

FIDDLEHEADS BOARD OF DIRECTORS
Board Meeting of August 18, 2015 (Approved September 15, 2015)

I. CALL TO ORDER, ATTENDANCE, ANNOUNCEMENTS

A. Call to Order

Susan Phillips called to order a monthly meeting of the Fiddleheads Board of Directors at 6:30PM on Tuesday, August 18, 2015 at 105 Huntington Street, New London, CT.

B. Attendance

The following board members were present:

Susan Phillips, President
Sue Zimmerman, Vice-President
Danny Spurr, Secretary
Helene Bardinnet, Treasurer
Carolyn Wilson
Mona Harmon-Bowman
Mark Patnode

The following board members were absent:

Suzanne Cattnach

The following additional members were present:

Elisa Giommi, Board Administrator
Sheila Herbert, Co-manager
Kristin DeMuzzio, Co-manager
Ed DeMuzzio
Ellen Clinesmith
Nancy Hutchins
Chris Elwood

C. Member comments

There were no member comments during the member comments portion of the agenda, but Nancy Hutchins commented at the end of the meeting that member comments should be scheduled at the end of the meeting, so that attending members could have an opportunity to comment on the meeting itself. This possibility was noted as well as the possibility of having a member comment section at both the beginning and end of the meeting. Nancy also commented that we should continue to offer military and student discounts, a practice which was or is being phased out, due to legal issues with our bylaws. A revisiting of our discount schedule is on the draft agenda for the Board's next meeting.

D. Agenda Review

The Noank Community Market Coop closure and NFCA Fall Gathering were added to the

discussion section of the agenda.

The SECTer Loan Resolution was changed from an item requiring Board approval to an FYI discussion item: The loan is not being presented for approval until next month's meeting so that the incoming Interim GM may have a chance to review it first.

II. MINUTES OF PRIOR MEETINGS

A. Minutes of July 21, 2015 meeting

Motion to accept minutes of July 21, 2015

Motion: Suzanne Zimmerman

Second: Helen Bardinnet

All in favor

B. Minutes of August 4, 2015 meeting

Motion to accept minutes of August 5, 2015

Motion: Mark Patnode

Second: Helen Bardinnet

All in favor

III. MANAGER'S UPDATE REPORT

The Co-managers clarified that the repairs needed due to mismanagement of the Quickbooks system were due to data being entered incorrectly and in the wrong places by the former bookkeeper. The Co-managers were also confident that the second quarter financials would be available for the next Board meeting on September 15, though they may not be ready in time for inclusion in the Board Packet.

The meeting with National Cooperative Grocers Association, regarding our membership application to NCGA was also discussed. Susan Zimmerman, Mona Harmon-Bowman and Helene Bardinnet visited with the NCG members during their visit to the store and had a very positive experience. The NCG representatives discussed with us the discount program, trainings, and regional office support to make sure Board members understand the benefits and the responsibilities of NCG membership. The Co-managers were also very encouraged and felt that we had submitted a good application. All recognized that Fiddleheads has a couple of situations that may complicate acceptance, (expenses exceeded income in 2014, interim management), but there is a possibility that the co-op could be accepted in as an associate member, which would provide access to NCG data and online meetings.

IV. CONSENT AGENDA

A. Board Monitoring Report C2

This item was removed from the consent agenda for discussion.

Questions 6, regarding Board monitoring of the GM and Question 8, regarding Board duties, were discussed.

Someone had commented that they needed clarification on Question 8 and Board members were encouraged to speak with other Board members if they had any questions about the required duties of the Board.

With regard to Question 6, a question was raised as to whether the Board had been monitoring the GMs rigorously enough in certain areas such as Policy B6, and how that monitoring could be improved, such as the use of external reports. While this could be a possibility, some also felt that it is important to trust our General Managers to give us the data we need.

A reformatting of the way the survey for the Board Monitoring Report is done to make it less confusing and possibly more informative was also discussed. Helene and Elisa will send out a draft survey with pilot changes for the next monitoring report.

