

Fiddleheads Natural Foods Cooperative Board Meeting Minutes

Tuesday May 15, 2007 at 7 p.m. Hanafin's Public House

Facilitator: Michele Millham

Note Taker: Janelle Leroux

Time Keeper: Sara Kimball

Vibe Watcher: Sara Kimball

In Attendance: Michele Millham, Sara Kimball, Amy Sarcia, Liz Aldred, Janelle Leroux, Jody Noe, Annie Chambers, Hank Oreilly, Laurie Gorham, Ellen Anthony, Geoff Kauffman, Pauline Lord, Bill Gash, Andy Derr and Carol Booth.

Acknowledgements

Amy Sarcia – Thank Janelle for planning the Cottrell Event.

Sara Kimball – Thanks everyone who attended the Planning Meeting on Saturday and everyone who prepared food last night for the Food Stroll.

Laurie Gorham – Thanks everyone who has been involved from the beginning and all the hours we have put in as volunteers.

Amy Sarcia reads Board Guidelines.

Public Comment

Bill Gash – Acknowledge the petition that has been created and would like to request everyone work in the same direction and connect our energy.

Laurie Gorham asks for a copy of the 5/1 meeting minutes and clarification for who is the board.

Hank O'Reilly – Apologizes to all the board members for his behavior last month.

Pauline Lord – Asked about a conflict of interest clause within the bylaws. Sara reads Section 4-2.

Laurie requests information on what we based our bylaws on. Pat Delhury, Fiddleheads Co-op lawyer, helped establish our bylaws.

[The Board approves the April 17, 2007 Meeting Minutes by a vote of 6-0-0.](#)

[The Board approves the May 1, 2007 Meeting Minutes, pending a correction to Michele's name by a vote of 5-0-1.](#)

Behavior in public re: members, volunteers.

Some volunteers feel on the outside when tabling. Sara requests we be kind, gentle and appreciative of our volunteers. During meetings please refrain from using cell phones, stay seated and attentive. Action: Sara will add an item to the Board Guidelines.

Annual meeting

Janelle requests the item stay on the agenda for 5/30. Final details will be worked out over the next week. Amy reports that United Foods will be working with the Co-op to sell food at the meeting. The United credit form has been completed and United is offering a good discount. Some farmers are feeling snubbed because they were not included in the sale while the Co-op uses a national company. Michele says that the Membership Committee discussed the idea of local merchants/farmers being present but the Committee lacked the volunteers needed to coordinate it. A member suggested to Amy that a similar idea could occur during the gaps in constructions. Bill Gash comments that it would be interesting and intriguing to have products the Co-op will carry be a part of the meeting, showing that the Co-op is moving forward and

providing the visualization. Amy reiterates that the logistics of planning a vendor attendance is more difficult than it appears.

Sara asked Apple if she would attend our meeting and speak for 5 – 10 minutes about the process of a coop and the time frame. Amy and Colleen are going to put together a visual timeline of the progress of the coop since the beginning.

Nominating Committee

The Nominating Committee will be meeting this week. A few nominations have been received. The Committee will speak with our Coop attorney to ensure we understand the process. It was recommended that an outside individual run the vote. Our consultants recommended 9 – 11 directors. The Nominating Committee will recommend to the board the best number so to not turn away potential candidates due to limited seats. The Committee will meet on Friday 5/18, 1pm at BSECT Conference room.

Policy Review

At 5/30 meeting the Board will review policies with updates from 2006 – 2007 Board Term. (See additional report).

Policy B.10. Environment. Sara recommends changing this policy to the negative instead of the current positive statement. [The Board approves this change by a vote of 7-0-0.](#)

Policy C.4. Chairperson Role. Michele explains the Chairperson position and the strength of having one person facilitate the meeting and keep the Board on agenda. Currently the chairperson is added under the Executive Committee. Michele recommends it not be listed as an Executive. Since there is consensus Sara will update the Bylaws and remove it from the Section 5.6 Executive Council.

Annual Calendar: Michelle distributes and explains the purpose. Janelle recommends the calendar be set up from June – May to match the Board terms. Sara would like to establish meeting dates for the next Board term. Action: Michele will include item on 5/30 agenda.

Janelle will Review Policy B.4 for June.

