

FIDDLEHEADS BOARD OF DIRECTORS
Minutes of Board Meeting of May 19th, 2020

Conference Call

(Approved by the Board on June 16th, 2020)

I. CALL TO ORDER, ATTENDANCE, ANNOUNCEMENTS

A. Call to Order

Danny Spurr called to order a regular meeting of the Fiddleheads Board of Directors at 6:34 p.m on Tuesday, May 19th, 2020, via Conference Call.

B. Attendance

The following Board members were present:

Danny Spurr, President
Robin Harris, Vice President
Susan Zimmerman, Treasurer
Monica Chapman, Secretary
Amelia Lord
Sara Florek
Caleb Bailey
Brenda De Los Santos

The following Board members were absent:

The following additional persons were present:

Lexa Juhre, General Manager
Katie Blanchard, Board Administrator

C. Opening

1. All members of the Board read the Meeting Preamble and reviewed the agenda as well as the president's memo and check-in questions.

II. APPROVE DRAFT MINUTES OF April 21st, 2020 MEETING (6:44-6:48)

Motion to approve the minutes of the April 21st, 2020 Board of Directors meeting as amended.

Motion: Susan Zimmerman

Second: Brenda De Los Santos

All in favor.

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III. COMMITTEE/TASK FORCE (6:48-7:27)

A. Annual Meeting and Nominating Committee.

1. June election proposal.
 - a. The board election will take place over the course of 3 weeks online via the Simply Voting platform. The cost of this fully managed service was deemed appropriate, as this will take pressure off staff and make it easier for owners to vote.
 - b. The board believes moving the election online will help encourage social distancing while improving owner participation.

Motion to approve the proposed election timeline and use of the Simply Voting platform.

Motion: Susan Zimmerman

Second: Robin Harris

All in favor.

2. Appointing new director to fill the current vacant seat.
 - a. The nomination committee considered reaching out to both candidates currently running for the board as well as previously seated directors.
 - i. The board felt appointing a previously seated director had a few advantages.
 1. With all of the turmoil during the pandemic, utilizing the skills and experience of a seasoned board member would be most beneficial to the board and Co-op.
 2. If a candidate was pulled out of the running, the election would not be competitive. Additionally, there was a question of how difficult it would be to acclimate to the board given the current pandemic circumstances.
 - ii. The board reviewed prior board members who expressed interest in serving a partial term.

Motion to appoint Carolyn Wilson to fill the vacant seat pending confirmation from Carolyn Wilson.

Motion: Sara Florek

Second: Amelia Lord.

All in Favor. Susan Zimmerman abstains.

3. Orientation for new directors will be scheduled after the election.
 - a. Katie Blanchard and Brenda De Los Santos will help with the orientation alongside Danny via conference call.
4. Annual Meeting.
 - a. There was a discussion about whether or not to delay, cancel, or hold a virtual annual meeting.
 - i. There is the assumption, based on legal opinion, that if there is no pressing business the ownership base needs to vote on, an Annual Meeting is not necessary, at least based on state law.
 - ii. The importance of allowing the ownership space to let their voice be heard was mentioned.

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- iii. Fiddleheads could hold a massive virtual meeting with the ownership base to present the annual meeting and announce election winners. This has a number of drawbacks, especially considering technical logistics with holding such a large virtual meeting.
- b. The board settled on releasing a document of the annual report. The directors will film a short video introducing themselves and what they've been up to during the pandemic. Videos will be 5-30 seconds long with a statement of who the person is, one thing they have been doing during the pandemic and anything else they might want to add (optional). Brenda volunteered to edit the videos.
The winners of the election will also be announced in a video.

Motion to approve releasing written annual report, director video, and an electronic announcement of election winners.

Motion: Susan Zimmerman

Second: Brenda De Los Santos

All in favor.

V. GM Monitoring Reports and Updates (7:27-2:37)

A. B1 Financial Condition Q1 2020

- 1. B1 Financial Condition was reviewed.
- 2. Rectifying non compliance in Part 2-Net Income.
 - a. It will be difficult to accurately assess net income until a full store inventory can be conducted. The company that conducts Fiddleheads' inventory has not yet returned to work. If they have not returned by the second week of June, Fiddleheads will look towards conducting the inventory internally.
- 3. The board reviewed the annual financial report from Wegner CPA.

