

FIDDLEHEADS BOARD OF DIRECTORS
Minutes of Board Meeting of June 18th, 2024
Via Google Meet and In Person at 300 State St. New London, CT

(Approved by the Board on July 16th, 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 6:41 pm on Tuesday, June 18th, 2024 via Google Meet.

B. Attendance

The following Board directors were present:

Brenda De Los Santos, President
Chevelle Moss-Savage, Vice President
Sue Phillips, Secretary
Cassandra Campbell
Rae Hutchins
Dylan McCullough (7:18)
John Cleveland

The following Board Directors were not present:

Susan Zimmerman

The following additional persons were present:

Stanley Bellamy, General Manager
Katie Blanchard, Board Administrator

C. Check-ins and Agenda Review (6:41-7:09)

1. Directors reviewed the agenda.
 - a. Policy Review Committee updated Officer Roles to be added to the Discussion portion of the meeting. These have not yet been approved and will be presented for review and vote at a future meeting.
 - b. Board Retreat added to the Discussion portion of the meeting.
2. Welcome New Directors.
 - a. Welcome New Directors John Cleveland, Dylan McCullough, and Susan Zimmerman.
 - b. Amy Duval has resigned from the Board.

Motion to appoint Andre Fernandez-Pulaski to serve the remaining term ending in 2025.

Motion: Sue Phillips

Second: John Cleveland

All in Favor.

3. Directors shared check in's.

II. APPROVE DRAFT MINUTES (7:09-7:13)

1. The Board reviewed the minutes from May 21st, 2024 with clarifying amendments.

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Motion to approve the minutes from May 21st, 2024 as amended.

Motion: Rae Hutchins

Second: John Cleveland

All in favor.

III. CONSENT AGENDA (7:12-7:14)

A. Equity Refund Requests

1. I. Pilgermayer
2. A. Harvey

Motion to approve the consent agenda

Motion: Sue Phillips

Second: Andre Fernandez-Pulaski

All in favor.

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

A. Finance and Audit Committee

1. Tabled until next meeting

V. GM Update and GM Monitoring (7:14-7:35)

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

1. Inventory is coming up at the beginning of July.
2. Make Music Day on June 21st will also be an owner appreciation day with vendors, sampling, additional sales, and music.

B. B1 Financial Condition (Q1 2024)

1. In the profit and loss statement the labor expense for marketing position was listed as 0. This was the interim between the prior marketing staff member leaving the department and the new staff member joining.
2. There was a question about what was included in the "utilities-other" line. It is believed that this is just municipal water and sewer.
3. There was a question about whether the Board and Officers insurance should be billed as a store expense or Board expense. To the GM's knowledge it has historically been a governance expense.
4. Other income was explained to reflect UNFI rebates/reimbursement for products ordered but unable to be delivered because they were out of stock. The money received is to compensate co-op for loss of sales.

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")

Motion: Sue Phillips

Second: John Cleveland.

All in favor.

C. B3 Asset Protection:

1. There was a question about why the deductible for EPLI insurance went up. This is due

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- to both inflation and previous claims.
2. There was a question in section five about asset security and the placement of a lockbox to hold the key for board officer access to confidential Board Files maintained in hard copy..
 3. There was a question about who should approve the GM Reimbursements in excess of \$50. Although policy says it is Board Treasurer, this position has in the past been held by a store employee, creating a possible conflict of interest. It was discussed that since GM has never needed to spend personal funds and be reimbursed the board could consider omitting this as a process in the policy or make the approver either Treasurer or President.
 4. There was a question about the systems administrator role. This is outsourced to IMT.
 5. There was a question about CSC Paymaster. This is the payroll system the Co-op uses. The Co-op populates data for CSC Paymaster so it is not really a provider of external oversight.

Motion to accept GM Monitoring Report B3: Asset Protection with a request that the Board review B6.3 who should approve GM reimbursements in excess of \$50.

Motion: Brenda De Los Santos

Second: Cassandra Campbell

All in Favor.

VI. DISCUSSION / ACTION ITEMS (7:36-8:10)

A. Board Monitoring Survey:

Board-Management Relationship D4 – Monitoring GM Performance

(Revised June 16, 2021)

(Revised November 21, 2023)

The Board will systematically and rigorously monitor and evaluate the GM's job performance compared to expectations set forth in Board policies.

1) The Board's policy monitoring process is the foundation of our annual evaluation of the GM.

a. In January of each year the Board will review a summary of the monitoring reports received during the previous 12 months.

b. The Board will invite the GM into a conversation to share other relevant information and clarifications.

c. Based on the review of reports and the conversation, the Board will present an evaluation letter to the GM. That letter will constitute our full evaluation, and it will be delivered no later than March 15th.

2) We will acquire monitoring information by one or more of three methods: (a) most commonly by internal report, in which the GM discloses policy interpretations and compliance information to the Board; (b) occasionally by external report, in which an external, disinterested third party selected by the Board assesses compliance with Board policies; or (c) rarely by direct Board inspection, in which a designated director or committee assesses compliance with the policy.

3) We will accept that the GM is compliant with a policy if the monitoring report includes a reasonable interpretation, including clear metrics and benchmarks, and adequate data that demonstrate accomplishment of that interpretation.