Financial Report/Bills:

Annie reviews the 5/11 balances. Annie's concerns are the Total Assets vs. Total Liabilities because this is what banks review. Amy would like to add that she has a \$10,000 loan in the line up. Bill Gash explains how a start up business is typically in the red. Annie updates that the Finance Committee has finished the Sources & Uses, shooting for an October opening. Annie is working on a Generic Loan Application to be used if we decide to move forward with tradition funding sources vs. our current plan. Annie would like to recommend we change our Fiscal year to June 30th to line up with the due dates for filing reports to the Secretary of the State. Many banks have a June 30th date. With a fiscal year of June 30th, the Annual Meeting would be in June and the Annual Financial Report would be of 11-month actual. The Membership would vote on the budget and the new Board Nominees at the Annual Meeting. [The Board approves a motion to move the Fiscal Year to June 30th with a vote of 7-0-0.](#)

Legal Update

Sara, Janelle and Amy met with Tony Basilica. Sara has forwarded all documents to Tony and will update the Board on any response. Tony recommended the Board draft a Board stance to the petition. Sara posted this statement today on the petition site. Richard's paychecks have been sent certified mail. (See Letter copy below). CCI has been contacted and portions of the website have been updated. The website will be transferred to Pyramid Marketing in the next few days.

The board will be meeting with Ellen Brown on Wednesday 5/23 at 4:30. The Nominating Committee will be meeting with Pat Dehlury this week.

Development and Site Committees Update

The Site and Development Committees are moving forward with the flooring. Electrical bids will be completed this week. The brick wall estimates are still in progress. Tony D's is excited that something may happen with the wall. Tony D's is requesting to speak to the Board about installing a pizza oven chimney through the Co-op floor. Hank will meet with Tony & others Wednesday 5/16 to determine feasibility. Pawcatuck Roofing will be reviewing the roof before the end of the week. Amy recommends Hank contact Charlie's roofer, as there is a 15-year guarantee. Many windows are not salvageable. Hank will be getting estimates for replacements. These items will be used as negotiating tools with Charlie. Tony D's will work with us on some of the issues. Bill Gash would like to request that any bid under \$3,000 not require multiple bids. Currently repair of an unsafe electrical situation has been put on hold due to the need to have multiple bids. [The Board approves a motion to establish a threshold on which three bids are not necessary for work under \\$3,000. This will become Policy E.1. 6-0-1.](#)

Michele will reach out to Ken about being present during the Site Committee update, send a representative or submit a report. Hank updates on the electrical situation: our panels are shut down but our electric bill is still substantial and needs to be traced out with CL&P. Within the lease Charlie must turn over the building in good standing order so Hank recommends we have a discussion with Charlie. Amy states that this item is on the immediate task list. The electric is an issue but so is the furnace. Everything is off and the Co-op is still receiving an \$800 gas bill. Yankee Gas needs to be contacted along with CL&P. Ken & Hank are most familiar with the situation and layout. Action: Bill Gash will contact Yankee & CL&P. Amy reviews timeline. PJ Hofman will meet on Thursday. Sara has contacted Ken.

Vendor committee Update

Sara and Jody have been reaching out to Sheila with no response. Sara recommends that due to the lack of communication we should replace the Vendor Committee Chair. The Committee must move forward with meeting with local producers. Colleen O'Reilly & Annie Chapman have taken on this task. Action – Janelle will email the list that was sent in 2006 to the entire board. Many vendors have not been contacted. The Vendor Committee must research other vendors in the area that may not have been reached. Sara will call and email Sheila to ask one final time if she wants to be the Committee Chair and state that her silence will be taken as a lack of interest.

Website Update

Sara recommends additional bids need to be acquired to go with Thor. Bill Gash adds that the Pyramid Marketing bid is not a high bid and that the Co-op has a communication problem and needs to correct it. The Board discusses possibly needing to reinstate the IT Committee (or Communications Committee). Action – Board will review Pyramid Marketing bid for discussion at 5/30 meeting.

CCMA Scholarship & CGIN Update

Richard applied for the CCMA Conference. Sara will contact them to make sure an announcement of scholarship is sent to the Board.

