

Meeting started at 5:03 pm and ended at 6:50 pm.

Board members present: Regi Blackburn (President), Darcel Eddins (Secretary), Aja Wright, Anne Craig, Anne Gaines, Lynn Johnson, Tara Luetkenhaus, Jonathan Daniels (working-arrived late, left early).

Others present: Steve Watts, General Manager (GM). Owners: Cicada Brokaw - facilitator, Bette Jackson, Rusty Sivils, Lorraine Murphey, Lola LaFey, Jean Karpen – note taker

During introductions/check in time, there was discussion of a peace keeper procedure proposal. There was no objection to adopting the procedure for this meeting.

Summary of Decisions Made:

- Steve will update the Executive Limitations Monitor Report and send to board members.
- Approved minutes of the following meetings: Dec. 2, Mar. 14, Mar. 28, and Apr. 11.
- Approved a proposal creating the Committee Structure Committee.

Approve Agenda: Approved with one addition. Anne Craig will be allowed 2 minutes of the Policy Governance (PG) Committee Report time to present information on owner linkage.

Owner Comment Period: Bette Jackson is glad to see the information board set up inside by the kitchen door and hopes for more communication with owners. There was a brief discussion about clarifying ownership of the coop. Cicada has a report of previous work done on this.

GM Executive Limitations Monitor Report, 2.2 Treatment of Staff: Steve presented this report and discussion ensued. The following proposal was made and approved: Steve will update the monitoring report as to compliance or non-compliance, based on the mini-survey. He will disseminate this information to board members by the end of this week.

**In the future, if sensitive information is part of this report, it should be discussed in executive session.*

**Right now, this report is based on the mini-survey. In the future, there will be an additional, more thorough, survey to be developed by Steve & the management team.*

**Regarding any potential conflicts between the policy and union contract, Steve would defer to the union contract.*

**Lynn suggested that board members need training in interpretation of the monitor report.*

Board Business:

- **Minutes** of the Dec. 2 meeting were approved with one editorial change. For these minutes only, it will be stated that “personnel issues” were discussed in executive session (rather than more specific language as to what personnel issues were discussed).
- **Minutes** of the Dec. 12 were discussed. Several changes were presented. Under Board Business, strike “...they were approved at another board meeting.” and give the date of the meeting at which they were approved. Strike the last sentence of that first paragraph, “The minutes for November 14th were approved with the following changes: The section” Darcel will provide copies of the November 14 minutes for re-adoption at the February meeting. No action was taken.

- **Owner Linkage Report:** Anne Craig distributed a report on owner linkage. No action taken.
- **PG Committee Reports:**
- Steve commented that he is receiving emails from Regi only. ***HE ASKS THAT EVERYONE CC HIM ON ALL EMAILS.***
- The board has received copies of proposed changes to 2.0 concerning product policy. The goal of the committee is to fold the product policy (which was voted on by owners) into policy governance. There was discussion of these proposed changes; no action was taken.
- **Agenda Committee Proposal: Background of Proposal:** As we begin a new year with our committees, there is concern about how we structure our committees, particularly as it pertains to the participation of non-board members. Other items of concern are committee empowerment and the posting of meeting times and places on the Board board. In general, the concern on some committees is whether they allow participation of non-board members.

Proposal to the Board: To form a committee composed of chair people of the current committees and interested Board members (maybe we can call this the Committee Structure Committee). This committee will be charged by the Board to bring a proposal to the Board of committee structure and rules pertaining to how the committees run themselves including, but not limited to, the background information given above. These meetings shall be open to members but the crafting of the proposal shall be limited to the Board members attending.

This proposal was approved.

- **Dates for events:** The following dates were suggested for the board retreat: Feb. 24-25, Mar. 3-4, Mar. 17-18. Regi will check with the retreat facilitator to choose a date.
- **Archive Report:** Approve minutes of the following meetings:

March 14, 2006 – approved with the following 3 changes. 1.) Under owner comments, “Kathy had written” is changed to “Kathy Connaway gave.” 2.) Under Discussion of the worker-owner program, 1st Lynn comment “Lynn hopes” is changed to “Lynn believes.” 3.) Under Discussion of the worker-owner program, 1st Rusty comment “onne” is changed to “one.”