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- a. *The Board's standard for compliance with a policy will be any reasonable interpretation by the GM. The GM's interpretation does not need to be an interpretation that is favored by individual directors or by the Board as a whole.*
- 4) *In evaluating non-compliance, we will consider the severity, implications, and trends, as well as the GM's explanation and plan to achieve compliance.*
- 5) *We will monitor all policies that instruct the GM. The Board can monitor any policy at any time by any method listed above but will ordinarily follow the schedule outlined in the Board Annual Calendar.*

Board-Management Relationship D5 – Compensating the GM

(Adopted November 21, 2023)

The Board will compensate the General Manager in a way that honors their value to the cooperative, and demonstrates our commitment to equitable treatment.

- 1.) *We will use a strategic process to establish the value of the GM's compensation, and we will complete this process in a timely manner.*
- 2.) *We will strive to negotiate a compensation package that is equitable, competitive in our market, and sustainable for the cooperative.*

1. Policy Discussion

- a. How well do we understand the policy?
 - i. The board had no questions about this policy.
- b. How well do we follow this policy?
 - i. It was noted that due to GM changeover, this policy has not been implemented in the past two years. The Board previously voted to begin the evaluation process for January 2025 in August 2025, approximately 12 months from when Stan took on the role of GM. It was decided not to update the policy as the Board aims to return to the original process of beginning the evaluation process in January.
- c. Is there anything that needs to be changed or updated?
 - i. No comments given the lack of recent history of implementation.

B. Directors Sign Code of Conduct.

- 1. Directors verbally commit to adhere to and uphold Code of Conduct
 - a. Brenda De Los Santos, President
 - b. Chevelle Moss-Savage, Vice President
 - c. Sue Phillips, Secretary
 - d. Susan Zimmerman
 - e. Cassandra Campbell
 - f. Rae Hutchins
 - g. Andre Fernandez-Pulaski
 - h. Dylan McCullough
 - i. John Cleveland

C. Elect Board Officers

- 1. President Brenda De Los Santos proposed a slate of offers for Board Year 2024 to consist of:

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- a. President: Brenda De Los Santos
- b. Vice President: Cassandra Campbell
- c. Treasurer: Chevelle Moss-Savage
- d. Secretary: Rae Hutchins to begin in August.

Motion to approve proposed slate of officers.

Motion: Andre Fernandez-Pulaski

Second: Dylan McCullough

All in Favor.

D. Review Annual Meeting Minutes

1. It was noted that annual meeting minutes were utilized to make legal record of motions and decisions made during the Annual Meeting. Annual Meetings in recent years have simply been kick-offs for the election of board members and any proposed bylaw changes. Thus, nothing is passed at the Annual Meeting as a meeting.
2. There was a question of whether the Simply Voting records would be enough of a legal record for these decisions. Brenda will reach out to the Co-op lawyer for guidance.

E. Review CCMA Takeaways

1. There seems to be a nation-wide tension between the old ways of Co-ops prioritizing specialized diets and organic food and newer initiatives attracting diverse consumer bases and product mix.
2. Fiddleheads won a Team Spirit Award at a bowling event.
3. A board member was inspired by visiting an entrepreneurial incubator Co-op and a worker-owned Co-op.
4. Board members were impressed with how Co-ops around the country are working with food security initiatives.
5. The ability to build relationships and deepen understanding of the Co-op world were appreciated by CCMA attendees.
6. Board members attending CCMA were also inspired by black and brown affinity groups and learning about their intentional initiatives.
7. Next year CCMA will be in Duluth, MN. While travel will be significantly more expensive than to attend in Portland, ME, Brenda noted that registration would be free for attendees hosting a workshop, so this is something we could consider having one or more staff or board members do to maximize the number of attendees from Fiddleheads.

F. Board Retreat Dates

1. The Board selected August 24th from 9am-4pm as their first choice date for a Board Retreat pending approval of board members absent from the meeting.

IX. CLOSINGS (8:10-8:23)

A. Owner Comments:

1. None present this month.

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B. Meeting Talking Points

1. Approved GM Monitoring Report B3 on Asset Protection.
2. Approved a mini-GM Monitoring Report on B1 Finances.
3. Board members who attended CCMA shared some of their experiences including board members who toured different kinds of coops including a worker coop and an incubator coop for start up business.
4. New Board Members were interested in learning that the challenge of integrating conventional products into historically natural food co-ops is occurring at coops around the country.
5. Board members shared excitement about the mood at the store especially as we lead up to Make Ye Music on June 21st.
6. Finance and Audit Committee Charter discussion was tabled for a future meeting.
7. Appointed Andre Fernandez-Pulaski to the Board to fill vacancy left by resignation of Amy Duval.
8. Board members learned about the interests and activities of other board members, including about involvement of some board members in OutCT.
9. Board Officer roles were filled as follows:
 - a. President: Brenda De Los Santos
 - b. Vice President: Cassandra Campbell
 - c. Treasurer: Chevelle Moss-Savage
 - d. Secretary: Rachel Hutchins

C. Upcoming events

1. Virtual CBL101 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.
2. New Director Orientation: Tuesday July 9th at 6:30pm-8:30pm.

X. Meeting Adjourned (8:23)

Motion to exit executive session and to adjourn meeting:

Motion: John Cleveland

Second: Dylan McCullough

All in favor.

Meeting adjourned at 8:23 pm

Draft minutes prepared for submission to the Board by Katie Blanchard and Susan Phillips on June 18th, 2024.

Minutes approved by vote of the Board on July 16th, 2024, and put into final form by Katie Blanchard on July 16th, 2024