[The Board approves a motion to finish the CGIN Application and apply for the CGIN Scholarship to pay for the fee by 7-0-0.](#) Sara will complete this task.

Other Business

Jody did some research of other Nonprofits she is aware of. She recommends we come back to the discussion of an Advisory Board and create another faction that is the Founding Board members/Steering Committee. These original Board members and Steering Committee members

were part of developing the initial documents. Amy feels this will help keep the Co-op's mission strong. Jody will bring the structure to the next board meeting for discussion.

Annie has a concern about PJ because of the length of time that has passed with no floor plans and the tight timeline. There must be a narrow timeframe as the layout is driving the remainder of the timeline. The Board discusses the lack of corporate expertise on the Board to do the layout without the Coop world. PJ will be meeting with members of the Site and Development Committees this week and this meeting will give him clear direction as to what Fiddleheads wants and needs. Hank suggests if PJ does not have something within two weeks (the general outlay only with the final shortly behind it), the opening of the store will be delayed. Hank also recommends a layout version be blown up for the Annual Meeting. Action: Amy will speak to PJ and request a draft within 2 weeks and/or something for the Annual Meeting.

President's Report

Sara spoke with Apple and discussed board training for July. Apple will speak with Marilyn Scholl. The Coop World at the National level is in disarray. CDS and CDI are not on good terms. The problems Fiddleheads is suffering from are from the top down. The Board will work through it by working with our contacts without getting into the center of their issues.

Sara discussed the meeting with Tony Basilica and his opinion that the use of the database cannot be stopped and the petition is free speech. Sara asks the Board how to proceed. The Board discusses reaching out to correct the information vs. waiting to answer questions as the Board is approached.

Carol Booth comments: As someone who has been reading emails without being heavily involved in the Co-op, the parties discussions seem balanced. She requests the Board sign their emails with individual names and not Board of Directors. To have a fractionalized group is not uncommon at this point. The public face needs to be positive and professional (as we have done well). As a member she expects a timeline, a layout and an explanation of the emails and the division.

Next meeting is 5/30.
Meeting adjourns at 9:45.

Agenda

Tuesday May 15, 2007 at 7 p.m. Hanafin's Public House

Facilitator: Michele Millham

Note Taker: Janelle Leroux

Time Keeper: Sara Kimball

Vibe Watcher:

Board pre-work:

Review minutes from 4/17, 4/24 and 5/1; provide comments to Sara by Friday (5/11) – be prepared to approve 5/15

Review Sara's report on policies B:10. and C:4; provide comments to Sara and Michele by 5/11

Board Guidelines/Appreciations - 5 minutes

Member Open Comment - 10 minutes

Approve minutes (4/17, 4/24, 5/1) - 5 minutes

Behavior in public re: members, volunteers - 5 minutes

Annual meeting – 10 minutes

Nominating committee – 10 minutes

Policy Review – 10 minutes

Sara's Policy Review of B:10 and C:4

Brief discussion of Chairperson role
 Assign Policy Reviewer for June 5 meeting (B:4) (Sara, Michele, Jody, Rich or Janelle)
 Financial report/bills - 20 minutes
 Legal Update – 10 minutes
 Development committee update – 10 minutes
 Site committee update – 10 minutes
 Vendor committee update – 5 minutes
 Web site update – 5 minutes
 CCMA Scholarship update – 5 minutes
 Review of Board calendar (maybe, I'm working on it) – 5 minutes
 Other board business & discussion of agenda items for next meeting – 5 minutes

Proposed next Board meeting Wednesday May 30, 2007 6 p.m.

Balance Sheet: May 15, 2007

Assets

Current Assets:

Cash		\$10,522	
Accounts Receivable	\$6,500		
Less: Reserve for Bad Debts	<u>0</u>	6,500	
Merchandise Inventory		0	
Prepaid Expenses		0	
Restricted Funds		<u>85,911</u>	
<i>Total Current Assets</i>			\$102,933

Fixed Assets:

Vehicles	0		
Less: Accumulated Depreciation	<u>0</u>	0	
Furniture and Fixtures	0		
Less: Accumulated Depreciation	<u>0</u>	0	
Equipment	15,000		
Less: Accumulated Depreciation	<u>0</u>	15,000	
Buildings	0		
Less: Accumulated Depreciation	<u>0</u>	0	
Land		<u>0</u>	
<i>Total Fixed Assets</i>			15,000

