

# River Market Community Co-op Board of Directors

## Minutes of Regular Meeting November 8, 2022

Washington County Heritage Center and Zoom

### Directors Present:

In-person: David Mickelson, Mead Stone, Angela Hauge, Karen Hulstrand, Larry Martin, Luke Engel, and Stephen Munasinghe

Via Zoom: Scott Vrchota, Courtney Orawiec

### Directors Absent:

Christina Arndt, Victoria Bradford Styrbicki

The Directors present constituted a quorum.

### Others Present:

In-person: Sara Morrison, River Market Community Co-op (RMCC) General Manager  
Pat Rossez, RMCC Board Administrative Assistant  
Paula Gilbertson, RMCC Owner and NCG Representative  
Dana Jackson, owner

Via Zoom: Katrin Halvorson, Owner

### Call to Order

Mr. Mickelson called the November 8, 2022 meeting of the RMCC Board of Directors to order at 6:03 p.m.

### Owner Comments and Points of Order

Mr. Mickelson welcomed the owners and asked if they would like to make any comments. Ms. Halvorson welcomed the new board members. There being no other owner comments or points of order, Mr. Mickelson moved to the next Agenda topic.

### Consent Agenda / Pulled Reports

Mr. Mickelson called upon Directors to identify any reports for removal from the Consent Agenda. Directors asked that the September Meeting Minutes be pulled.

### New Director Welcome and Election of Officers

Mr. Mickelson welcomed the new directors and commented on the importance of their roles. Each new director shared their co-op story, background, and what attracted them to the board. Ms. Rossez confirmed that the new directors have delivered signed Confidentiality and Code of Conduct agreements, therefore Mr. Mickelson will begin the new directors' board orientation.

Mr. Mickelson described the Officer positions and then opened the floor to nominations. There were several candidates for each position and one nomination that was respectfully declined. As a result of the board's voting, the following officers were elected:

President: David Mickelson  
Vice President: Angela Hauge  
Secretary: Luke Engel  
Treasurer: Scott Vrchota

## **Committees**

Mr. Mickelson gave insights on directors' participation in the various committees. Discussion on each committee ensued and directors chose committees on which to serve. Assignments will be finalized and shared after obtaining input from the absent directors.

## **GM Report/Open Discussion**

Ms. Morrison opened the discussion by highlighting recent investments RMCC made and the background and experience of the new HR Manager. She then gave an overview of the River Market Grant Fund (called "Growers, Grazers, Makers, and Bakers"). Following a discussion of the grant process, Ms. Hauge volunteered to be the board member who will help vet applications for the award from the Fund. It was also noted that the River Market Grant Fund will be the recipient of each year's November 'Round Up' proceeds. Ms. Morrison also shared that preparations are well underway for the upcoming holiday season. In response to a director's question, she commented on turkey availability and pricing. A director asked for feedback regarding a hat a member of the G&E Committee designed, prompting Ms. Morrison to encourage them to place the question in the suggestion box, which is in the store. Mr. Mickelson pointed out that this is an example for new directors of the separation between the Board and Operations: marketing is Operations, not the Board, so the Board and Committees can come up with ideas, but the GM and staff are responsible for decisions regarding implementation. He also reinforced that board members should not make requests to the co-op staff directly; all requests to staff should go through Ms. Morrison.

## **Annual Meeting Successes and Opportunities**

Mr. Mickelson asked for feedback on Ms. Morrison's report and/or observations from the meeting. Overall directors thought the meeting went very well and they agreed with Ms. Morrison's conclusions, especially regarding the venue and other logistics.

## **Policy Governance Overview**

Mr. Mickelson introduced Ms. Gilbertson, RMCC's Co-op Resource Manager from NCG (National Co-op Grocers). Ms. Gilbertson explained her background, NCG, and her role. She mentioned that many of the services NCG provides are done behind the scenes. Their largest service is the purchasing program: they aggregate co-ops' purchase volumes with vendors to obtain better pricing. Ms. Gilbertson also explained that her role with NCG is to ensure RMCC has access to materials, services, and resources that will benefit the co-op, which then enables the co-op to provide value to owners and customers.

Ms. Gilbertson then gave an overview on policy governance. She explained what governance includes and why it is important. She explained the Board's role and how policy governance works: it is used by many co-ops as it provides clarity on the Board's and GM's respective responsibilities. She also detailed the types of policies that are used and how they work together. She elaborated on the Ends Policy and how it guides the co-op's activities; how it is aspirational and as such, should never actually be obtained; and how the GM reports on Ends Policy results annually to the Board. Ms. Gilbertson also expounded on the Global Executive Limitations Policies, how they give the GM room to operate the co-op and make day-to-day decisions while they position the board to monitor the GM's performance and stay out of the co-op's operations. Next, Ms. Gilbertson explained B, C, and D policies, frequency of their preparation, and the purpose they serve. Discussion ensued regarding the scope of policies, if they can be combined, and how the number of RMCC's policies compares to other co-ops. Ms. Gilbertson also commented that the board's monitoring can create opportunities for more conversations, and those discussions may lead to learning, examination, and questioning of policies. The board can determine if changes to the policies are needed and if so, allow time to do so. She encouraged the board to obtain the GM's feedback on policies. Ms. Gilbertson also covered how the board should educate themselves, the co-op owners, and the community and she shared topics to focus upon, including what it means to be a co-op and how they operate, RMCC's history, RMCC's impact on the community, the role of the board, what it means to be an owner, where RMCC is going as an organization, how to join in RMCC's work and its impact. She also recommended that in each board meeting, one-third of the time be spent looking backward (monitoring reports), one-third looking forward (strategic planning, what is coming up next, etc.) and one-third on education (which could be recorded and shared on the website). She underscored the importance of board members' responsibility to ask questions, discuss, understand, and explore topics; to learn; and to listen to the GM, owners, and community members'

wants and needs. Discussion followed regarding several reports that were not included in RMCC's policy monitoring schedule.