March 28, 2006 – Statement in lieu of minutes was approved.

April 11, 2006 – approved with the following 5 changes. 1.) Under Summary of Decisions, section 4.6, add wording “from the template provided by Linda Stier” to end of sentence. 2.) Under Summary of Decisions, section 4.7 and 4.4, strike all words following the bold faced words and replace with “with changes from the template”. 3.) Under Policy Work, Cicada's *italicized* questions and comments are deleted. 4.) Under Policy Work, after the comment “The committees listed in the template (items 1-4),” insert “were deleted” before the period. 5.) Under Policy Work, replace the wordings listed for the Hiring Committee with the wording from the policy manual:

1. Hiring Committee (ad hoc)

A. *Product:* To identify and present to the Board a pool of qualified candidates for the GM positions.

B. *Authority:* To incur costs of no more than \$3,500 in expenses.

Agenda Items Not Covered or Unfinished:

- The peace keeper proposal adopted for this meeting needs to be revisited as to whether or not to adopt it

for all board meetings.

- The Self Governance Committee Report on Owner Capital needs to be addressed. Cicada or Bette will forward copies of the report to Regi for distribution to the current board members.
- Follow up of GM Executive Limitations Monitor Report with updated information.
- Discussion of what to include in posted minutes & binder minutes. (example: information given in italics above under GM Exec. Limitations report)
- Tara would like to revisit the issue of language used in reporting of executive session minutes.
- Re-adoption of November 14 board minutes (referred to in Dec. 12 minutes) – Darcel will bring copies.
- Approval of Dec. 12 board minutes
- Discussion of owner linkage (?)
- PG proposal is in the midst of Level One discussion.
- Archive Report – Minutes of 4-11-06 executive session and 4-25-06 open session

Additional Agenda Items for Next Meeting:

Next Meeting will be February 13, 2007 at 5:00 pm.

All board members agreed to allow board meetings to be tape recorded.

Executive Session began at 7:00 pm. In attendance were: Regi Blackburn, Darcel Eddins, Aja Wright, Anne Craig, Anne Gaines, Lynn Johnson, and Tara Luetkenhaus. Personnel matters were discussed.

Respectfully submitted,
Jean Karpen

MINUTES

FBFC Board of Directors Meeting 2-13-07

Meeting started at 5:00 pm and ended at 6:55 pm.

Board members present: Regi Blackburn (President), Darcel Eddins (Secretary), Aja Wright, Anne Craig, Anne Gaines, Lynn Johnson, Tara Luetkenhaus, Jonathan Daniels

Others present: Steve Watts, General Manager (GM). Owners: Rusty Sivils, Cicada Brokaw – facilitator, Jean Karpen – note taker

Introductions/check – Cicada asked if he is expected to facilitate the executive session tonight. Yes. Jonathan will be timekeeper. Cicada reminded board members to use the “peace sign” if things need to cool off.

Meeting Summary:

- Approved minutes of the following meetings: 1-16-07 and 11-14-06
- Adopted owner linkage proposal
- Adopted proposal to purchase 2 calendars
- Proposal on Committee Structure was referred back to committee.
- When sending out agenda & proposals via email, please cc Cicada and Jean.

Approve Agenda:

- Change “PG Committee Reports” to PG Committee Proposal.”
- Aja requested an extension of the executive session time. We will see how it's going at the time and possibly extend.

Owner Comment Period:

Rusty has been working on petitions concerning the worker/owner (w/o) program and notes that there is overwhelming support for the w/o program. He feels that the program should have been geared up to help the coop through the last 2 ½ years. He encourages the board and/or Steve to implement a w/o program that will help the coop. He also thanked Steve for lending his support to the Haywood Road Market.

Steve stated that the target date for implementation of the new w/o program is April 1, 2007.

Cicada reminded the board that there is to be a facilitation team so that this responsibility can be rotated. Scot Quaranda will substitute.

Revised GM Executive Limitations Monitor Report, 2.2 Treatment of Staff:

The revised report had previously been emailed to board members. Several concerns were raised during discussion of this report.