Motion to approve Board Monitoring Report

Motion: Susan Zimmerman

Second: Mark Patnode

All in favor

B. Proposed Revisions to Policy D4- Monitoring GM performance

These revisions were to change the GM evaluation timetable to coincide with the calendar year (and Fiddleheads new fiscal cycle) instead of Fiddleheads old fiscal year.

C. Proposed Revisions to Policy B1- Financial condition and activities

This revision was proposed on May 21, 2015 to add an item regarding membership growth and paid-in owner equity.

Motion to approve the Proposed Revisions to Policy D4 and Policy B1

Motion: Helene Bardinet

Second: Susan Zimmerman

All in favor

V. SECTer LOAN RESOLUTION

The Co-managers will be seeking Board approval for a SECTer Loan next month for the amount of 50 to 60 thousand dollars, pending approval by the incoming Interim GM. The loan would be to provide a cushion in light of recent non-recurring expenses (i.e. legal settlement costs, consultant fees (Interim GM), and GM search costs) that were not budgeted for in the annual budget. Cash reserves are not enough to cover the added budget costs and depleting those reserves is not a best practice. The loan requires no collateral and Fiddleheads has established a good history with SECTer. The loan is a discussion item only as the loan is not being presented for approval until next month's meeting so that the incoming Interim GM may have a chance to review it first.

VI. DISCUSSION ITEMS

A. Cooperative Grocer Subscriptions

It has been suggested that the Board renew their subscription to the Cooperative Grocer. Ellen Anthony looked into different mailing and pricing options and it was decided that Elisa will add 8 copies to the two copy subscriptions already received and these copies will be sent to Board members' home addresses.

Motion to enter into subscription for Cooperative Grocer Magazine

Motion: Carolyn Wilson

Second: Helene Bardinnet

All in favor

B. Social Events 9/1 and 9/15

There will be a potluck Meet and Greet for Interim GM Wynston Estis on Tuesday, September 1. All potluck contributions will be coordinated via email by Elisa. Mona agreed to set up early at Huntsbrook Farm. This will be for Board members only.

There will be a Farewell Party for outgoing co-manager Kristen DeMuzzio on Tuesday September 15 at the coop from 5-6:30 pm. Food & beverages will be organized by Elisa. Board members and staff are invited.

C. Conferences

1. CBLD 1/9/2015 in Keene, NH
2. CCMA 6/?/2015 in Northampton, MA. Usually this is held on the 2nd or 3rd weekend in June. Elisa will seek date.
3. NFCA Regional Fall Gathering 10/24/2015. Usually only one Board member attends this event. Selection of which Board member shall attend will be deferred to the September meeting

D. Noank Community Market

The idea of offering a temporary membership to members of the recently closed Noank-Community Market (a cooperatively run food store) was discussed. Sheila H. spoke with the general manager of the Market, who thought it was a good idea. Sheila also spoke with current Fiddleheads employee and former Noank General Manager, Alison Wilder, who also thought offering temporary membership to Noank members was a good idea.

It was discussed that offering membership privileges to people who have not paid in equity may violate our bylaws, an issue raised by our CDS consultants Joel and Jeannie. Joel also suggested that we should move quickly on the issue and that we should try to acquire addresses and email addresses from Noank Market members who wish to participate.

It was also noted that this plan would help with Fiddleheads goal of increasing membership as well as the goal of supporting the co-op model.

It was agreed that we should be careful what we called the temporary membership and that it be left up to the co-managers to decide what language to use, possibly consulting a lawyer to make sure that we are not in violation of our bylaws.

The co-managers brought up the possibility that there may need to be Board to Board contact on the issue.

There was also a discussion of our discount schedule and there appeared to be some confusion as to whether we were still offering military and student discounts, as these discounts had been found to violate our bylaws and were to be phased out. It was decided to revisit our discount schedule at the September Board meeting.

Motion to authorize the GMs to come up with a plan to offer temporary status to members of the Noank Community Market consistent with our bylaws. Suggestions are: a 2% discount, access to sale items, and access to bulk ordering in exchange for providing their address and email into the POS system.