Other Assets:

Goodwill		<u>0</u>	
<i>Total Other Assets</i>			<u>0</u>
Total Assets			<u><u>\$117,933</u></u>

Liabilities and Capital

Current Liabilities:

Accounts Payable	\$15,433	
Sales Taxes Payable	0	
Payroll Taxes Payable	0	
Accrued Wages Payable	3,538	
Unearned Revenues	450	
Short-Term Notes Payable	0	
Short-Term Bank Loan Payable	<u>100,000</u>	
<i>Total Current Liabilities</i>		\$119,421

Long-Term Liabilities:

Long-Term Notes Payable	53,000	
Mortgage Payable	<u>0</u>	
<i>Total Long-Term Liabilities</i>		<u>53,000</u>

Total Liabilities 172,421

Capital:

Owner's Equity	0	
Net Profit	<u>(54,488)</u>	
Total Capital		<u>(54,488)</u>

Total Liabilities and Capital \$117,933

Balances as of May 11,2007 (1:00PM):

General Fund	\$10,672.03	\$10,622.03 available
Member Equity (0068)	\$63,931.87	\$1,458.11 available
Member Loan (0092)	\$22,579.64	\$79.64 available

Checks in clearing- May

GM pay 3/25- 4/7	\$1769.23	
GM pay 4/8-4/21	\$1769.23	
Membership refund	\$150	Sioux Mackey
Membership refund	\$150	Mike Rosenkrantz
CLnP	\$1539.30	
Charlie's Gas	\$1328.20	
Yankee Gas	\$1966.06	
Chamber of Com.	\$10	Richard
Pautipaug Electric	\$444.35	

\$9126.37 Total

Outstanding Bills- May

BSECT- June	\$568.33
Tinnerello	\$637.10
Rent- May	\$8166.67
Day Printing	\$829.95
Membership refund	\$150
\$10,352.05 Total	

Policy Review for May 15, 2007

B.10 Environment

Sara recommends the following changes, in red, to shift this policy from the positive to the negative. Sara used the Willimantic Coop Policies as a guideline, as we initially used their policies and reworded to suite our own needs.

B.10 The General Manager shall **not fail to** take reasonable measures to ensure that the co-op activities and practices minimize our negative and maximize our positive impact on the environment.

Accordingly, the General Manager shall **not fail to**:

Minimize or eliminate any release of pollutants.

Reasonably minimize the creation of waste through reduction, reuse, and recycling.

Ensure that all waste is disposed of through safe and responsible methods.

B.10.4 Reasonably minimize the use of non-renewable energy through improved efficiency and conservation.

C.4 Manager's Annual Review

Sara does not find anything in this policy that she feels needs to be revised at this time. As we are currently without a General Manager, an Annual Review is not in order.

Letter Accompanying Richard Krasner's Final Paychecks (Sent certified mail)

Fiddleheads Natural Foods Cooperative, Inc.
PO Box 1108
New London, CT 06320

Richard Krasner
4 Lee Brook Drive
Ledyard, CT 06339

May 15, 2007

Dear Richard,

As you agreed, you were to be paid all money owed to you at your meeting with Annie Chambers on April 23, 2007. Due to your family emergency, you cancelled this meeting and have yet to reschedule with Annie. Since we haven't heard from you, you will find your payment enclosed. This represents everything you are owed as far as we believe. If you feel anything to the contrary, please establish the discrepancy. Thank you.

Sara Kimball

Statement posted on Reinstate Richard Krasner Online Petition:

On behalf of the Board of Directors, I would like to say that all action taken by the Board has been within the guidelines and boundaries of our Bylaws, Policies and the laws governing all Connecticut corporations. Our Co-op is an open, democratic process. All Meeting Minutes, Policies, Bylaws and other co-op documents have always been available to our membership upon request. The vision of this co-op has not changed from the moment we formed and all actions have been following this vision to fruition. Richard Krasner has not been treated improperly and any story that states otherwise is based on fabrications or manipulations. The Board of Directors is a group of dedicated co-op members who have donated their time and money with nothing to gain from this situation but the success of Fiddleheads Food Co-op.