Aja feels that the data are not valid due to the low number of responses and possible lack of anonymity.

Steve responded that, because of the short time frame in which the survey had to be done, it could not be done as it should have been. In mid-summer, 2007, there will be another staff treatment survey which *will* be done properly. There will be a third party to collect data.

Tara has a list of “questions to ask ourselves” as we go through this report. Perhaps training in interpreting the report can be given at the upcoming retreat.

Lynn expressed concern about the questions that may be on the summer survey. What the questions are and how they are asked can skew the results.

Aja suggested that we need to get together first to discuss the Monitor Report rather than having lots of questions at the board meetings.

Tara, and others, suggested using an on-line service such as “survey monkey” for anonymity.

Aja said that if the 3rd party is an impoloyee it's not objective.

GM other information:

Steve attended a recent meeting of the Haywood Road Market. He will be helping them as they decide what their course will be.

Financial Report: The coop had a net positive income for January, 2007. Sales were up 5 ½ % over January, 2006. These figures do not include an adjustment for inventory; more accurate figures will be available after March 31.

Tax returns are done and will be filed this week; signatures are needed tonight

Steve need officers to sign for worker's compensation insurance.

Steve is accepting bids for liability insurance costs and is trying to consolidate policies to save money.

Board Business:

- **Minutes** of the January 16, 2007 board meeting were approved with the following 2 changes. 1.) Under Summary of Decisions Made, the third bulleted item should read, “Approved a proposal creating the Committee Structure Committee.” 2.) Under GM Executive Limitations Monitor Report, the third asterisk of the italicized notes, replace the word “contracts” with “union contract” each time it appears.

- **Minutes** of the November 14, 2006 meeting were approved with the following 3 changes. 1.) Under GM Report, the first sentence should read, “This is an informational report, not a compliance report.” 2.) Under GM report, strike everything after the sentence, “**Board should create ends policy to align with product policy if this is the desire of board.**” 3.) Under Board Business, strike the last sentence of the first paragraph, “The board strongly.....” and replace with, “The board sent this to PG committee to be crafted into PG language to be added to policy 4.8.”
- **Policy Governance (PG) Committee Proposal:** The proposal on product policy was discussed but not acted on.

Aja clarified that the committee took the product policy and divided up the components into executive limitations and potential ends policy.

Tara asked that we agree that there will be an appendix and decide later on the content.

Anne C. is not comfortable with that; she feels that it is too operational and that we may not need an appendix.

Darcel reminded board members that this document reflects the wishes of coop owners so it *has* to go somewhere.

Steve suggested wrapping it into executive limitations or ends policy rather than an appendix.

- **Committee Structure Committee Proposal:** (separate sheet) This proposal was discussed & referred back to the committee to clarify the language and indicate into which section of the policy manual it will fit.
- **Dates for board retreat:** Retreat dates March 24-25 are confirmed. Linda Stier will work with the group on Saturday and will help create an agenda for Sunday.
- **Owner Linkage Proposal:** (separate sheet) This proposal was adopted as presented.

Lynn expressed concern that we use all available resources.

The owner linkage committee currently consists of 4 people who will implement the proposal, board members Anne Craig & Anne Gaines and two owners.

Steve remarked that the proposal reflects that it is a process, based on the CCMA conference, and seems to gel with what the role of the board is.

- **12-month calendar report:** A proposal was made & adopted to empower Aja to purchase two calendars, one for the store and one for the conference room, at a cost of \$58.94 for both.

Agenda Items Not Covered or Unfinished:

- Follow up of GM Executive Limitations Monitor Report.
- Further discussion on the PG Committee proposal needs to be on the agenda for March mtg.
- Proposal from Committee Structure Committee
- Archive Report – Minutes of 9-1-05, 4-25-06, and 2-2-06 meetings.

Next Meeting will be March 13, 2007 at 5:00 pm.

Executive Session began at 7:00 pm.

Respectfully submitted,
Jean Karpen

MINUTES

FBFC Board of Directors Meeting 3-13-07

Meeting started at 5:03 pm and ended at 6:55 pm.

