



Minutes of River Market
Board of Directors Meeting
September 12th, 2017
6:30 p.m. in the River Market Loft

Attendance

Directors Attending

Alison Komarek
Nate Hart
Brock Ehnert
Dan Puraty
Chris Jensen
Elissa Cottle
April Rust
Sara Morrison
Kellie Seth
Matt Ludt

Directors Not Attending

Also Attending

Mead Stone
Nicole Sullivan
Sarah Budenske

Call to Order 6:30 pm

- President Alison Komarek called the River Market Board of Directors meeting to order at 6:30 pm. Introductions were made around the table.

Owner comments

- Owner, Brock Ehnert, mentioned that Prairie Roots Food Co-op in Fargo has wooden knives and forks and wondered if this could be considered at River Market.
- Owner, Kellie Seth, wondered if the donated bee pollinator garden boxes in Pollyanna Park could be conflicting with having bees attracted to the area while people are eating there. This question will be discussed further with the Pollinator organization.

Points of order

- None

Approval of Procedural Documents

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

- A. Meeting Agenda
- B. Open Meeting Minutes 8/8
- C. New & Leaving Owners List
- D. B.1 Report – Financial Condition

- **April Rust pulled item D – B.1 Report – Financial Condition. All other items were approved.**

Board Study and Engagement – Financial Year 2016 – 2017 Annual Financial Review.

- Sarah Budenske met with the Board and presented the River Market Annual Financial Review. The notes will be posted on Backpack.

Director Ludt inquired of the auditor as to the following B-1 sub-policies from the policy register:

The General Manager will not:

1. *Allow liquidity, or the ability to meet cash needs in a timely and efficient fashion, to be insufficient.*
2. *Allow solvency, or the relationship of debt to Member-Owners' equity, to be insufficient.*
3. *Incur debt other than trade payables or other reasonable and customary liabilities incurred in the ordinary course of doing business.*
4. *Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.*
5. *Allow late payment of contracts, payroll, loans or other financial obligations.*
6. *Use restricted funds for any purpose other than that required by the restriction.*
7. *Allow financial record keeping systems to be inadequate or out of conformity with GAAP.*

The auditor was able to satisfactorily attest that upon her familiarity with the cooperative and our finances the above policies were complied with in the last fiscal year.

Business

BOD/GM Open Discussion – 7:39 pm

- NCG is now giving updates to the Board.
- The annual meeting is in good shape. The caterers, Holy Land, will require the food order one week prior to the event.
- Mead Stone would like to poll the Board directors regarding some of the monitoring reports in a similar manner that the C-policy reports are being done during the Board meeting.
- There was a decline in non-owner customers in August.
- River Market will be reaching out to some of its earliest members with the lowest member numbers. At this stage they will most likely receive thank you letters.
- River Market is looking for a local P.R. firm in order to have them prepared in the event they are ever needed.
- The Pollinators used some of the money given to them from the River Market fund for building raised beds for a bee pollinator garden.
- The question of introducing conventional products into the mix will be raised at the next round table discussion on September 23rd in the store. Some other co-ops have done this successfully but they are larger than us. We have done this to some extent in order to conform to WIC requirements. This was prefaced with an article in Currents explaining the reasoning. Incorporating more conventional foods would mean losing some of the products currently in the store. Distinguishing ourselves as being different from other conventional stores is important as it would be hard to compete with conventional foods on a price point basis. Board members are encouraged to go to the round table discussion.
- SPLH (sales per labor hour) is usually low this time of year due to the need for a parking attendant. Last week it was 102, which is good.

Annual Meeting 7:56 pm

- Annual meeting reports typically include one each from the President, Treasurer and GM.
- April Rust will announce the election results. Dan Puraty will assist Andre Bessette with the election counts. The Board admin will be checking people in at the door.
- There are four Board candidates and three director positions available.
- Dan Puraty is preparing an additional New Director binder.
- Elissa Cottle will offer the alternate director position.
- Notice of the annual meeting has been in Currents.
- All meeting minutes have been approved.
- April Rust will preface candidate of possibility of alternate director position.
- The Annual meeting is on October 7th at 6 pm at the Lift Bridge Brewery.

Fall Retreat 8:06 pm

- Saturday, October 14th has been confirmed for the fall retreat.
- The Stillwater Library is the confirmed location.
- The Board discussed possible topics to be included in the fall retreat.
- There was consensus that having a facilitator would be beneficial.
- The spring retreat is an optional possibility depending on needs at the time.
- River Market will provide the food for the fall retreat and the Board will provide the coffee. Nate Hart will be bringing the coffee.

