

FIDDLEHEADS BOARD OF DIRECTORS

Meeting of March 18, 2014 [Approved April 15, 2014]

I. CALL TO ORDER

Susan Zimmerman called to order the regular meeting of the Fiddleheads Board of Directors at 6:32 p.m. on March 18, 2014 at 105 Huntington Street, New London, CT.

II. ATTENDANCE

The following Board members were present:

Susan Zimmerman, President
Mark Roberts, Vice President (arrived 6:35 pm)
Sue Phillips, Secretary
Mona Harmon-Bowman
Ellen Clinesmith
Lee Boltz

The following Board member were absent:

Carolyn Wilson
Suzanne Cattanach
Ed DeMuzzio

The following additional persons were present:

Alyssa Skaves, Recording Secretary
Richard Virgin, General Manager

III. AGENDA REVIEW

Summary: The Board President reminds the board of the monthly workflow timeline and deadlines for agenda topics and documents to be included in the Board packet.

14 days prior - submit agenda topics
7 days prior - submit all documents to be included in board packet
5 days prior - President sends packet

It is established that the GM may send the Board FYI notices, should an issue come to light before the Board Meeting. Conversations over e-mail should be avoided.

Although items can be added to agenda, this is also not best practice. If something urgent comes up, the option of calling a special meeting remains available.

The February minutes will be tabled until the April Board Meeting as it appears the wrong draft was included in the Board Packet.

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IV. MEMBER COMMENTS

No members present.

V. GM UPDATE REPORT

Summary: The GM reported a recent surge in Co-op activity since the birthday celebration. This includes more attendance at the store, lots of new members signing up and a growth in sales. There is a presentation on Member Involvement from the Coop Cafe scheduled for next month's meeting which will help generate ideas as to how to get the new members involved.

The GM discussed new real estate (an additional portion of the building) becoming available in the middle/end of June because Labor Ready will be leaving as a result of a change in their business model.

The GM has been in contact with other Co-ops who have considered or experienced expansion for advice and suggestions. The Board discussed a variety of information and concerns that would need resolution before a proposal could be made, for example, the expansion would need to generate enough revenue to pay for itself and the GM would need enough support, for example an administrative assistant, to make it work.

Board Talking Point: We know the GM will be investigating this exciting possibility but there has been no proposal to the Board.

The Board will revisit the issue at the April meeting.

VI. GM MONITORING REPORT: B1 Financial Condition (ANNUAL)

Summary: This item was removed from the Consent Agenda for discussion. The Board discussed using some simplified versions of the charts contained in this report for the Annual Meeting.

The Board decided that the Report needs a clearer statement explaining that GAAP is not currently being used and we are using the income tax basis but that there is an intention to convert to using GAAP in the future. These changes will be made to paragraph B1.10

The Board and GM also decided benchmarks for comparison would be helpful to understand the data, thus CoCoFST benchmarks will be provided in the amended report. These changes will be made to B1.2, B1.3, and B1.4.

The GM questioned the efficiency of writing the Monitoring Report on a quarterly basis, when some of information is released annually, causing the record to be repetitive in some sections. The Board decided to keep the report schedule as is.

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Motion to accept the GM Monitoring Report B1 with proposed changes.

Motion: Ellen Clinesmith

Second: Mark Roberts

All in favor: 6

Additional discussion: Mark Roberts suggested changing the Policy B1 to conform to current practice (not using GAAP) as compared to simply noting non-compliance and intention to comply with best practice as reflected in policy. It was decided that he could work on formulating a proposal to submit for consideration at a future board meeting but that this did not need to happen imminently.

VII. ACTION ITEMS

A. Approve Financial Talking Points:

Summary: These talking points were in the minutes of a prior meeting and were also included as an attachment to this month's board meeting. Other than capitalizing the term Member-Owner wherever it appears, the Board was happy with these as drafted.

Motion to accept the Financial Talking Points as drafted.

Motion: Sue Phillips

Second: Mark Roberts

All in favor: 6

B. Approve Board Elections Task Force Proposal

Summary: The Board would like to change the language on the proposal to "the committee recommends proceeding as follows," rather than "the committee decided" as committees recommend action to board and do not act independently.