Ms. Gilbertson has read several of RMCC's monitoring reports and offered detailed suggestions for improvements, namely regarding how they are structured and examples of information to include. She also reminded the board to trust their predecessors: good work has already been done which the co-op can continue to use and improve over time. She also reminded directors of other resources that are available. Mr. Mickelson closed the discussion by reminding directors of the Monitoring Report Flowchart and how it can help directors understand the monitoring reports and what may be done in instances of non-compliance.

7:19 – 7:25 Break

## **Board Monitoring Report Schedule**

Mr. Stone explained changes to the C & D monitoring reports' due dates and how they have historically been assigned. The new directors will be asked to prepare a report with the help of their board mentor. Emphasis will be placed on interpreting the report results and addressing any gaps. A director noted that the 'to-do' in Basecamp is not functioning as intended.

## **Columinate Participation**

Mr. Mickelson explained RMCC's annual agreement with Columinate, which bundles their consulting and educational services in one contract and price. The current contract expires at year-end. After the board shared their experiences using Columinate's services and discussed alternative pricing options, a motion was made by Mr. Stone to renew the participation agreement/contract for 2023, Ms. Hauge seconded it, and the motion was approved.

## **Board Compensation and Policy Register Update**

Mr. Mickelson invited Mr. Stone to describe changes to the directors' compensation. Mr. Stone referred to materials provided in the meeting packet and supplemented them with an explanation of how the compensation amounts were derived. He gave an overview of the proposed process and suggested that it be turned into a board Standard Operating Procedure.

A motion to accept the board compensation amounts and process as contained in the board packet was made by Mr. Mickelson, seconded by Mr. Engel, and was passed.

A motion to accept the addition of line number 7 to the Policy Register section C.4 – Board Process was made by Mr. Mickelson, seconded by Ms. Hauge, and was passed.

Mr. Stone confirmed that owner approval is not needed to revise the Policy Register.

## **Strategic Planning Next Steps**

Mr. Vrchota reminded the board of the work completed to date and noted an artifact he would like to use to as a guide in moving forward with strategic planning. He asked that all directors review this artifact and other materials to help determine the co-op's path, a critical next step. Ms. Morrison provided additional historical context and suggested what to potentially include in the next project phase. For the benefit of the new directors, Ms. Hulstrand and Mr. Mickelson provided more details on what has been done so far and the approach that has been used. Ms. Morrison pointed out that directional alignment within the board is needed to progress in the planning process.

## **Fall Retreat Planning**

After a robust discussion of potential topics for the fall retreat, it was agreed that the full day will be dedicated to strategic planning. RMCC's Columinate consultant(s) will be used to prepare for and facilitate the retreat. RMCC will advise them on the board's expected retreat outcomes, namely alignment and clarity on the strategic planning process, goals, and next steps. The retreat will be held on December 10, 9:00 am to 4:00 pm, at the Washington County Heritage Center. The retreat is in addition to the regular December board meeting.

## **Pulled Reports**

Mr. Mickelson opened the discussion of the pulled reports. The September Board Meeting Minutes were discussed, clarifying one item and noting one correction. A motion to accept the amended September Meeting Minutes was made by Mr. Engel, seconded by Mr. Mickelson, and passed unanimously.

Mr. Stone made a motion to accept the balance of the Consent Agenda: New & Leaving Owners List, B.1 – Q1 Financial Condition Report, C.8 – Governance Investment Report, D.4 – Monitoring General Manager Performance, Treasurer’s Report, Growth & Engagement Committee Report, and Policy & Rules Committee Report. The motion was seconded by Mr. Engel and passed unanimously.

## **Director Questions & Assignments**

Mr. Mickelson reminded the board that the Director Assignments are included in the meeting packet.

## **Agenda Addition**

Ms. Morrison asked if the board would provide a summary of the annual meeting for inclusion in the next newsletter. Mr. Mickelson will draft an article and post it in Basecamp for the board’s approval.

## **Director Closed Session**

After confirmation that the meeting recording was stopped and upon no objection to having Ms. Gilbertson attend, the Board entered a closed session which Ms. Morrison requested.

## **ADJOURNMENT**

Upon the conclusion of the Director Closed Session and there being no further business to discuss, a motion to adjourn the open meeting was made by Ms. Hulstrand, seconded by Mr. Stone, and unanimously passed. The meeting was adjourned at 8:39 p.m.

Submitted by Pat Rossez, RMCC Board Administrative Assistant