.
- The officers to be elected were: President; Vice President; Treasurer and Secretary. Each director who currently held those positions described what was entailed in the position.
- The Board voted and the elected officers are:
 - President – April Rust
 - Vice President - Alison Komarek
 - Treasurer – Nate Hart
 - Secretary – Sara Morrison
- The assignment of Directors to Committees will occur at next month's meeting and in preparation the current committee chairs described the roles and work of each committee.
- Executive Committee – includes the four elected officers. They meet regularly to assign tasks as needed.
- Policy and Rules Committee – polishes words in the policies and if a policy is deficient then they create a new policy. They meet a few times a year as needed.
- Development Committee – this committee becomes more active after the beginning of the calendar year with recruiting candidates for election. They interview the candidates.
- Growth Committee – steers Board's decision making with regards to growth. This is a newly reinstated committee.

- April Rust asked all committee chairs to please send any agenda items for the monthly Board meetings to her.
- New candidates will meet with Sylvia Conger for training on the policies A, B, C and D.
- Director assignment for the reports on the policies will be selected next month.
 - A reports – Ends Statement
 - B reports – Limitation on GM
 - C reports – Board Job
 - D reports – Relationship between Board and GM
- Reports from the Board are not due until February.

Growth Committee Update

- The Growth Committee had submitted a report to the Board for discussion.
- They proposed a name change of the committee to the Growth and Engagement Committee.
- The committee also stated that they would like to have some written words on the Board Bulletin board in the store which they change monthly in an effort to make the Board more accessible to the owners. The first message is a welcome message inviting owners to join the Board meetings. They asked the Board for approval of the added text to the bulletin board. The Board approved this month's text but they will need to approve the wording used each month as they are speaking on behalf of the Board.
- The Board discussed the logistics of having some sort of food or drinks available for those owners who do attend the meeting. The possibility of having a few snacks available was mentioned and further discussions will be held.
- It was asked that the bulletin board be cleaned up a little.
- **Alison Komarek moved to change the committee name. As this motion came from the committee itself there is no need for a director to second the motion. Motion carries.**
- Matt Ludt explained that in the future when there is a motion brought forward by a committee it should be placed on the Consent Agenda, therefore, if it is not pulled it is approved.

Board Development Committee Update

- No Updates

Policy and Rules Committee Update

- No Updates

D Policy Reports Assignments

- This will be on next month's agenda

Events/training (CBLD 101 for New Directors and others)

- CBL 101 coming up on January 9th 2016
- NCBA conference next month
- CCMA – last year was in Boise, next year will be in Boston. There is some money in the budget for sending people to this if interested.
- October 2016 Quebec City Summit

Media: Currents; Website, etc.

- Currents deadline is 20th October, 2015. Elissa Cottle wrote a long report on her time at the Summit in Quebec and she will write a summary of that report for Currents.
- Dan Puraty and Mead Stone are going to talk about a questionnaire on GMOs. Dan is going to write a summary for the December Currents.
- Questions and Answers for the new Directors will be in the December issue of Currents.

Reports

- Pulled reports. The September meeting minutes were pulled for a clerical error. It was clarified that in the future clerical errors do not have to come before the Board.
- **Mandi Leonard moved to approve the open meeting minutes for September, 2015. Alison Komarek seconded. Motion carries.**
- The B1 Financial Condition Report was pulled by Alison Komarek due to the fact that the net income is not in compliance with our policy.
- Nate Hart asked if we should consider lowering our debt to equity ratio in order to tighten it up. This would make the bar higher for the next GM which would be a good thing as we would want the next GM to do as good a job as Mead does.
- The question was asked as to whether this is the time to start considering the possibility of a down turn in the market. Mead said that this was a very appropriate question and that he would have more detailed financial numbers for the next B1 report.

- Alison Komarek mentioned that Mead has spoken in length about the issue of staff resigning and asked if there should be a focus on retention. Mead explained that high staff turnover is an industry problem and we are no exception. He also stated that much of it is positive turnover as working for the Co-op enables people to pursue other studies and interests giving them the opportunity to then leave to pursue those interests.
- Brock Ehnert asked about the possibility of going back to the grass roots of a Co-op where by owners could volunteer their time. Mead explained that this is difficult from a tax perspective in a for profit business.
- **Alison Komarek moved to accept the B1 Financial Condition Report as not in compliance. Sara Morrison seconded. Motion carries.**
- The C-Global Governance Commitment Policy was pulled by April Rust. This policy is reviewed each year but the Board does not do a report on it. The Board discussed this but as there is no report there is no need to vote on it.

Director Questions & Assignments

November Assignments:

Leadership tasks and work

- Execute Autumn Retreat
- Treasurer's Report
- Review the Board's committee structure and discuss existing assignments with Directors to see if rotating to another committee is desired and assign each new director to a committee

Board Closed Session Topics:

- Quarterly Analysis (If Warranted)

Board tasks and work

- Revise Annual Work Plan as needed
- Review Committee Assignments
- CBLD Participation (training)

GM Activities

- Annual Meeting - Submit Planning Report to the Board
- B.1 Financial Condition

Board Development Committee

- Orientation continues as planned

Other

- CBLD Consultant Call
- Dec. 20th Deadline for Currents
- C.2 last in order of C Reports monitored per motion on 5/14/13
- Committee Chairs to send agenda items for next month's Board meeting to April

Open Session Adjournment 9:38 pm

Respectfully Submitted

Nicole Sullivan

Board Administrative Assistant