Board members present: Darcel Eddins (Secretary), Aja Wright, Anne Craig, Anne Gaines, Tara Luetkenhaus, Jonathan Daniels

Board members absent: Regi Blackburn (President), Lynn Johnson

Others present: Steve Watts, General Manager (GM). Owners: Cicada Brokaw – facilitator, Jean Karpen – note taker, Rusty Sivils

Meeting Summary:

- Approved minutes of the following meetings: 2-13-07, 4-25-06, 2-2-06, 9-1-05
- Adopted proposal from Policy Governance (PG) committee
- Adopted proposal from Committee Structure Committee
- Adopted proposal from Cicada on Stock Ownership

Approve Agenda: Agenda approved as presented

Owner Comment Period: Cicada expressed concern over the work load that the policy committee currently has and suggested that they may need to either meet more frequently than once a month or split up the work load.

GM Executive Limitations Monitor Report, 2,3 Financial Conditions and Activities

This report had been previously sent to board members. Steve discussed several components of the report and answered a few clarifying questions. No concerns were expressed.

Board Business:

- **Minutes** of the February 13, 2007 meeting were approved with one change. On the second page, under PG Committee Proposal, second sentence, change Anne Craig to Aja.
- **PG Committee Proposal:** This proposal had been discussed at the February board meeting but was not acted on. There were concerns that it was too operational and concerns about the appendix. The proposal brought tonight has slightly different wording.
- After several minutes of level one discussion, the proposal was adopted. Anne Craig stands aside, citing that she feels that it bleeds into operations and makes the board responsible in a way that conflicts with her understanding of the board's governance role.
- Information that was originally designated as an appendix will be included in the body of 2.0.
- The policy working group will post the policy with this information included.

- *Aja: The committee has reviewed the proposal and hasn't found a way to boil it down to just values.*
 - *Tara has re-read information on policy governance and feels that the proposal is OK. She has also sent a link for the website to all board members to review PG.*
 - *Darcel: We need to put policies into action to find out whether or not they work.*
 - *Steve: We have to look at how a policy impacts other areas – it may affect profit & cause a loss. It is Steve's responsibility to tell the board how it impacts operations.*
 - *Tara reminded the group that we (board) are always responsible for everything.*
 - *Aja: We pass policies and the GM implements them.*
 - *Darcel: The role of the GM is to keep the board informed.*
- **Proposal from Committee Structure Committee:** The proposal was adopted with the following changes: Beside “Policy 4.7,” add “Board Committee & Working Group Structure.” Change “Policy 4.8” to “Policy 4.7.a Board Working Group Structure.” On the second page, item 1 will read: “Membership: Board Working Groups are open to Board Members only.” Add 1.A to read: “Meetings are open to owners for observation and education purposes.” Under 4.A. Mission, strike that sentence and replace with, “Translate board agreements into policies using the policy governance model.”
 - **Update on Board Retreat:** Linda Stier sent out a draft agenda for the retreat. If you have suggestions, please email Linda. The retreat is open to all owners. Location for the retreat will be decided later via email. Anne Gaines offered her greenhouse and Aja offered her house.
 - **Report from Owner Linkage Committee:** Anne Gaines did tabling and reports that morning is not the best time for this. Steve reports that Fridays are the busiest days, so would be good for tabling.
 - Anne Craig reported that a simple survey to identify owner values will be drafted and presented for review at the next board meeting. It will have 8 to 10 questions and will cost about \$250 to \$300 to print & mail out.
 - Darcel suggested that the committee contact Mountain Express to interview Steve. OK with Steve.
 - **Stock Ownership Proposal:** This proposal was adopted as presented. No concerns were expressed. It will create a new section of the policy manual to follow section A-2 Bylaws. It will go to the policy working group for further development.
 - **Archive Report:** Approved minutes of the following meetings : 4-25-06, 2-2-06, & 9-1-05.

Agenda Items Not Covered or Unfinished:

- none

Additional Agenda Items for Next Meeting:

- Discuss possible change of board meeting day

Next Meeting will be April 10, 2007 at 5:00 pm.

Executive Session began at 7:00 pm.

Respectfully submitted,
Jean Karpen

MINUTES

FBFC Board of Directors Meeting 4-10-07

Meeting started at 5:05 pm and ended at 6:52 pm.