Policy and Rules Committee 8:26 pm

- No updates.
- The Board engaged in the C-Report survey exercise for this month.

Board Development Committee 8:32 pm

- The committee has been in contact with the candidate.
- Elissa Cottle will be Board buddy for the new director.

Attendance 8:33 pm

- **Director Komarek moved that Director Ludt be removed from the Board due to the four unattended Board meetings in the last 12 months as per Board policy. April Rust seconded.**
- Director Ludt confirmed that one of those absences was due to attending the Quebec conference on behalf of the Board and also explained the other three absences.
- It was stated that Director Ludt has been very upfront with giving notice ahead of time.
- This is the procedure set forth for clarifying if they were excused absences.

- **The motion does not pass by a unanimous vote.**

Events/training 8:38 pm

- CBLD 101 is on September 23rd. Registration is open. April Rust will inform the Board candidate. Kellie Seth is interested in attending.
- The round table discussion will be at 1 pm on Saturday, September 23rd. Some Board members will attempt to be there.
- October 4th to 6th in the Co-op Impact Conference in Washington D.C. This is a new annual conference for law makers and cooperative leaders.

Media: Currents; Website, etc. 8:42 pm

- Currents deadline is October 20th.

Reports 8:42

- **Item D – B.1 report – Financial Condition was pulled by April Rust for being out of compliance.**
- **April Rust moved to accept the B.1 report as out of compliance. Sara Morrison seconded. Motion carries.**

C Report Monitoring

- Alison Komarek selected the C-5 monitoring report for further monitoring as it has the most noted items not in compliance.
- This approach to monitoring the C reports is a newer method. Traditionally one or two directors would review and monitor the policies for the year. Applying that approach can lead to losing track of what is a reasonable standard. Additionally, if it is a new director they may not know of any compliance issues that have happened in the past year. In this new approach, the entire Board reviews a different policy each month for the previous 90 days.
- A standard operating procedure document has been created which will be placed on backpack once has been reviewed. The goal is to have one or two policies reviewed each month. In future the reviewed policy will be placed in the Board packet each month.
- The question arose as to what abstaining means. Clarification needs to be made as to which of three reasons the director is abstaining for – knowledge; conflict of interest or absence. This will be further discussed and surveys modified to include abstaining reasons.
- The Board reviewed the compilation report of the C-5 policy.
- Subpart #4 was discussed as it was noted for being out of compliance. After discussion of the issue it was assigned to the Policy and Rules committee to discuss possible solutions and make a recommendation to the Board.
- Subpart #5 was opened for discussion. No discussion was brought forth.
- Subpart #8 was discussed in reference to whether it was in conflict with the attendance policy and would therefore always be out of compliance. However, this subpart not only refers to absences but also to a director being prepared for all meetings and trainings. Further clarification is required. The Policy and Rules Committee was assigned to review this subpart.
- The Policy and Rules Committee is only there to review the language or issue of the policy but does not review director performance.

- Subpart #9 – this was an isolated incident of being out of compliance. After discussion it was decided that this issue of owner engagement is subjective and interpretive. This subpart will be accepted at this time.
- In summary, the Chair assigned subparts #4 and #8 to the Policy and Rules Committee to review the policy. The Board will await a report from the committee at the next month’s meeting and defer a decision regarding these points until then.

Director Questions & Assignments

October and Annual Meeting Assignments:

Leadership Tasks and Work

- Board Annual Meeting Report
- Plan Exec Team Election (bylaws)
- Plan logistics for Autumn Retreat
- Ensure newly elected Directors sign Confidentiality, Code of Conduct and Coop Metrics Confidentiality

Board Tasks and Work

- Elect Officers
- Seat New Directors via Code of Conduct, Confidentiality, and Coop Metrics; Have Committee Chairs give Committee Descriptions
- Appoint Veteran Director to work on D Reports with New Directors and GM

GM Activities

- GM monthly report
- GM Annual Meeting Report
- Document successes and failures
- Revise Planning schedule for next year as needed.

Board Development Committee

- Communicate Orientation Plan to New Directors
- Mentors will begin conducting New Member Orientation according to New Director Orientation Schedule

Policy and Rules Committee

- Be mindful of Annual Meeting & Election rules & policies

- Review Code of Conduct and modify is necessary prior to the Board signing them at the October Board meeting.

Other

- CBLD Consultant Call
- Oct. 20th is Current's Deadline
- Quorum?
- C-Global Governance Commitment reviewed but not monitored

Open Session Adjournment 9:33 pm

Respectfully Submitted

Nicole Sullivan

Board Administrative Assistant