Motion to approve B1 Annual Financial Condition Q1 2020 with acknowledgement of non compliance in Part 2-Net Income.

Motion: Susan Zimmerman

Second: Sara Florek

All in favor.

VI. DISCUSSION/ACTION ITEMS (7:37-8:13)

A. Update on PPP Loan

- 1. Executive committee approved Lexa applying for the PPP loan.
- 2. Lexa applied to both PPP and EIDL loans. EIDL has not been approved yet, but Fiddleheads has only heard back from the PPP loan.
 - a. The Board discussed how the PPP loan might be used.
 - b. The loan is forgivable if certain requirements are met. It is anticipated that the store can meet the requirements for forgiveness of the loan. The loan, if applied, is at a 1% interest rate.

Motion to approve Lexa utilizing the PPP loan.

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Motion: Susan Zimmerman

Second: Amelia Lord

All in favor.

B. Board Monitoring Survey D3 Delegation to the GM

1. There was a comment about revisiting ends, but that will be added to the parking lot for further discussion at a later date.
2. There was discussion about how broad the policy is written to give Lexa the authority to interpret the ends as needed. While she pledged that she would not abuse this authority, it may be something to think about in the future. This is an excellent example of how these policies should be frequently reviewed.

C. DEI Proposal

1. The board received an addendum and reviewed the contract.
2. The trainings may only be able to happen via conference call.
 - a. There will be an orientation preceding the IDI (Intercultural Development Inventory) survey, which all directors and the GM will take. The first training (3 hours) will occur after the IDI. There was discussion about breaking the training up into smaller segments to limit screen time while maximizing retention.
 - b. There was concern about improving connectivity for virtual meetings. If anyone is concerned about this, they should contact Danny or Lexa to discuss potential changes to improve their connectivity, which could be facilitated by the co-op.
3. Potential timeline proposed to start in August to allow new directors one meeting in July and an orientation to get more comfortable with board work.

Motion to approve La Donna DEI contract.

Motion: Brenda De Los Santos

Second: Amelia Lord

All in favor. Susan Zimmerman abstains.

D. Virtual CCMA

1. It was suggested that all directors sign up for virtual CCMA (the national co-op conference). It is \$25/pp to sign up for classes for the virtual CCMA. This would support CCMA, allow content access following the event, and all directors would have the ability to attend.

Motion to approve charges for signing up all board members for virtual CCMA

Motion: Monica Chapman

Second: Brenda De Los Santos

All in favor.

E. Opportunities for Visioning/Learning.

1. It was suggested to create a committee to look for visioning and learning ideas in light of the changing supply chain landscape due to Covid-19. This committee would help with forward thinking.
 - a. Amelia is interested in a remote capacity. Sara also expressed interest and

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Susan Zimmerman expressed ad hoc interest as a future former Board Member.

VII. CLOSINGS (8:13-8:20)

A. Meeting Talking Points

1. The board continues to become more comfortable with virtual meetings.
2. Approved DEI proposal.
3. Accepted GM Monitoring report noting non-compliance in part II: Net Income and discussed plans for compliance.
4. Approved election timeline using the Simply Voting online platform.
5. Approved appointing Carolyn Wilson to the vacant seat if she accepts.
6. Agreed to use electronic channels for the Annual Report.
7. Online systems previously put in place, positioned us for success during the pandemic. We now have in house pizza!
8. Registered for the CCMA Virtual conference.

C. Upcoming events

1. CCMA June 8-12, Virtual conference.

VIII. Executive Session (8:20)

Motion to enter executive session

Motion: Susan Zimmerman

Second: Brenda De Los Santos

All in favor.

- A. The Board entered executive session to discuss personnel matters and loan considerations at 8:20pm.
- B. The board authorized the executive committee to review and approve a final bonus proposal.
- C. The board approved replacing the walk-in cooler if necessary.
- D. The board also approved payout of 2 weeks of accrued vacation time to General Manager Lexa Juhre..

X. Adjournment

Motion to adjourn:

Motion: Susan Zimmerman

Second: Robin Harris

All in favor.

Meeting adjourned at 9:04 pm .

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Draft minutes prepared for submission to the board by Katie Blanchard on June 16th, 2020.

Minutes approved by vote of the Board on June 16th, 2020, and put into final form by Katie Blanchard on June 18th, 2020.