



Policies & Procedures Committee Meeting Minutes
April 20 2016 Ten Pin Conference Room

Present at start of meeting

Board: Mary Ella Anderson and Colin Fiske

Staff: Melanie Bettenhausen, Alisha Stafford and Bella Waters

Member-owners: John Lucas

Meeting commenced at 6:01pm. Colin Fiske welcomed everyone.

Agenda Review.

Minutes. **Consensus to approve March 16, 2016 minutes.**

Board Meeting follow-up. First package of bylaw changes have been approved for this year's ballot. Colin has already provided the write up for the Co-op News.

Attorney feedback on bylaw sections 5.05 and 6.02. Discussion included:

- Section 6.02. Following attorney's advice the committee **reached consensus to leave Section 6.02 alone.** No changes will be suggested for that section.
- Section 5.05. **Consensus reached to change phrasing of first sentence to "Subject to the final sentence of this Bylaw section, the terms of office for all Directors shall be three years."**
- Proposed last sentence was attempt to minimize "lame duck" period, while preserving annual membership meeting flexibility. Attorney finds current language confusing. Colin suggested clearer language.
- Officer appointment policy needs to be revised, preferable prior to election to ensure board officer appointment process in place and aligned with bylaws.
- Election schedule and timeline changed this year with Annual Membership Meeting occurring during the election. Revised schedule could solve issue, but won't know for sure until after this year's election.
- Committee discussed holding off on recommendation until seeing how things go, but considering all the time and work spent on this section Committee felt the board should make that decision. Maintain November 1st date to tie election down to a specific time of year.
- **Consensus reached to recommend the board consider putting the revised language of 5.05 on this year's ballot:**
 - Subject to the final sentence of this bylaw section, the terms of office for all Directors shall be three years. Directors will be elected such that terms are staggered and will serve no more than three consecutive terms as a director. Each director shall hold office until the expiration of the term for which he or she is elected and until the election of a qualified successor. Director terms shall begin and end no later than ~~on~~ the first day of November for each year; however, if the regular annual meeting of members and/or a board of directors meeting occurs after the close of the election but before the first day of November, then director terms shall begin and end at the first such meeting following the close of the election.

Membership Rolls Policy. Discussion included:

- Colin provided background on the issue and need to have systems in place for tracking three years of non-communication by members. He'll work on a board policy that will ask for an annual review of membership rolls, contacting members who are at risk for abandoning their shares, keeping track of response for two years, if no response board could expel those members, then after third year transfer money to co-op.
- Request has been sent to auditors to provide training and a manual for staff on unclaimed property process.
- Annual review would include reports of inactivity of shopping and shares/other membership property subject to transfer.
- Committee will review proposed policy at June meeting.

Review bylaw section 1.09. Colin provided background information on where this proposed section came about. Need one person designated per membership who can vote and exercise other rights of the membership, but to be truly democratic, there should only be one person per membership – in line with bylaws. Discussion included:

- Co-op should not get involved with member estate planning or disputes.
- John requested to withdraw his proposal and provide an alternative that retains household membership concept, but keeps it one person to have control of the membership, vote, buy/sell shares, etc.
- Increasing membership numbers will increase membership discounts,
- Discussed options for avoiding more bylaw changes such as the board creating a policy for going forward that would, over time, result in one person one membership. Committee felt that with education, members would understand the dilemma and purchase memberships for others on their account. More people would be allowed to vote as well.
- Committee revised John’s proposal as follows:
 - Following board approval of this policy, any new membership shall be owned by one natural person or by one organization. Any member may, at any time, add or remove one individual as a "household shopper". The household shopper is permitted to patronize the cooperative on behalf of the member. The household shopper has no claim of ownership or associated rights to the membership.
 - Individuals on existing memberships owned by more than one person shall be encouraged but not required to purchase individual memberships.
- This policy would be in lieu of a new bylaw section 1.09. Committee agreed to revisit the proposal in June before submitting to the Board.
- Melanie would like to see the topic of membership as part of the Strategic Plan so everyone understands the long term goals for membership.
- Attorney feedback will not be requested at this point. Perhaps after Board reviews policy.
- Staff will look into Generally Accepted Accounting Practices (GAAP) for managing multiple person equity interests.

Review new business form hotlist. No discussion due to time.

Agenda items for next meeting.

1. Proposed policy to transition to single memberships
2. Membership rolls policy
3. Reassess meeting time
4. Hot list

Next Meetings: Group decided to recess until the June 15th meeting @6pm.

Meeting adjourned at 8:15pm by consensus.

Minutes by Bella Waters

Recommendations for Board:

1. **That the board consider putting the revised language of 5.05 on this year’s ballot.**