

FIDDLEHEADS BOARD OF DIRECTORS
Minutes of Board Meeting of January 16, 2018
105 Huntington Street, New London
(Approved on February 20, 2018)

I. CALL TO ORDER, ATTENDANCE, ANNOUNCEMENTS

A. Call to Order

Sue Phillips called to order a regular meeting of the Fiddleheads Board of Directors at 6:30 p.m. on Tuesday, January 16, 2018 at 105 Huntington Street, New London, CT.

B. Attendance

The following Board members were present:

Susan Phillips, President
Susan Zimmerman, Treasurer
Danny Spurr, Secretary
Carol Connell
Paul Reid
Katie Blanchard (arrived 6:48 p.m.)

The following Board members were absent:

Helene Bardinnet, Vice-President
Ellen Clinesmith

The following additional persons were present:

Lexa Juhre, General Manager
Elisa Giommi, Board Administrator

C. Check-in

Danny Spurr disclosed as a potential conflict of interest that his wife, Liz, has been hired on a contractual basis to organize workshops at the Co-op.

D. Agenda Review

An executive session was added to discuss the GM monitoring report table and GM evaluation.

E. Owner Comments

Sue Phillips noted that the Attendance chart on the website could be clarified. It was noted that the number of meetings attended had been changed to a percentage of meetings attended, to make attendance more clear. It was suggested that the term "title" be changed on the committee web page. Elisa reminded Board members to fill out their Board surveys by the given deadline.

II. COMMITTEE/TASK FORCE

A. Annual Meeting Committee (6:35-6:40)

1. The date and location of the Annual Meeting was reiterated as Sunday, April 29th at All

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Souls Church in New London.

2. There was a question related to the possibility of online voting. It was noted that River Valley Food Co-op uses an online voting system. It was also noted that Littleton Co-op in NH uses a survey program to do online voting. Lexa noted that the possibility of online voting is not realistic for this year, but we could look into this for next year.
3. The Annual Meeting Committee is looking to potentially conduct voting before, during, and after the Annual Meeting, but is unsure if this would adhere to the bylaws as written. There is the possibility of having the Policy and Bylaw Revision Committee look into this and potentially proposing a revision, but it was decided that a vote would be conducted at the next meeting on the issue of whether to permit this interpretation of the bylaws.

B. Nominating Committee (6:49-7:03)

1. The Nominating Committee has a prospective candidate who is also a vendor. Conflict of interest issues were discussed and it was determined that this would not be an impediment to her serving on the Board. It was decided that no appointments would be made at this time to fill the open Director position on the Board.
2. There was a question as to Nominating Committee leadership, as Helene, current Committee chair, is out of state for quite some time. Sue Phillips will reach out to committee member Mona Harmon-Bowman to see if she would be willing to fill this role for the time being. It was noted that if the Nominating Committee needed help in interviewing candidates or the like, former Board member Carolyn Wilson may be able to offer assistance.

C. Policy and Bylaws Revision Committee (6:40-6:44)

1. The committee had their first meeting on Saturday. It was productive, but they have no recommendations yet. There was a proposal to have the committee look into the possibility of expanding the Board of Directors from 9 to potentially 11. It was also proposed that this could be discussed in the upcoming CDS (Co-op Development Services) call with Jade.

Motion to have the Policy and Bylaws Revision Committee look into expanding the size of the Board of Directors:

Motion: Danny Spurr

Second: Carol Connell

All in favor

III. MINUTES (6:44-6:49)

A. Minutes of November 21, 2017 Meeting

Motion to approve the minutes of November 21, 2017 with amendment noted:

Motion: Susan Zimmerman

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Second: Carol Connell
All in favor

B. Minutes of December 19, 2017

Motion to approve the minutes of December 19, 2017 with amendment noted:

Motion: Carol Connell
Second: Paul Reid
All in favor with Katie abstaining

IV. GM MONITORING REPORT (7:03-7:29)

A. Executive Limitations B3--Asset Protection (7:05-7:10)

Approval was tabled last month, with a request for further elaboration and data for section 6.

6) The GM will not allow purchasing that is uncontrolled or subject to conflicts of interest.

The Co-op is still awaiting a report from Wegner CPA regarding internal controls, but as this was seen to be out of Lexa's control, it was decided to accept the revised report with the understanding that Lexa would share the Wegner report with the Treasurer when it became available. If any issues were found to potentially affect compliance, these would then be shared with the Board.

Motion to accept GM monitoring report Executive Limitations B3--Asset Protection as compliant pending further information from the internal controls report of Wegner CPA:

Motion: Danny Spurr
Second: Susan Zimmerman
All in favor

B. Executive Limitations B4--Membership Rights and Responsibilities (7:10-7:28)

1) The GM will not create or implement a member equity system without the following qualities:

a) The required member equity, or fair share, is determined by the Board.

There was a discussion around clarifying language regarding owner equity and shares. Lexa referenced language from previous Board minutes that was seen to need clarification or revision. The Board acknowledged a need for further clarity on what constitutes fair share equity, what constitutes a share, and what is required for full ownership rights. As this was seen to be a Board issue, the report was accepted with a determination to resolve these issues for the next report. It was also noted that in the ownership application and information brochure the Board meeting time should be changed from the second Tuesday to the third Tuesday of the month.

Motion to add owner paid-in equity policy and member in good standing issue to the Policy and Bylaw Revision Committee's list of tasks:

Motion: Paul Reid

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Second: Katie Blanchard
All in favor

b) Members are informed that equity investments are at risk.

