

**River Market Community Co-op  
Board of Directors**

**Minutes of Regular Meeting  
April 12, 2022**

**Directors Present:**

Dave Mickelson, Victoria Bradford Styrbicki, Mead Stone, Christina Arndt, Angela Hauge, Karen Hulstrand, Larry Miller, Scott Vrchota

**Directors Absent:**

None

The Directors present constituted a quorum.

**Others Present:**

Sara Morrison, River Market Community Co-op General Manager  
Trista Boe, River Market Community Co-op Produce Manager  
Pat Rossez, River Market Community Co-op Board Administrative Assistant  
Andre Bessette, Dana Jackson, and Venue Russ, Owners

**Call to Order**

Mr. Mickelson called the April 12, 2022 meeting of the River Market Community Co-op (RMCC) Board of Directors to order at 6:03 p.m. All participants joined virtually via Zoom.

**Consent Agenda / Pulled Reports**

Mr. Mickelson reviewed the Agenda for the meeting and called on Directors to identify any reports to remove from the Consent Agenda for discussion. None were identified.

**Business**

**Board Administrative Assistant Introduction**

Mr. Mickelson welcomed Ms. Rossez and asked her to share her background and co-op story. Ms. Rossez gave an overview of her experiences and how they apply to this new role. She also shared her familiarity with RMCC and that she looks forward to working with the Board, supporting them and the co-op.

**Local Farming: Situation Analysis**

Mr. Mickelson moved this topic forward on the agenda to accommodate Ms. Boe's need to return to time-sensitive activities on her farm. As a way of introduction, Ms. Boe explained her experience, which includes growing up in farming community, working at RMCC, being on the RMCC Board, gaining wholesaler experience, obtaining an accounting degree, and being a local organic farmer. Ms. Boe raises a variety of animals, her husband is an organic dairy farmer, and they raise their own crops and grind their own feed. She commented that this diversity of products

has saved their farm and, in general, is needed for farms to be successful. Ms. Boe shared insights on local farming conditions and what it is like to be a farmer, including their challenges.

Ms. Boe also described RMCC's relationships with local farmers. Upon Ms. Boe's return to the co-op, she discovered the robust program had ceased, so a priority was to reconnect with farmers the co-op had previously worked with. Ms. Boe described how she is working with local farms, encouraging them to be a RMCC supplier. The goal is to have as much of the Produce section be locally sourced as possible and for as long as possible each year. She noted that RMCC's door is open to a producer if they can deliver quality products, prices are reasonable, and the farm is sustainable. Ms. Boe explained that issues all farmers face include weather, transportation, rising costs, and financial planning. Rising costs is their largest issue, so RMCC has a pricing structure for farmers, making it more worthwhile for them to sell to the co-op.

In response to a Director's question, Ms. Boe described how RMCC is perceived by farmers: to CSA farmers, RMCC is a steady source of cash flow, but the co-op has lost status with them. Ms. Boe described how she intends to reverse that perception. When asked how many farmers RMCC works with, Ms. Boe mentioned that before she left, the co-op worked with thirty farmers; upon her return, there were no existing agreements. However, eleven farmers have agreed to return to RMCC and four more are open to building a relationship. Ms. Boe would like to re-establish previous purchasing levels and gave examples of how the industry and farmers' practices and outlooks have changed, making it challenging to re-establish relationships.

The discussion moved to how we can further engage with local farmers, strengthening the connection between them, RMCC owners, shoppers, and other Stillwater businesses. Ms. Boe offered suggestions and shared potential challenges. She thinks the Farm Tour would currently be the best way to connect, while still exploring other opportunities. It was suggested to place pictures of farmers in the Produce area, which will be pursued. It was asked if farmers would benefit from RMCC implementing a farm grant support program. Ms. Boe responded they would, when RMCC is aptly prepared to offer such a program. The Board and management expressed their appreciation for Ms. Boe's return to RMCC. Ms. Boe then left the meeting.

### **GM Report/Open Discussion**

Mr. Mickelson invited Ms. Morrison to review the GM Report. Ms. Morrison commented that she will attend the NCG spring meeting and will participate in a luncheon for Twin Cities GMs that is being coordinated by the Wedge Co-op manager. Ms. Morrison also shared the following highlights: Shula, an employee, retired after celebrating twenty-one years at the co-op; the EIDL loan application is now in the consideration phase; and Spiral Co-op repaid Shared Capital Cooperative, relieving RMCC's liability under the inventory guaranty program. Next, Ms. Morrison described how the Joint Liability Fund (JLF) operates and how they evaluate risk of member co-ops. After a recent JLF review, RMCC is now eligible to stop monthly monitoring, allowing a potential reduction of RMCC's cash kept with JLF from 25% of any given day's payables to 8%. In addition to returning cash to the co-op, this change would also reflect positively on RMCC's reputation. Ms. Morrison will make application for the reduction in July, after fiscal year end. Lastly, in medium-sized central corridor group of GMs, there have been three GM changes since the group met last month. Ms. Morrison explained, while at the spring meeting, she hopes to discuss strategies to keep GMs in place.