Board members present: Regi Blackburn (President), Darcel Eddins (Secretary), Anne Craig, Anne Gaines,

Lynn Johnson

Board members absent, excused: Aja Wright, Tara Luetkenhaus, Jonathan Daniels

Others present: Steve Watts, General Manager (GM), Sage Turner, interim management team for the Haywood Road Market, Owners: Rusty Sivils, Jean Karpen – note taker

Meeting Summary:

- Approved minutes of 3-13-07
- Received letter of resignation from board president
- Adopted calendar proposal
- Adopted PG (Policy Governance) committee proposal on financial condition & activities
- Owner Linkage Survey will be reworked
- Board postings guidelines given

Approve Agenda:

- There were several changes to the agenda: calendar proposal, reduce to 5 minutes; PG committee Proposal 2.3, increase to 15 minutes; Owner Linkage Survey, reduce to 5 minutes; add Board Postings, 15 minutes; add Annual Review, 15 minutes; strike Monitoring Report “Treatment of Staff” since it was to be an exercise for the full board and is not a pressing matter. It will be moved to the May meeting.

Owner Comment Period: Rusty Sivils has asked Cicada Brokaw to print out the FBFC by laws so he can put it in brochure form. He will make a supply of these brochures available for the coop.

Board Business:

- **Minutes** of the March 13, 2007 meeting were approved with one change. Under board business, PG Committee Proposal, italicized discussion section, 4th bullet, Steve's comment, strike “...whether or not it's a good policy” and replace with, “...how it impacts operations.”
- **Letter and statement from President of the Board** – Regi submitted a letter of resignation, effective at the end of tonight's meeting. Discussion followed.
- **Darcel** – This creates a void which we don't have time to discuss right now. She suggested a separate meeting to talk about this.
- Lynn asked Regi if he would consider giving notice to allow for a smoother transition.
- Regi said he would consider giving notice and will discuss it with his family before committing.
- Regi talked with Linda Stier earlier in the day and she is willing to talk (via phone) individually to board members about this if they so desire. Please email her to set up a time for a phone conference.
- A special board meeting to discuss this vacancy in the presidency is set for April 19th at 5:00 p.m. in the conference room. Darcel will notify absent board members.
- **PG Committee Calendar Proposal** was adopted as presented. This had been formulated during the recent board retreat.
- **PG Committee Proposal 2.3** concerning financial condition and activities was adopted with the following changes. In item #2, strike the parenthetical information. In item #9, strike the parenthetical information and change “...Board policies on Ends” to ...Board's Ends Policy.”
- **Owner Linkage Report:** Anne Craig had sent out a draft owner linkage survey. She has very recently received new feedback and will take the survey back to the committee for retooling.
- **Annual Review** – Lynn expressed concern that, since she now works for the CPA firm which conducts our annual review, there is a conflict of interest. Since the CPA firm works at a high level of ethics and

- will not compromise their integrity, this will not materially affect the outcome of our annual review.
- There was discussion as to whether or not this review is needed. We really don't get very much information from it – mostly some limited assurance from an outside source that things are OK.
- The Annual Review will proceed as stated in the by laws. Anne Craig will be the liaison.
- **Board Postings** – Steve is willing to do all postings for the Board board. Posting requirements are as follows:
 1. Emailed as a MS-WORD ATTACHMENT from board president, secretary, or a committee chair person.
 2. Subject heading says: POST: <document> (document would be either agenda, proposal, minutes or announcement)
 3. Body of email would say by what date the document needed to be posted.

Agenda Items Not Covered or Unfinished:

- Monitoring Report “Treatment of Staff” moved to the May meeting
- Owner Linkage Survey

Additional Agenda Items for Next Meeting:

- Sage Turner requested a spot on the agenda for May.
- CCMA

Special Meeting will be April 19, 2007 at 5:00 p.m.
Next Regular Meeting will be May 10, 2007 at 5:00 pm.

Executive Session began at 7:00 pm.

