

FIDDLEHEADS BOARD OF DIRECTORS
Minutes of Board Meeting of May 16th, 2023
Via Google Meet and in person at
300 State St. New London CT

(Approved by the Board on June 13, 2023)

I. CALL TO ORDER, ATTENDANCE, ANNOUNCEMENTS

A. Call to Order

Brenda De Los Santos called to order a regular meeting of the Fiddleheads Board of Directors at 6:34 pm on Tuesday, May 16th, 2023 via conference call.

B. Attendance

The following Board directors were present:

Brenda De Los Santos, President
Sehar Mahmood, Vice President (Arrived 7:37)
Robin Harris, Treasurer
Danny Spurr, Secretary
Monica Chapman
Olivia Jenkins

The following directors were not present:

Amy Duval
Chevelle Moss-Savage
Susan Zimmerman

The following additional persons were present (remote):

Rachel Watrous, Interim General Manager
Katie Blanchard, Staff/Owner/Board Administrator
Stanley Bellamy, Staff/Owner

C. Check-ins and Agenda Review (6:34-6:46)

1. Directors shared check-in's.
2. Directors Reviewed the Agenda
 - a. Financial Review from a Columinate Consultant was added to the Discussion portion of the agenda.

D. Owner Comments

1. There were no owner comments.

II. APPROVE DRAFT MINUTES (6:46-6:48)

1. Directors reviewed the minutes.

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Motion to approve the minutes of the March 21st, 2023 as amended.

Motion: Robin Harris

Second: Monica Chapman

All in favor. Olivia Jenkins abstains

III. CONSENT AGENDA (6:46-6:49)

1. Equity Refund Request
 - a. A. Terry

Motion to approve consent agenda.

Motion: Olivia Jenkins

Second: Danny Spurr

All in favor.

IV. COMMITTEE/TASK FORCE (6:49-6:54)

A. Nominating and Annual Meeting Committee:

1. The annual meeting had decent attendance. Directors appreciated everyone's efforts and the provided food.
2. Quorum for this election is 135 Votes
3. The election will be mentioned in upcoming newsletters, posted around the store and cashiers are communicating with customers.

B. GM Search Committee:

1. The GM Search Committee has begun the interview process. There are very good candidates so far. The Committee hopes to have final picks available by the end of June to present to the Board.

VI. GM MONITORING REPORTS (6:54-7:04)

A. B1 Financial Condition (Q1 2023):

1. The Board discussed non-compliance with B1.2. Fiddleheads saw a net loss in income in the first quarter. This was due to expenses related to a personnel matter, rising costs with inflation, repairs and equipment replacements within the store. Underperforming margins were also a major factor with this loss of income. Margins were significantly below budget and Rachel and the department heads are actively working towards creating healthy margins to keep income growth on track.
2. There was a question about funds that Fiddleheads may have received from NCG and UNFI.
 - a. UNFI is still giving funds to the Co-op based on unfulfilled orders.
 - b. NCG is still giving patronage dividends to Co-ops. Rachel discovered at her last conference that NCG will be distributing one million dollars to member Co-ops.
3. There was a question about a line item listed at \$0 for Member Discounts. This is a holdover

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budget line from a previous Member Discount program where Members received 2% off of every purchase. This was replaced by the 10% quarterly coupon.

Motion to Approve GM Monitoring Report for B1 Financial Condition (Q1 2023) noting non-compliance in section B1.2 “The GM will not allow operations to generate an inadequate net income” with plan for correction:

Motion: Robin Harris

Second: Olivia Jenkins

All in favor.

VII. DISCUSSION / ACTION ITEMS (7:04-8:01)

A. Columinate CPA Consultant

1. The board reviewed a Columinate Consultant and CPA Audrey Griffin’s Financial Review Proposal. It was noted that she will not do taxes for the Co-op. Rachel will continue to look for potential CPAs.

Motion to give the GM authority to approve a CPA to conduct a Financial Review, whether it is Audrey Griffin or another CPA Rachel may discover.