A Director congratulated Ms. Morrison on the recent Workman's Comp experience rating, which dropped dramatically and is exceptionally low compared to industry norms. Management

was also complimented on the story that recently accompanied a coupon in the local marketing newsletter.

### **Strategic Planning**

Mr. Vrchota provided an update on the Steward Committee's work on Strategic Planning and the spring Board of Directors retreat. Directors have provided ideas for what RMCC could look like in five years by completing surveys. Those ideas were collated into potential "Dream Buckets," which were included in this Board packet. Directors were encouraged to read each other's survey responses to get a more complete picture of the idea and to let a Committee member know of any additional ideas to ensure there is a robust idea list to work from. The upcoming Tabling Event will provide other stakeholders (owners, staff, shoppers) an opportunity to provide input that will be considered when determining the Dream Buckets and ideas to pursue. Once stakeholder groups have had a chance to contribute, next steps are to determine how realistic the ideas are (including their potential cost), pare down the list, prioritize the remaining ideas, and determine how to move forward.

### **Tabling Event**

Ms. Hulstrand described how the Growth and Engagement Committee members have been preparing for the Tabling Event, which will take place in mid- to late-April. Directors can sign up for shifts to talk with staff, owners, and shoppers in the store to obtain feedback on RMCC's future. Each Director will be invited to participate and are encouraged do so as much as they are able and feel comfortable. It is also hoped that the Event will result in the people giving feedback feeling more empowered and engaged with RMCC. Discussion ensued regarding the Tabling Event concept, its location, questions to ask (appreciative inquiry), potential follow up with stakeholders, and how input and answers will be collected for use in strategic planning.

### **7:03 to 7:09 Break**

### **B8 Board Logistical Support Policy Review**

Mr. Mickelson invited Mr. Stone to explain the proposed changes to the B.8 Logistical Support Policy. Mr. Stone explained the policy's purpose and the impetus for these changes, including meeting remotely and using Basecamp to house meeting materials versus meeting in-person with paper meeting material packets. Mr. Stone asked if there were any comments, questions, or concerns. After hearing none, Mr. Stone made a motion to accept the policy changes as presented. Mr. Vrchota seconded the motion. The motion passed with all Directors voting in its favor.

### **C and D Compliance Reports**

Mr. Mickelson displayed a visual Report Schedule for reviewing progress made on the Board Monitoring Reports. He noted that the Board did not want to overwhelm itself with the outstanding reports that are technically behind but are ahead of schedule from what would be expected as a result of the Directors being new to this process and the process having changed. Mr. Mickelson also commented that there is no fiduciary schedule the Board needs to meet other than what the Board is comfortable with and can defend if owners ask how well the Board judges itself. Being late in reviewing the reports is not causing a problem, but there is a desire to complete

them. The reports in progress or outstanding are C.7, C.8, and D.4. Mr. Mickelson described the steps that will be taken to complete the reports, and commented that once they are done, the report review cycle will repeat itself in the next fiscal year. When asked for concerns or comments on the new process for obtaining feedback, it was commented that the approach is working well and provides a uniform approach for Directors to complete their reports. In conclusion, Mr. Mickelson reminded the Board of the reports' purpose and noted the process can be modified if improvements are needed to meet that goal.

### **Spring Retreat**

Mr. Mickelson reminded the Board that the spring retreat will be held on Saturday, May 7, in-person, at a local venue. He explained specifics of the retreat, including that this will be the first time the Board can all be together in-person, but any Director who desires to attend virtually may. Todd Wallace, the Columinate consultant, will be joining the retreat virtually. Mr. Mickelson hopes all others will be able to meet in person. He also noted that the day will be dedicated to strategic planning, and, if time permits, the General Manager review process. The Steward Committee will draft the retreat agenda, much of it resulting from feedback received from the Tabling Event. Upon Mr. Mickelson asking for comments or questions, several additional logistical details were discussed.