Respectfully submitted,
 Jean Karpen

MINUTES
 FBFC Board of Directors 5/10/07

Meeting started at 5pm and ended at 7:40

Board members present: Lynn Johnson (treasurer), Aja Wright (future president), Regi Blackburn (outgoing president), Darcel Eddins (secretary), Anne Craig, Tara Luetkenhaus, Jonathan Daniels, Anne Gaines
Others present: Steve Watts - General Manager (GM), Sage Turner - Haywood Road Market, Rusty Sivils, Bette Jackson, Kasha Baxter, Kathy Connaway, Lorraine Murphy, Chris Roland (grocery manager)

Meeting Summary:

- Approved minutes of 4-10-07
- Several owners attended to comment on changes to worker-owner program
- Owner Linkage survey approved
- Sage Turner request that Haywood Road Market and FBFC work together
- Aja Wright discussion about board committee work and location of board room
- GM monitoring of Financials 2.3
- GM monitoring of Treatment of Staff 2.2
- CCMA update
- GM Contract (executive session)

Approve Agenda:

The agenda was approved without changes. After starting the owner comment period several owners came in and 7 minutes were added to owner comment period.

Owner comment period:

- Rusty asked about the membership. He got a notice that his is up for renewal he thinks that he has paid the total \$250. Steve said that in July everyone will know what their status is.
- Kathy Connaway stated that the changes to the worker-owner program could be a detriment to the co-op. She has knowledge of what she is doing, feels that staff who will train another person will lose valuable time. Kathy does all of her shopping here and is very upset about this change.
- Bette Jackson echoed what Kathy said, is supportive of worker-owner program before current changes, she would have liked to have clearer communication between owners and board.
- Kasha would like to have had a trial period for the manager, and accountability for worker-owner program.
- Lorraine said working for 2 hours to get a one time 15% coupon, will not work for her. Chris stated that he is in agreement with the changes to the worker-owner program.

Board Business:

- **Minutes** of April 10, 2007 meeting were approved with no changes. Several commented on how much they appreciated Jean Karpen taking minutes and the format that she uses.

- **Owner linkage survey**, Anne Craig reported that the survey has been revised.

Steve is working on a system to ensure that the owners do not fill out the survey more than once. Aja was concerned with the way question #5 was worded. After much discussion the board agreed that the survey should go out to the owners as soon as possible.

- A proposal was made and approved that the owner linkage survey be accepted with the changes recommended for question #5. Steve will make the decision on how the survey will be distributed to the owners.
- **Sage Turner** has requested that the Haywood Road Market and FBFC boards work together. This work may include membership drives, possible joint fund raisers, board development, and outreach. Sage said that the members from Haywood Road Market have complained that they only hear from the board when they want financial help.
- The recommendation is that Sage attend the FBFC owner-linkage meetings for discussion on how this relationship can develop.
- **Aja Wright** made a **proposal** that the board room be moved to the room at the end of the hall. There was much discussion from board members. Lynn was concerned and asked Steve if this was okay as far as operations for the store. Security, files maintenance, privacy and available space for owner participation were some of the reasons to support this move. Steve requested that the board be available for this move to happen. Aja, Tara, Anne Craig and Regi said they could be available for this to happen.
- **Anne Craig** opened the discussion on board participation of committee work. Anne would like for the committees to be suspended for the summer and that the board form a work group to meet once a week to work on priority items.
- Aja stated that she can put in more time during the months of June, July and August for board work.
- Regi has not decided what he will do at this time. He was asked to stay on the board, if he decides to do this he is willing to put in more time this summer.
- Darcel is not in favor of suspending the current committee work.
- Tara is not in favor of suspending the committee work; she is willing to put in more time during the summer.
- Lynn is going off the board in June, she has put in a lot of committee time in the past.
- Jonathan is not in favor of suspending the committees; he is willing to give more time to committee work

in the summer.

- Anne Gaines is not in favor of suspending the committees; she can not give more time. Anne will not be attending any meetings in June.
- The first meeting for board work will be May 29th at 4:30 in the board room.

- **GM monitoring of financials 2.3** Steve said that financials are not where he would like them to be; however the largest amount last year was general administrative. This was a one time cost and not expected for this year. The cuts that have been made were not in personnel strictly.
- Lynn asked that the board get financial statements from last year and this year to compare. Steve stated that he will do that.
- Aja led the board through the steps that Linda sent the board as a guideline for statement of compliance.
- The board action for the internal monitoring report for Financial Monitoring Report 2.3 was accepted with acknowledgment of contraventions on 2.3.1, 2.3.4, and 2.3.9.

