

**MINUTES OF MEETING OF THE
BOARD OF DIRECTORS OF
RIVER MARKET COMMUNITY CO-OP**

Call to Order

The Board of Directors of River Market Community Co-op held a regular meeting on December 14th, 2021, at 6:30 p.m. via Zoom.

The following directors were present and constituted a quorum of the Board:

Directors in Attendance

David Mickelson

Mead Stone

Karen Hulstrand

Victoria Bradford Styrbicki

The following individuals were also present at the meeting: Ms. Morrison (GM), Andre Bessett (Sales & Marketing), Kaitrin Halverson. Directors not in attendance: Mr. Vrchota.

Mr. Mickelson chaired and called the meeting to order and announced that this meeting was held pursuant to a written notice of meeting which was given to all directors. A copy of this notice was ordered inserted in the minute book preceding the minutes of this meeting.

Mr. Mickelson called the meeting to order and welcomed owners M. Bessett & Ms. Halverson. Mr. Mickelson asked if they had any questions or comments. (Due to some technical issues) no questions or comments were raised at this time.

Mr. Mickelson then stated there was one point of order on the agenda and stated the item would be addressed in the Business portion of the meeting, at which point he would hand it over to Ms. Morrison. He then called the groups attention to the consent agenda and asked if there were any requests for pulled reports. Ms. Morrison requested to pull the November meeting minutes specifically because "owners not in attendance" needed to be recorded. Mr. Stone requested to pull the B1 report. Mr. Stone mentioned two typos that needed to be corrected as well. Mr. Mickelson asked if there would be any other pulled reports. Mr. Stone made a comment that there was no C4 Report and asked if it could be presented at the next meeting. Mr. Mickelson agreed and said he was aware of the email interaction about this topic and that the C4 Report could be discussed next meeting. Following a final request for pulled

reports, Mr. Mickelson made a last call for pulled reports. No requests were made. The meeting proceeded to the business section starting with our open discussion with the Ms. Morrison.

Business

BOD/GM Open Discussion

Ms. Morrison began the GM/open discussion by stating that the staff and store were very busy with the “big food” holidays. The discussion for tonight focuses more on the point of the day. One thing Ms. Morrison wanted to point out was how the RM was working hard at cultivating a relationship with the High School. One of the RM cashier’s (Eliza – whose parents are long-time supporters of the co-op) was highlighted in the Pony Express. Ms. Morrison explained that she liked to point out different staff are recognized in their communities. Another item that Ms. Morrison discussed was the Change Makers group. Ms. Morrison had the opportunity to meet with them and described them as, “smart, funny, kind people that are really a joy to work with.”

Following those highlights, Ms. Morrison stated that the Bookkeeper was out sick and therefore the November finances were not closed out but was able to touch on the RM’s sales increase. Ms. Morrison explained that about a month ago, Mr. Stone had asked her what she attributed the sales growth to – Ms. Morrison explained (based on a current article that she had read about retail/grocery) the article accounts for 2% of sales growth is due to inflation – which means for November sales being up 4.1% and our quarter-sales-to-date being 5% - “are pretty honestly gotten by great staff and really smart operational efficiencies.”

Ms. Morrison concluded and opened the floor to questions. Mr. Mickelson asked if there were any updates on staffing/hiring. Ms. Morrison replied that they received some very qualified applicants, one of which will start this week. She finished by stating “they were getting there. We currently have 5 open positions.” Mr. Mickelson asked about the staff and their level of stress and if there was anything the Board could do. A discussion ensued.

Following the brief discussion, Mr. Mickelson asked Ms. Morrison for an update on the launch of Shop Hero. It was agreed that once the program was “live” the Directors would be informed. Ms. Hulstrand mentioned that she loved the “Give a Gobbler” program and asked how that was received. Ms. Morrison began by giving background on the pre-order for turkeys and the idea to recognize food insecurity. Overall, 30 turkeys were donated to Valley Outreach. Ms. Hulstrand then asked about the rules for “bulk” products in the state of MN. Ms. Morrison explained “MN is kind-of a free for all” (ex: it is okay for people to bring back containers, serve yourself, etc.) Ms. Morrison mentioned that it is state-by-state and will probably be up for review soon. A discussion ensued.