Motion: Carolyn Wilson

Second: Helen Bardinet

All in favor

VII. COMMITTEE/TASK FORCE REPORTS/ACTION

A. Member-Owner Communications Report

The Board profiles are now up in the store. Carolyn raised a question about the photos and introducing board members on Facebook. The Board approved of the profiles, though Sue Phillips's photo will be replaced with the intended photo. There will be a meet and greet scheduled for September 19 & 20 from 10am-12pm. This will be advertised on Facebook. Carolyn met with Sgott MacKenzie for branding images he designed to include in future communications. Co-managers pointed out that Elisa should be the liaison between the board and the staff.

There was a letter addressed to the Board from a member who was moving away to Morristown, PA and regretfully was ending their membership. The letter was given to the co-managers to process their membership request. Mona will refer the member to food co-ops she know in the area. This will be done through Elisa, by recommendation from the co-managers.

B. GM Search Committee Report

Helene commented that the GM search announcement currently posted lacks information about the GM job. Sue Phillips explained that this is the intention and the job description is

posted on job search websites. She listed all the committee minutes reports.

Motion to accept minutes of GM Search Committee 7/21 7/28 8/4 8/11

Motion: Susan Zimmerman

Second: Mona Harmon-Bowman

All in favor

VIII. GM MONITORING REPORTS

A. Staff Treatment (B6) July

There was a good deal of discussion about this monitoring report and a number of things were determined from these discussions:

1. Performance reviews are not currently on the agenda for the Co-managers, as this will be taken up by the new Interim GM next month, but the information has been gathered and performance reviews could start.
2. A question was raised as to why proposed employee surveys had not yet been conducted. Regarding the proposed survey from last September, there was a consultant survey ready to go, but the co-managers requested that the Board not go forward with the survey at that time and the Board voted not to conduct the survey. Regarding the survey that was to be conducted by April of 2015, according to the B6 monitoring report from last November, this was not conducted due to the consultant being unavailable. It was requested that the co-managers include an explanation of the previous monitoring report in future reports as to what expectations from the previous report were met or not met.
3. It was clarified that the Co-managers have not received a benefits package from the Board but have received a compensation package, which was communicated via letter in November of 2014.
4. It was clarified that compliance with section 1 of the monitoring report has more to do with the fact that there are written policies and that implementation or application of these policies falls more appropriately under the global section or section 2.
5. Though there is not enough information to determine compliance for certain sections of policy B6, there is a plan to update the employee handbook and conduct an independent staff survey. A review of the grievance process is also in progress.
6. There should be a revision to the grievance process to provide data to the Board as to how many grievances have been filed and the nature of the grievances.

The Board determined acceptance and compliance for each section of the monitoring report:

Global Section- To be accepted with acknowledgment of non-compliance.

Section 1- To be accepted as compliant

Section 2- To be accepted with acknowledgment of non-compliance.

Section 3- To be accepted as compliant

Section 4- To be accepted with acknowledgment of non-compliance.

Section 5- To be accepted with corrections to the statement of financial compensation and benefits.

Motion to accept Monitoring Report B6 with acknowledgment of non-compliance in the sections noted

Motion: Susan Zimmerman

Second: Helene Bardinet

All in favor

B. Global Constraints (Global B) June

Tabled due to lack of time.

IX. EXECUTIVE SESSION

Tabled due to lack of time.

X. CLOSINGS

A. Agenda Review

Items discussed for inclusion in the September 15th meeting:

Approval or August 18th minutes

Possible Manager's update report

Board Monitoring Report C3-Agenda Planning

Member Communications Committee Report

GM Search Committee Report

Board Budget- review the 2015 budget and present the 2016 budget

Revisiting of the discount schedule

Decision on who will attend NFCA Fall Gathering

GM monitoring reports: B1- Q2 financial condition and Global B (from June)

B. Meeting Checklist

C. Adjournment

Motion to adjourn at 8:40PM

Motion: Carolyn Wilson

Second: Helene Bardinet

All in favor

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Draft minutes prepared for submission to board by Danny Spurr/Elisa Giommi on September 4, 2015.

Minutes approved by vote of the Board on September 15, 2015 and put into final form by Elisa Giommi on September 24, 2015.