- **GM monitoring Treatment of Staff.**
- Steve stated that if the data can be graphed then it should be treated as good data. Change the dates where it reads January 31 as target dates and put in June 1 as target dates.
- The board agreed that Steve's interpretations were reasonable for all however the data that was provided is not sufficient. There is not enough information; there were only 13 participants that responded to the survey. All of the data with the exception of the survey is reasonable. Therefore, the report will go back to Steve and he will bring it back to the August board meeting.

CCMA-the dates are June 15th-17, 2007. Steve checked on the price to send board members. The cost would be around \$1,800 each. The decision was made that no board members would attend. Steve will attend.

Executive Session: The board agreed on the terms of Steve's annual contract. It was signed by both parties.

The next board meeting will be June 7th because of CCMA.

Respectfully submitted,
Darcel Eddins and Jean Karpen

MINUTES

FBFC Board of Directors Meeting 6-7-07

Meeting started at 5:03 pm and ended at 7:25 pm.

Board members present: Regi Blackburn (outgoing president), Darcel Eddins (secretary), Aja Wright, (incoming president), Anne Craig, Lynn Johnson (treasurer), Tara Luetkenhaus, Jonathan Daniels

Board members absent: Anne Gaines, excused

Others present: Steve Watts, General Manager (GM), Owners: Rusty Sivils, Cicada Brokaw – facilitator, Jean Karpen – note taker

Meeting Summary:

- No new board appointment at this time
- Approved minutes of 5-10-07
- PG proposal adopted – 4.4 Officer Authority & Responsibility
- Report on board summer working groups
- Set up plan for Owner Appreciation Day
- GM report
- Ends Policy discussed, revisit in July

Approve Agenda:

- The agenda was approved with several minor time changes and the addition of two items for discussion:
1) Cicada's possible nomination to the board and 2) Owner Appreciation Day.

Proposal to nominate Cicada to the board for a 3 month term was discussed. Originally, with Lynn and Regi both leaving the board, there was a need to fill at least one space. Regi has decided to remain on the board, so the need is not so pressing. Several people expressed concern about such a short term appointment and the precedent it might set. Regi expressed appreciation for the time Cicada has already given to the coop. Aja suggested that, if he is willing to continue to serve as facilitator and archivist, we leave it at that for now. The proposal to nominate was dropped, with Jonathan standing aside.

Owner Comment Period:

- Cicada commented that the use of our parking lot by non-profits seems to have stopped. Steve said that it is still done occasionally and needs to be publicized again. The non-profit using the lot handles everything. Steve also mentioned that we will need to discuss this with the new renter of the building just to the north of the coop after Bio Wheels moves out.
- Rusty was here last Wednesday for 2-3 hours during the farmer's tailgate market. The parking lot was pretty full and 2 cars were parked illegally. He feels that it makes sense to offer a discount for not driving to the coop.

Board Business:

- **Minutes** of the May meeting were approved with some minor changes. Jean Karpen will edit the minutes as to formatting and spelling changes.
- **Owner Linkage Report:** Anne discussed a sheet of information from the board which will be included in the bag stuffer to be ready by June 9. Due to time constraints, this information was approved via email with no concerns expressed.

{Cicada reminded the board that the bylaws provide only two ways for decisions to be made other than at meetings: 1) all board members sign a written statement, or 2) via telephone conference call.}

Anne said that the Owner Linkage committee had been given leverage to make certain decisions without having to come to the board every time. The Policy Governance working group will review meeting minutes to clarify the decision-making authority of this committee.

- **PG Committee:** The proposal regarding Officer Authority and Responsibility 4.4 was adopted as proposed.
- **Summer board working groups:** Schedule was presented and will be posted in the store. Groups will meet for 1½ hours each session. All board members and owners are invited.
- **Owner Appreciation Day:** A schedule was set up in order to have board coverage at the coop information table from 9:00 to 3:00 on June 9. Details about what to do, what information to give out, what information to obtain, etc. were also decided. Tara distributed copies of "Benefits of the new Worker-Owner Program" which will be available that day.