Mr. Stone asked Ms. Morrison to share the quarter-to-date in sales increase. Ms. Morrison replied that without having the numbers in front of her – it was somewhere around

5% - when the Bookkeeper is able to meet, she will have a better grip on those numbers. Ms. Arndt shared some comments and complimented Ms. Morrison's practice of recognizing with staff and creating a positive environment. Ms. Hulstrand suggested that the information from NCG about their forest offset program should be made more available to owners. Ms. Morrison mentioned the press release would be included in an upcoming Newsletter. Mr. Stone made some additional comments about the NCG program.

Mr. Mickelson asked if there were any other questions or comments for Ms. Morrison. None were raised. He then stated they were to revisit the point of order: there is a resolution that the Board will have to discuss and vote on tonight. Mr. Mickelson then handed the floor to Ms. Morrison to frame the resolution for the Board's consideration.

Ms. Morrison explained that, as a result of the Union signing a contract and the RM becoming a unionized shop – it turns out that we have recently learned our 401K program (due to the IRS testing rules for retirement programs) does not allow non-union and bargaining-union members in the same 401K. Ms. Morrison explained that she had a meeting with 2 people from Paychex and Sarah Budenske. She explained that the representative for all of the 401K programs with Paychex is located in the Twin Cities. Ms. Morrison continued to explain that she had spoken with this Rep. the previous evening and he was able to get the RM's paperwork organized based on making sure the RM has the same program for both non-union and bargaining members so that everyone is again eligible. However, that does require a Board resolution which reads:

Whereas, the Board of Directors of this organization has considered the salient features of the following employee benefit plan (401K and profit-sharing plan) which when executed and carried out will provide benefits to its employees and their beneficiaries. And whereas it is believed the adoption of the above signed plan will encourage continuous employment and employee loyalty in the mutual interest of the employees and the organization and therefore, it is resolved that the Board of Directors of this organization hereby adopt the plan designated above and do hereby authorize the General Manager to execute an adoption agreement setting forth the terms and conditions of the plan and it is further resolved that Paychex is hereby appointed to as plan service provider to serve for such term and to have such powers and duties as set forth in the plan and the applicable administrative service agreement and it is River Market Community Co-op union members be and hereby is designated as plan administrator and Sara Ann Morrison be and hereby is designated as directed Trustee.

Ms. Morrison explained that essentially what that means is, "the Board is agreeing to set up a second 401K for our bargaining unit members and that I am the Trustee and it is of note that I am also the Trustee of the current 401K plan as the General Manager."

All this needs from the Board to hold a vote to adopt the resolution and we can move forward with that. The Rep. mentioned that if we can get that recorded in Board meeting

minutes this month, we can get that started at the January 1 deadline. As opposed to having to wait until the next January 1 deadline. A discussion ensued. Mr. Mickelson asked Ms. Morrison if he understood correctly that this resolution is relevant only in the ability to share in a designated plan and is not regarding the portfolio management per se. Ms. Morrison confirmed. Mr. Mickelson asked if there was anyone on the Board that has a concern regarding adopting this resolution. Mr. Martin raised a concern about Paychex handling the money and going with another provider (due to increased and additional fees, etc.) Ms. Morrison explained that the Rep. the RM is working with is a Financial Advisor and his job is to make sure these funds are high-returning and low fees. She continued to explain that the great thing about the particular set of funds that are available is that there is a wide range of low risk to high-risk based options. It is employee chosen. She reiterated that the Rep. is a Financial Advisor. Ms. Arndt stated that she thought there wasn't much choice because it sounds like the RM is required to do something. Ms. Morrison confirmed that the RM is required – it is in the contract that we have to provide 401K benefits to our bargaining-unit staff.

Ms. Arndt replied that this is the item that needs to be voted on. Mr. Mickelson asked the group for any further discussion. Ms. Hulstrand asked for some clarification. A brief discussion ensued. Mr. Mickelson wrapped the discussion by requested a proposal that the resolution as read by Ms. Morrison be voted upon. Ms. Bradford Styrbicki made a motion that the resolution read by Ms. Morrison be voted on. Mr. Mickelson asked for a second. Mr. Stone and Ms. Arndt seconded the motion. Mr. Mickelson asked for a vote that the resolution presented by Ms. Morrison be accepted. **ALL in FAVOR(?) Motion passes.** Mr. Mickelson moved the meeting to the next Business item.