It was noted that the header of the report claims non-compliance in this section, when no such non-compliance exists. This will be amended.

c)Equity will not be refunded if such refunds would lead to a net decrease in total member paid-inequity, or would cause or exacerbate non-compliance with any Financial Condition policy (Policy B1).

Lexa was praised for the quality of the data in section 1-c.

2) The GM will not Implement a patronage distribution system that does not
a. Comply with IRS regulations.
b. Allow the Board to examine a range of options and implications, so the Board can make a timely determination each year concerning how much, if any, of the Cooperative's net profit will be allocated and distributed to members.

No such system exists at this time.

Motion to accept GM monitoring report Executive Limitations B4--Membership Rights and Responsibilities as compliant with amendment to the header as noted:

Motion: Susan Zimmerman
Second: Danny Spurr
All in favor

C. Executive Limitations B9--Succession (7:28-7:29)

To protect the Board from sudden loss of GM services, the GM shall not have less than one other manager sufficiently familiar with Board and GM issues and processes to enable her/him to take over with reasonable proficiency as an interim successor.

The Co-op currently has a manager qualified to fill this role.

Motion to accept GM monitoring report Executive Limitations B9--Succession as compliant:

Motion: Katie Blanchard
Second: Carol Connell
All in favor

V. VISIONING DISCUSSION (7:29-8:18)

The Board discussed a CDS article related to strategic planning and then participated in an activity whereby attendees were divided into groups of two to discuss the question: "What do you envision your relationship to the Co-op to be like in the year 2025?" Ideas from these discussions were then shared with the group and recorded. The results of these discussion were meant to inform the

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strategic planning retreat on March 10th. A number of areas of alignment were identified as well as some areas where there may not yet be alignment.

VI. DISCUSSION/ACTION ITEMS (8:19-8:33)

A. Fiddleheads Tenth Birthday Party (8:19-8:28)

1. Lexa requested assistance from the Board in tabling at the Co-op's birthday party on Saturday, February 10th. The cake will be cut at 1 p.m. There were some suggestions as to political figures that might be invited. Paul will ask Chris Soto if he is available to attend. There was also discussion of procuring a Governor's proclamation. Sue Phillips will look into this.

B. Board Monitoring Report C7--Committee Principles (8:28-8:33)

1. The Board evaluated its performance regarding policy C7. The Board scored well in all the areas covered by the report.
2. There was a comment in the report: "Could we, after each meeting, agree on a BRIEF synopsis of the highlight of our discussions. This material could be used as talking points to be posted both at the Co-op and on the Fern to help our members get an idea of what we do. Our minutes are fantastic but may seem a bit overwhelming to a member who would just like to be informed of our activities."
3. It was noted that the Brattleboro Food Co-op does a go-around at the end of every meeting where each Director offers something from the meeting they feel would be good to share with owners. It was proposed that this be added to the agenda and to future agendas. Elisa and Danny will type up the ideas and they will be posted on the store's board and in the newsletter. Meeting highlights were summarized.

VII. EXECUTIVE SESSION

Tabled

VIII. CLOSINGS (8:33-8:40)

A. CDS Call

1. Susan Zimmerman and Sue Phillips will participate in the next CDS call. Topics to be discussed will included the the visioning exercise and planning for the retreat as well as the possibility of increasing the Board's size.

B. Ownership Issue

1. Lexa brought to the Board's attention an issue in which a patron claims to have become a member years ago, but no record is found to exist. Lexa requested Board guidance on how to proceed with issues such as this, as it relates to equity and Co-op

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membership. This will be put on the agenda for discussion next month.

C. Review Decisions, Tasks, and Assignments

1. Propose potential Board candidates to Nominating Committee at nominations@fiddleheadsfood.coop (Board)
2. Examine Board expansion and ownership stock and equity issues (Policy and Bylaw Revision Committee)
3. Reach out to Mona regarding interim chairing of Nominating Committee (Sue P.)
4. Share Wegner report with Treasurer (when it becomes available) (Lexa)
5. Reach out to Chris Soto about birthday party (Paul)
6. Look into possibility of Governor's proclamation (Sue P.)
7. Post summary of meeting highlights and add to newsletter (Elisa, Lexa)
8. Add discussion item to next agenda surrounding claim of ownership issue (Sue P.)
9. Schedule CDS call to discuss visioning exercise, retreat planning, and Board size increase (Sue P. and Sue Z.)
10. Meeting Agenda (Sue and Elisa)
11. GM monitoring report table and Secretary letter (Danny)
12. Board Monitoring Report C8-Governance (Elisa)
13. Draft Minutes of January 16, 2018 Meeting (Danny & Elisa)
14. GM Monitoring Report B1 (Q4) (Lexa)
15. Member Equity Refund Request (Lexa, if any)
16. Article for Visioning Discussion (Sue/Elisa)
17. Draft Agenda for March 20, 2018 meeting (Elisa)
18. GM Update Report (Lexa) - THIS IS FYI - Not an agenda item!

D. Adjournment

Motion to adjourn:

Motion: Katie Blanchard

Second: Carol Connell

All in favor

Meeting adjourned at 8:40 p.m.

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Draft minutes prepared for submission to the board by Daniel Spurr/Elisa Giommi on January 23, 2018.

Minutes approved by vote of the Board on February 20, 2018 and put into final form by Danny Spurr/Elisa Giommi on April 2, 2018.