The proposal was to solicit nomination (self or by referral) and to have interested candidates, including current Board Members who are interested in reelection, to fill out a form with information about their ability to contribute and endorsements from at least 3 members. It was also recommended to fill the two open slots, not to shift terms and try to fill three positions this year. This can be addressed next year by electing one board member for a shortened term.

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Motion to accept the recommendations of election task force.

Motion: Ellen Clinesmith

Second: Lee Boltz

All in favor: 6

C. Approve Bylaw Changes

Summary: The proposed changes are highlighted in the document included in the Board Packet. They concern the clarification of when rights flow to "Member-Owners" and when they flow only to "Member-Owners in good standing" and language concerning patronage distributions (Article V), particularly what factors will determine if and how they are to be paid and Member-Owner responsibility for considering the implications for their own taxes.

In section 2.4 the Board discussed whether or not the Articles of Incorporation need to be referenced explicitly and it was decided this was not necessary.

Motion to accept the Proposed Bylaws (no longer called Interim Bylaws) with the proposed changes and the addition of the language "to each Member-Owner's capital account" after the words "capital contribution" in section 2.3.

Motion: Sue Phillips

Second: Mark Roberts

All in favor.

Additional discussion: Susan Zimmerman will generate the final bylaws and send copies to Ellen Clinesmith (for Board Book), Richard Virgin (to make available in store) and Sue Phillips (to keep in secretary's meeting book).

D. Approve GM Compensation and Evaluation Task Force

Summary: The Task Force needs to be formed and compile everything before June. Sue Phillips, Mark Roberts, Mona Harmon-Bowman and Board Chair (may be Susan Zimmerman and may be someone else) all volunteer.

Motions to create a GM Compensation and Evaluation Task Force composed of Sue Phillips, Mark Roberts, Mona Harmon-Bowman, and the Board Chair.

Motion: Ellen Clinesmith

Second: Mark Roberts

All in favor: 6

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E. Approve Board Monitoring Clarification.

Summary: The process for the board monitoring its own process is now as follows:

The recording secretary creates the survey, sends it to Mark Roberts, he approves it and notifies the secretary to distribute it to all directors. Board members are to complete the survey within one week of receipt. Mark Roberts will then access the results and compile them to present at the next board meeting

VIII. BOARD DISCUSSION

A. Discuss participation at CCMA?

Summary: Mark Roberts will go if no one else can but has gone in the past. Ellen Clinesmith is interested but will check and get back to the Board.

B. Remaining Agenda Discussion Items are tabled due to lack of time.

IX. CLOSINGS

A. Agenda Preview for April 15th Agenda

Board Monitoring Reports - D1 and D2
Report of attendees at Co-operative Café on March 15th
Process Issues - President/GM Communication
GM Update Report to include developments regarding possibility of leasing additional space
GM Resubmission of Monitoring Report B1
Changing Executive Limitations Police B1 (if desired)
GM
Finalize attendees for CCMA
Review Annual Report for Annual Meeting
Review draft of Board Member Handbooks
Discuss process for selecting an auditor
Election Task Force Report -Verbal (as nominations close April 13 and meeting is April 15)
Review Board Budget
Board Chair Succession

Mark Roberts leaves during the compilation of this list.

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B. Tasks and Follow Up

Ellen Clinesmith and Susan Zimmerman will be preparing the Board Member Handbook to share with the Board at the next meeting, the idea is that every Board Member should be given one when they join the Board.

Mark Roberts will be preparing the presentation (power point) for the Annual Meeting, and will present that to Board.

X. ADJOURNMENT

Motion to adjourn at 8:42

Motion: Sue Phillips
Second: Mona Harmon-Bowman
All in favor.

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Draft minutes prepared by Alyssa Skaves on 3/24/2014.

Draft minutes reviewed and prepared for submission to Board by Sue Phillips on March 30, 2014.

Minutes approved by vote of the Board on April 15, 2014 and put into final form by Sue Phillips on May 3, 2014.