

FIDDLEHEADS BOARD OF DIRECTORS
Minutes of Board Meeting of May 21st, 2024
Via Google Meet and In Person at 300 State St. New London, CT

(Approved by the Board on June 18th, 2024)

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 6:32 pm on Tuesday, May 21st, 2024 via Google Meet and in person at the Dewart Building on 300 State Street, New London Connecticut.

B. Attendance

The following Board directors were present:

Brenda De Los Santos, President
Chevelle Moss-Savage, Vice President (Arrived 6:41pm)
Amy Duval, Treasurer (Departed 8:10)
Sue Phillips, Secretary (Arrived 7:22pm)
Susan Zimmerman
Cassandra Campbell
Danny Spurr
Rae Hutchins

The following Board Directors were not present:

Olivia Jenkins

The following additional persons were present:

Stanley Bellamy, General Manager
Katie Blanchard, Board Administrator

C. Check-ins and Agenda Review (6:33-6:45)

1. Directors reviewed the agenda.
 - a. Community guest has been postponed to July.
 - b. The only Executive Session matter is approving minutes. This will be tabled until there is more Executive Business to consider.
2. Owner comments
3. Directors shared check in's.
 - a. This is Danny Spurr and Olivia Jenkins last Board Meeting. They were thanked for their service.
 - b. Brenda also noted that she is now on the NFCA Board!

II. APPROVE DRAFT MINUTES (6:45-6:48)

1. The Board reviewed the minutes from April 16th, 2024 with clarifying amendments.

Motion to approve the minutes from April 16th, 2024 as amended.

Motion: Danny Spurr

Second: Susan Zimmerman

All in favor. Chevelle Moss-Savage abstains having not attended the meeting

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III. CONSENT AGENDA (6:48-6:50)

A. Equity Refund Requests

1. none this month

IV. COMMITTEE/TASK FORCE (6:50-7:14)

A. Nominating Committee

1. Election is under way! Voting closes at the end of this week.
2. New Director Orientation
 - a. Virtual CBuild 101 on July 20th 11:00-2:30pm that provides a foundation for policy governance. It was suggested that this could serve as part of new Board member orientation.
 - b. Brenda and Katie will begin planning the new member orientation and send an email asking other interested directors to join.
3. It was suggested the Nominating Committee convene to debrief about the 2024 election season.

B. Annual Meeting Committee

1. Directors discussed recording portions of the meeting to be posted on the website and shared with the broader ownership base.
2. The catering from both Fiddleheads Kitchen and Whisk Together Catering Desserts were both appreciated. Thanks to Chevelle for coordinating the desserts.
3. Attendance appeared to be lower than previous years. The Board discussed increasing communication and advertisements about the Annual Meeting.
4. It was noted that the number of ballots submitted has already reached quorum.
5. The board appreciated how Stan has fostered a relationship with Fiddleheads staff where they felt comfortable answering questions that were more in their department.

C. Finance and Audit Committee

1. The Committee and Stan discussed ways to support each other in giving Stan feedback and questions on financial reporting prior to the Board Meeting.
2. The Board discussed the proposed charter
 - a. Dates for the charter should be added.
 - b. The charter should also add language that the GM has the right to push back on questions and requests from the committee that infringe on operations as cited in policies D1 - Unity of Control and D3 - Delegation to the GM.
 - c. The charter will be updated and presented at the next board meeting.

V. GM Update (7:14-7:17)

A. GM Update:

- a. Fiddleheads has officially reached quorum for the election.
- b. Fiddleheads-branded wellness products have officially launched in store. The pricing will

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help to increase the wellness margin overall.

c. Headshots for the managers will be posted in the store.

B. B1 Financial Condition (Q1 2024)

1. This was moved to discuss following the Board Monitoring Survey to allow Sue Phillips to join at 7:30.

VI. DISCUSSION / ACTION ITEMS (7:18-7:29)

A. Board Monitoring Survey:

Board-Management Relationship D3 – Delegation to the GM

(Adopted June 18, 2013)

(Revised November 21, 2023)

The Board delegates authority to the GM through written Ends and Executive Limitations policies.

1) *As long as the GM uses any reasonable interpretation of the Board's Ends and Executive Limitations policies, the GM is authorized to establish all further policies, practices and plans for the cooperative.*

2) *We will respect and accept the GM's choices as long as those choices are based on reasonable interpretations of Board policies.*

3) *If the Board changes an Ends or Executive Limitations policy, the change only applies in the future.*

B. Policy Discussion

1. There was a discussion about reasonable interpretation of policies and ends. The Board discussed limitations on input in regards to operational decisions. It was noted that board questions are encouraged but making operational decisions is not in the Board's purview.

VIII. B1 Financial Condition (Q1 2024) (7:29-8:11)

1. It was noted that B1.2 has been in non compliance—the co-op has been operating at an average net loss for the last rolling four quarters. How long can this continue without falling into fiscal jeopardy?
 - a. Stan noted the strong cash position the co-op is currently in. The co-op has enough cash on hand for at least 30 days. It was noted that some of this cash comes from the CFNE loan. Stan drew down some funds from this loan in anticipation of the major management changes happening throughout the Co-op.
 - b. There was discussion about sales growth, product selection and personnel change over and how this has impacted the net loss.
 - c. There was discussion about the push/pull between Fiddleheads as a being in service to the community and a sustainable business.
2. It was suggested that Stan give the Finance Committee raw financial data ahead of the board packet so the committee can review and meet with Stan to discuss questions ahead of the Board Meeting.

Motion to accept GM Monitoring Report B1 Financial Condition (Q1 2024) noting non-compliance with a plan for correction in B1.2 (“The GM will not allow operations to generate an inadequate net income”)

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Motion: Sue Phillips

Second: Amy Duval

All in Favor.

Motion to begin monitoring B1.1-B1.3 on a monthly basis until a reversal in net income pattern is seen.

Motion: Susan Zimmerman

Second: Susan Phillips

All in favor.

IX. CLOSINGS (8:11-8:18)

A. Owner Comments:

1. None present this month.

B. Meeting Talking Points

1. The Board will review Financial GM Monitoring Reports B1.1-B.3 monthly until a reversal in net income loss is seen.
2. Debrief annual meeting and nominations committee.
3. The Board and Staff were thanked for a successful Annual Meeting with delicious food.
4. Thanked Danny Spurr and Olivia Jenkins for their service.
5. The Board had a discussion determining reasonable interpretations for Board Monitoring reports.
6. Tabled approval of a Charter for Finance and Audit Committee to June meeting with suggestions for the committee to consider in revising draft charter.

B. Future Tasks and Responsibilities:

1. Brenda will schedule a new director orientation.
2. The Finance Committee will update a new charter with dates and language highlighting GM Delegation to be proposed at the June's Board Meeting.

C. Upcoming events

1. CCMA, May 30th-June 1st, 2024 – Brenda De Los Santos, Chevelle Moss-Savage, Sue Phillips, and Cassandra Campbell will attend.
2. Virtual CBuild 101 on July 20th from 11-2:30pm that provides a foundation for policy governance. It was suggested that this could serve as part of new Board member orientation.

X. Meeting Adjourned (8:18pm)

Motion to exit executive session and to adjourn meeting:

Motion: Danny Spurr

Second: Chevelle Moss-Savage

All in favor.

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Meeting adjourned at 8:18 pm

Draft minutes prepared for submission to the Board by Katie Blanchard, Susan Phillips, and Rae Hutchins on May 25th, 2024.

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