Motion: Monica Chapman

Second: Danny Spurr

All in Favor.

B. Board Monitoring Survey D3: Delegation to the GM

1. The Board reviewed Board Monitoring surveys D3: Delegation to the GM.
 - i. There was discussion about updating policies regarding delegating to the GM. Brenda made a note to return to these policies after the GM Search Committee has concluded.
 - ii. Moving forward, the Board Monitoring Policy for that month will be included in the packet for directors to review and discuss during the meeting.

C. Columinate Consultant Update:

1. Brenda met with Todd from Columinate. Todd is based out of California but is also the consultant for the Willimantic Co-op. We can time Fiddleheads’ retreats to be around the same time as Willimantic’s to make the best use of his time.
2. There was a question about whether there will be a change in fees for this new consultant. Brenda will look into the cost but this likely is included with the Board’s Columinate contract.
3. It was requested that the Board meet with Todd before officially approving him as the new Columinate consultant. Brenda will ask him to attend the June Board Meeting.

D. Farewell Directors

1. Discussion of upcoming Election of Officers
 - i. It was noted that Danny is going into his last year of service on the Board. It was suggested that Danny pass the role of Secretary to a new Director
 - ii. Amy Duval volunteered to serve as the Vice President of the Board.
 - iii. Robin discussed treasurer roles.
 1. The treasurer works with the GM to outline the Board Budget and will check in periodically throughout the year to make sure everything is still on track.

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- a. The budget is a percentage of sales so most decisions are already made for the treasurer.
 - b. This is an excel sheet where most items are already tabulated from the previous year.
 - 2. The treasurer also serves on the Executive Committee.
- 2. Assign Board Buddies
 - i. There will be 6 Board members who have been on the Board for two years or less. Board Buddies will be essential to ensure the success of the Board.
 - 1. Interested Board Buddies include
 - a. Danny Spurr
 - b. Brenda De Los Santos
 - ii. What areas were Board Members most lost on when they first joined.
 - 1. Navigating the Google Drive
 - 2. Would like physical Binder of Board Policies.
- 3. Assign New Board Director Orientation
 - i. Election ends: May 27th
 - ii. In-person orientation
 - 1. Brenda De Los Santos, Danny Spurr, Sue Zimmerman and Katie will help with the orientation.
- 4. June's meeting:
 - i. Originally scheduled for June 20th. Rachel will be on vacation. The Board will try to meet on June 13th so Rachel can be in attendance for the new director's first meeting.
 - 1. Brenda will send a doodle poll to finalize this date.
 - 2. Brenda will send out a doodle poll for the orientation date.

E. Crisis Management Survey Results

- 1. Directors discussed survey results regarding lessons learned from the last crisis.
 - i. What did we do well?
 - 1. Listened to everyone's point of view.
 - 2. Initially the Board responded quickly.
 - 3. Engaged with a third party to guide a course of action. Conducted investigation quickly.
 - ii. What could we have improved on?
 - 1. Communication needed to be streamlined.
 - 2. Consider all stakeholders thoroughly.
 - a. Example: How would staff react to the offender returning to work.
 - 3. HR person to guide throughout the process
 - a. A HR person was consulted at the beginning of the process but a Human Resource professional was needed throughout the process.
 - 4. The Board needed to have consultants they could trust and lean on.
 - a. Make sure the consultant works well with the Board President and the Board. Evaluate this relationship more regularly.
 - iii. Key Takeaways
 - 1. It is important to act as quickly as the situation allows. But if the board feels like they are cornered, it is okay to slow down, gather information, and really evaluate the situation.