### **Hybrid Board Meetings**

Mr. Mickelson raised the next agenda item, holding hybrid Board meetings. This topic was discussed several months ago, then was paused due to COVID concerns. Mr. Mickelson stated that hybrid meetings could begin in May as long as federal and state health recommendations continue to be followed. The Board discussed relevant observations and concerns, including masking. Ms. Morrison anecdotally volunteered that about 90% of shoppers do not wear a mask; of those who do, approximately 95% are N95 models, showing that users are serious about wearing them for protection. It is optional for staff to wear masks, and the majority of those who do use N95 masks as well. Ms. Morrison shared the current guidelines, reminded the Board that they can change frequently and quickly, and she will keep the Board updated on current requirements. Directors shared their masking preferences for Board meetings. It was suggested that owners who want to participate do so virtually so participation would be metered until virus concerns subside further; several Directors agreed with this approach. It was also stated that when owners attend Board meetings in-person, they must also be compliant with current health recommendations. Ms. Morrison and Mr. Stone reminded the Board that a complimentary dinner is available before Board meetings for those Directors that attend in-person; Ms. Morrison will email Directors the process to follow.

### **General Manager Review Process**

Mr. Mickelson shared an overview of the GM review process and reminded the Board that Ms. Morrison's employment agreement expires September 30, 2022. Steps and timing of the review process is in the Board's 2022 workplan or was a copied from last year's workplan. Mr. Mickelson gave an overview of next steps: the Board will develop an RFP; Directors will be receiving information shortly to help them provide RFP input; and if time allows at the Spring Retreat, the Board will work on writing the RFP. Directors commented that Ms. Morrison's importance to RMCC warrants the topic be included in the Spring Retreat agenda. Mr. Mickelson

shared his preference for working on it at the Board retreat versus Board meetings and assured the Board that ample time will be spent on the GM review process so it is not rushed. Mr. Stone suggested there was information in the B.6 report that would be important for the GM compensation process.

### **CCMA Conference**

Mr. Mickelson added this topic to the agenda for additional Board awareness. He shared details of the conference and mentioned he is proud that Mr. Bessette will be a conference presenter. Mr. Mickelson shared that he plans to attend and invited Mr. Stone to share his thoughts as he has attended numerous times. Mr. Stone recommended attending as the presentations and networking opportunities are worthwhile. Ms. Morrison shared that she will not be attending due to a pre-planned family commitment. Mr. Mickelson said attendance for three or four Directors has been budgeted and described why the opportunity to attend should go first to newer Directors. Additional discussion included COVID and traveling considerations and the option to participate on-line.

Several non-Directors left the meeting.

### **Meeting Plus/Delta**

Directors discussed the Plus/Delta process and recent responses. Additionally, Ms. Hulstrand expressed her appreciation for having Ms. Boe attend the meeting.

### **Director Assignments**

Mr. Mickelson asked Ms. Rossez to review the Director Assignments, which she did. Directors offered several additions, which have been incorporated below.

### **Leadership Tasks and Work**

- RFP to GM for compensation package

### **Board Monitoring Reports**

- 2022 C Report Recap

### **General Manager Activities**

- GM to contact CPA regarding financial review schedule

### **Monitoring Reports**

- B.1 – Q3 Financial Condition
- B.3 – Asset Protection
- C.7 – Board Committee Principles
- D.3 – Delegation to General Manager
- D.4 – Monitoring General Manager Performance

### **Executive Committee**

- Plan GM review process

- Evaluate calendar monitoring report template and adjust
- Treasurer's Report
- Treasurer to identify CPA
- Strategic Plan Phase IV (*finish*)

#### **Board Development Committee**

- Application deadline for new candidates is 3rd Friday of May
- Interview candidates by the June Board meeting

#### **Other Considerations**

- Monthly NCG call (Paula G.)
- Columinate call with Todd W.
- +/-Delta

#### **Pulled Reports**

As there were no pulled reports, Mr. Mickelson called for a vote on the Consent Agenda items. A motion was made by Ms. Arndt and seconded by Ms. Bradford Styrbicki. All Directors voted affirmatively and the motion passed, approving the Consent Agenda items: the April 12, 2022 Meeting Agenda, March 8, 2022 Board meeting minutes, New and Leaving Owners, B.6 Staff Treatment Policy, B.9 GM Succession Plan, D.2 Accountability of the General Manager Policy, the Growth & Engagement Committee Report, and the Policy & Rules Committee Report.

#### **ADJOURNMENT**

There being no further business to discuss, upon a motion was made by Ms. Bradford Styrbicki, seconded by Mr. Vrchota, and unanimously passed, the meeting was adjourned at 8:00 p.m.

Submitted by Pat Rossez, RMCC Board Administrative Assistant