Basecamp (update & next steps)

Mr. Mickelson mentioned that a couple of Directors had reached out about more training with Basecamp. The group discussed different options to how this could be arranged. (Ex: a BOD training event could be scheduled outside of a regular meeting or we can consolidate some key training events that Basecamp has available. This would be self-paced “do on your own” with the goal of accelerating implementation.) A discussion continued.

Mr. Mickelson opened the floor to discuss options presented. Directors discussed methods of learning preferred. Mr. Mickelson concluded the discussion by stating there would be a training session scheduled and available for Directors to participate. Mr. Mickelson made a last request for additional questions or comments, none were raised. The meeting moved to the next Business item.

Fall Retreat (Recap)

Mr. Mickelson began this discussion by asking Directors for any comments/feedback about the Fall Retreat. Directors shared what they thought was positive: structure, time, material and pointed out different highlights that were informative. The Directors engaged in further discussion and gave a short tutorial on where the materials can be located are in Basecamp and explained that this could be helpful with Strategic Planning.

Mr. Mickelson then explained that the purpose of the Fall Retreat was to help get the Board through Phase 2 (Discovery) of the Strategic plan. That created some outputs that will be taken into Strategic planning. As we shared at the end of the day – those outputs will be invaluable. They are the answers to the why of what we will be creating.

Mr. Mickelson opened the floor to comments. None were raised. Mr. Mickelson then excused the group for a 5-minute stretch break.

7:19 p.m. Break

7:25 p.m. Resume

Strategic Planning (next steps)

Following the break, Mr. Mickelson opened the second part of the meeting with strategic planning. As mentioned, the group completed the second phase of strategic planning (Discovery.) Now, we move on to the next phase. Phase 3 (Dream). Mr. Mickelson then presented slides to the group to help illustrate the entire 5 phases:

Slide presentation

Phase 3 (Dream) moves past the listening, learning, gathering information and Phase 3 focuses on feasibility and reality about what we can do in the future That is truly strategic.

Activities

- Synthesize output from Discover Phase (revisit parking lot items – insight into demographic data)
- Capture various visions that exist throughout the organization
- Develop and propose possibilities that trace back to Discover phase outcomes
- Identify secondary/tertiary opportunities with rationale
- Risk analysis of options

Establish potential Directions

- Describe options in clear terms
- Address policy questions
- Thoughtfully examine consequences of not addressing these options

Immediate next steps

- Steward Committee Charter and Activity Plan
- Appreciative inquiry training
- Commitment to Basecamp as a hub

Stewardship Committee role

Per Todd Wallace's (Columinate) observation of the importance of a charter for a committee to function – the Board needs to focus on this item. Mr. Mickelson offered starter suggestions to establish a charter to the group and asked to hear from members of the Stewardship Committee and invited them to speak. Ms. Morrison said she would vote for a template. Ms. Hulstrand said she more general direction would be helpful. A discussion among Directors ensued. Another critical question is the size of membership (is 3 members enough/need to expand?) To be considered. Mr. Mickelson asked for comments. Suggestions were shared between the group. It was decided to establish a charter for Stewardship committee outside of regular Board work. Assignments will be clearly stated and allocated. Mr. Mickelson will return to the Board with more information.

Mr. Mickelson asked for any additional questions or comments. A brief discussion continued about what to expect for the next steps moving forward.

Columinate Events

Following the discussion about the Stewardship committee, Mr. Mickelson moved the meeting to the next item: Columinate events. Directors were given a brief overview of upcoming events and future learning opportunities that will be available.

Mr. Mickelson opened the floor to questions and comments. A brief conversation continued about options/attendance and other items. Mr. Mickelson then moved the meeting to the next discussion.

Board meeting (protocol)

Mr. Mickelson introduced Board meeting protocol – based on concerns about meetings being too informal. Mr. Mickelson explained that he researched this topic and shared his findings with the group. He has found that practices have been violated (for example: snacking or interacted about pets during meetings).