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- 2. A crisis plan is necessary
- 3. A solid communication plan is necessary
 - a. Communication from staff
 - b. Providing communication to staff
 - c. Ensuring Co-op needs are being met.
 - d. The staff wants information before it is released to the ownership base so they are prepared for customer questions with talking points.
 - e. It was suggested that the Board consider a policy to ensure communication reaches all staff.
- iv. Reflections on the Restorative Justice Process
 - 1. This was a beneficial process that could be used in the future.
 - 2. There were some issues with the process
 - a. This should have been conducted with the offender and the people who were harmed as expeditiously as possible.
 - b. As the whole staff was harmed, a whole staff Restorative Justice Process was necessary as well.
- v. What changes should be made to the D2 Policy the “GM should be the only link between the Board and Operations.”
 - 1. Respondents unanimously agreed that this policy needs to be reconsidered.
 - a. It was suggested that the GM be the “primary” link between the Board and Operations. This would allow for additional channels of communication, though these channels would need to be clearly defined. It was noted that flexibility would benefit this policy.
- vi. What things need to be written down in a crisis playbook.
 - 1. Contacts for initiating a GM Search process or hiring of an Interim GM.
 - 2. How to support directors, checking in with directors, how to protect fellow Board members.
 - 3. There should be at least two staff members who are part of the GM Succession plan.
- vii. Brenda will compile this into a written document alongside the work the Staff/Board Task Force has done to be used as the beginnings of a playbook to deal with future crises.

F. Notes from the GM and Store Updates

- 1. Rachel suggested switching September’s GM Monitoring Report, Asset Protection with B6 Staff Report in September.
 - i. It was noted that there was some discontent with the previous Staff Survey process. Rachel needs more time to source a new survey and administer it to staff.
- 2. Rachel will be purchasing a new run of freezers. This has already been capitalized and the Board does not need to vote on this purchase but she wanted to let them know this is happening.
- 3. Rachel also posted for the HR position. She will send the posting to the Board in case they know of anyone who would be interested.

Motion to update the Board Calendar moving GM Monitoring Report B6 Staff Report to September and B3 Asset Protection to June.

Motion: Danny Spurr

Second: Monica Chapman.

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VIII. CLOSINGS (8:01-8:15)

A. Owner Comments:

1. It was noted that the staff hoped the Board would reflect on how to improve crisis management in the future. Seeing their reflections was very appreciated. The work the Board is doing and continues to do is appreciated.
 - a. The Board responded by saying they will not forget what happened and will continue striving to do better.

B. Meeting Talking Points

1. The Board election is happening now until May 27th, please don't forget to vote!
2. The Board said farewell to departing Board Directors, Sehar Mahmood, Monica Chapman, and Robin Harris. They were thanked for their hard work over the years and will be greatly missed!
3. Reviewed B1 Financial Conditions for the first quarter of 2023 noting non-compliance with net income.
4. The Board discussed holding a Board Orientation and Board Buddies for the soon to be elected Board Directors.
5. The Board discussed the great time that was had at the Annual Meeting!
6. The Board discussed potentially changing the date for June's Board Meeting. Stay tuned for a finalized date TBA!
7. The Board discussed a potential new Board Consultant.
8. The Board discussed lessons learned and key takeaways from how the recent incident involving the GM was handled and how to improve crisis management in the future
9. There was an update from the GM search committee

B. Tasks and Responsibilities:

1. Policy reviews will be added to a future agenda.
2. Brenda will set a time to introduce the Board to the potential new consultant.
3. Brenda will generate doodle polls for orientation and the next board meeting.
4. Brenda will reach out to Board Members about the Board Buddies.

D. Upcoming events

1. CCMA is June 8th-10th in Sacramento, CA. It was noted that the next CCMA will be in Portland, ME and the Board may want to budget more money to send more directors.

IX. Executive Session (8:15-8:28 pm)

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Motion to enter Executive Session to discuss a legal matter:

Motion: Monica Chapman

Second: Robin Harris

All in favor.

Executive session was entered into at 8:15 pm and exited at 8:28 pm.

No decisions were made in Executive Session.

X. Meeting Adjourned

Motion to exit executive session and adjourn meeting:

Motion: Danny Spurr

Second: Monica Chapman

All in favor.

Meeting adjourned at 8:28 pm

Draft minutes prepared for submission to the Board by Katie Blanchard and Danny Spurr on June 13th, 2023.

Minutes approved by vote of the Board on _____, and put into final form by _____ on _____.