

Medford Food Co-op
Bylaw Revision Q&A Session - Summary Notes
July 14, 2020, 7:00 PM

Revisions to the Medford Food Co-op (MFC) bylaws will be on the ballot for the 2020 annual election. This document summarizes the first of two scheduled sessions the Board offered to MFC Co-op members to ask questions, receive answers, and to learn about the reasoning behind the changes.

The meeting was held via Zoom and recorded for future reference. All documents referenced (original bylaws, proposed bylaws, and summary of proposed revisions) may be reviewed at <https://medfordfood.coop/owner-resources>.

Present

Board: President Kellie Hill*, Vice President Patty Casebolt*, Director Verne Underwood*

Staff: General Manager Anne Carter*, Board Administrative Assistant Kathy Damas

Facilitator: Todd Wallace, Columinate consulting group

Owners: Owen

* *Members of the Bylaw Revision Committee*

Session Summary

Todd noted that the session would be recorded for future reference and introductions were made. Recognition and thanks went to Board Directors and co-chairs of the Outreach Committee Fran Baltzer and Sarah Calhoun for setting up these Q&A sessions.

Verne introduced the major changes to the bylaws as listed at the beginning of the summary document. These include making them shorter and easier to read, each owner share linked to an individual rather than a household, non-transferability of shares, quorum for any vote of owners increased to at least 50 (was 25), employees may not serve on Board of Directors, Board of Directors limited to serving three consecutive terms, and patronage dividends not used within 90 days may be donated to an organization selected by the Board.

Questions

Q: Quorum: Sections 3.6 (original) / 3.5 (proposed) – Clarification about increase from 25 to 50 and/or a percentage of votes by owners.

A: Since the Co-op has grown, 25 votes seem too few, so the new bylaws suggest a quorum equal to 10% of total number of owners or 50 owners, whichever is less. The Board wants to ensure adequate voter participation and this change accommodates future membership growth.

The average number of attendees voting at annual meetings has changed since the advent of email voting. In-person voting has been as few as 25 ballots cast versus closer to 200 owners voting online. The preferential voting option has never been used and so was eliminated.

Q: Non-transferability – Sections 2.6/2.7: Clarification

A: MFC's Articles of Incorporation designate that besides owner share redemptions, shares can only transfer back to the Co-op, so this change eliminates current violation of that clause.

Q: Section 4.3 (Proposed) – Election and Terms: Clarification

A: This section instills limitations, emphasizing that the Board should have a good succession plan in place to protect those serving on the Board and MFC in general.

Q: Section 2.7/2.8 – Termination of Ownership: Clarification

A: The proposed language gives the option (not required) to terminate owners who haven't patronized the store in over three years. This allows MFC to clean up and clarify the number of owners to reflect reality.

Q: Section 4.2 (Proposed) – Number and Qualifications: Employees not eligible to serve as Board members?

A: Employees have an inherent conflict of interest since they report to the General Manager, who in turn reports to the Board. All employees are welcome and encouraged to participate with the Board in other ways.

Q: How many members are there of MFC?

A: There are currently just under 4,000 members, and about half of those are active shoppers.

Owen commended the Board for their work. He has served on other boards and recognizes what a big undertaking this has been.