Mr. Mickelson recognized we have all violated these practices – and asked the group to decide what they want to comply with/what kind of standard/Common practices to consider. Mr. Mickelson informed the group that there was a proposed list of practices available on Basecamp and will be emailed to each Director. Mr. Mickelson suggested “the lens to look

through is what would you do at an in-person meeting (Basic concepts/policies/avoid distracting behaviors.)”

Directors shared feedback and additional comments about behaviors/practices during meetings.

Following the discussion, Mr. Mickelson closed by saying that these are voluntary suggestions for behavior based on practices of common courtesy. And asked for any last comments. None were raised.

Board Meeting (start time)

Mr. Mickelson then presented the last business item: consideration of an earlier start time for Meetings (6:00p.m.) And asked for a formal resolution and vote. He opened the floor to discussion. No points were made. Mr. Mickelson asked for a motion to move our start time to 6:00 p.m. and work with Ms. Morrison to implement this change. Ms. Bradford Styrbicki made the motion to move the meeting start time to 6:00 p.m. and work with Ms. Morrison to implement this change. Mr. Mickelson asked for a second. Ms. Hulstrand seconded the motion. Mr. Mickelson asked for a vote. **(Mr. Stone opposed)** Motion passes.

Pulled Reports

Mr. Mickelson invited Ms. Morrison and Mr. Stone to pull the November meeting minutes. Mr. Stone pointed out some typos (page 5 & 8) that needed correction and Ms. Morrison pointed out that “Directors not in attendance” needed to be included. Mr. Mickelson asked if there was a motion to accept the November meeting minutes with the noted corrections. Mr. Stone made a motion to accept. Motion was seconded by Ms. Morrison. Mr. Mickelson asked for a vote by a show of hands. **ALL in FAVOR.**

Mr. Mickelson asked for a motion to accept the balance of the consent agenda items. Mr. Stone made a motion to accept the balance of the consent agenda item. Mr. Mickelson asked for a vote by a show of hands. **ALL in FAVOR.**

Mr. Mickelson then moved the meeting to the Meeting Evaluation.

Meeting Evaluation (Plus/Delta)

Plus:

- Mr. Mickelson shared that he was excited to have 2 employee-owners attended the meeting
- Ms. Hulstrand stated that her favorite part of the meetings are Ms. Morrison's GM Reports
- Mr. Stone seconded Ms. Hulstrand's comments

Delta:

- Mr. Martin stated that he would have liked more time to talk about the Retirement Plan options
- Mr. Stone mentioned regret for not getting the C4 report in the meeting for discussion
- Ms. Hulstrand explained that she felt there wasn't a lot of discussion throughout the meeting (more information than discussion) Suggested reviewing the meeting agendas for review and input
- Mr. Mickelson gave a brief explanation as to how meeting agendas are set (Executive Committee)

Mr. Mickelson asked for a motion to adjourn the meeting. Ms. Hulstrand made the motion to adjourn. Mr. Stone seconded the motion. Mr. Mickelson asked for a vote by a show of hands. Meeting Adjourned.

Director Questions & Assignments (5 min)

Leadership Tasks & Work

- Strategic Planning
- Logistics for Spring Workshop
- C4 & C5 Report
- D1 Report

GM

- B7 Communication with the Board
- B8 Logistical Support

Board Monitoring Reports

- C4 & C5 Policy Report

Study and Engagement

- Plan strategic planning primer for board at upcoming meeting

Board Administrative Assistant Work

- Monthly administrative duties

Executive Committee

- Strategic Plan Phase III (Evaluate)
- Spring Workshop

Policy & Rules

- Develop Policy register

Board Development

- Confirm which Directors are up for re-election
- Assess Board composition
- Update Board application and application packet

Other Considerations

- Monthly NCG call (Paula G.)
- Monthly Columinate call (Todd W.)

ADJOURNMENT

There being no further business to come before the Board at this meeting, on motion duly made and seconded, the meeting was adjourned at 9:00 p.m.

Nealy C. Petrick
Board Administrator
12/14/2021