GM Report:

- Steve has been assisting the Hendersonville coop in its search for a new GM and will continue to do so until they hire someone.
- Haywood Road Market has hired Sage Turner as GM.
- The coop newsletter, The Scoop, has been revived. Steve briefly discussed the contents of the June issue, including an overview of Owner Appreciation Day. During this discussion, Lynn asked if it is OK for others to use an owner's card. It is not.

- Steve will attend the CCMA (Consumer Cooperative Management Association) conference in June and will give a report in July.
- He will also give a monitoring report and second quarter financials in July.
- Owner surveys will go out the week of June 11.

Break 6:34 – 6:45

Ends Policy: A sample ends policy had previously been presented by Linda Stier and discussed.

Aja proposed that we accept this sample.

Two additional samples were distributed for consideration.

Lynn read a list of questions to consider when formulating an ends policy.

Cicada suggested that we adopt the sample as a starting point.

Anne C. suggested that we use the 3 samples to work on an ends policy at either a board working group or at the next board meeting.

Tara said that the working group agenda is already set.

Darcel suggested that everyone study the 3 samples and that we devote 30 minutes at the next board meeting to work on this.

Cicada agreed, saying that we could at least get a global statement and possibly some sub-points.

It was decided to allow 30 minutes to work on this at the next board meeting.

Agenda Items Not Covered or Unfinished:

- Ends Policy

Next Meeting will be July 12, 2007 at 5:00 pm.

Respectfully submitted,

Jean Karpen

MINUTES

FBFC Board of Directors Meeting 7-12-07

Meeting started at 5:10 pm and ended at 7:48 pm.

Board members present: Aja Wright (president), Darcel Eddins (secretary), Anne Craig, Jonathan Daniels, Anne Gaines Grier, Tara Luetkenhaus

Board members absent: Regi Blackburn, excused

Others present: Steve Watts, General Manager (GM), Owners: Cicada Brokaw (facilitator), Jean Karpen (note taker)

Meeting Summary:

- GM Quarterly Financial Report will be given in August
- Adopted proposal: GM Quarterly Financial Report will be given the second month following the end of the quarter
- Approved minutes of 6-7-07
- Report on board summer working group meetings
- Board summer working group empowered to finalize a board application
- Adopted proposed bylaws changes 2.2 and 7.2 to be voted on by members at annual meeting
- Proposed bylaw change 6.3 dropped for now
- Discussion of Owner Comment Period

- Adopted proposal regarding communication with outside consultants
- GM Monitoring Report – discussion, no action taken
- Ends Policy discussion moved to August

Approve Agenda:

The agenda was approved with the deletion of the Policy Writing Group Report, and the extra 10 minutes given to the discussion of Owner Comment Period.

Owner Comment Period:

Cicada reported that there are still a few more minutes of board meetings from the past year which need to be archived. He asked for copies of the following: 4.4, adopted last June; 2 emails referenced in the May minutes; and records of April & May, 2007 executive sessions. Aja and Darcel will see that he gets these documents. There is still a considerable amount of archival work to be done on records from previous years.

GM Quarterly Financial Report:

Quarterly Financials are not ready yet; today's meeting date is too soon after the close of the quarter. The report will be sent to board members as soon as possible and discussion will be take place at the August meeting. Since this will continue to be an issue, Steve proposed that the quarterly financial report be sent to board members when ready and that the GM Monitoring Report on financials be placed on the agenda for the 2nd month following the end of the quarter. For example, the report for the quarter ending in September will be discussed at the November board meeting. This proposal was adopted.

Board Business:

- **Minutes** of the June meeting were approved with one minor change. Under Board Business, PG Committee, add the words, “as proposed” to the end of the sentence.
- **Summer work group report**
- The new board room is now in use.
- Regarding board recruitment, the summer work group has developed a list of possible recruits along with a list of “perks” for being a board member. The board application form will be revised at the next work group meeting. Cicada will distribute a copy of an older application form so that everyone can work on it. It was proposed and approved that the summer work group be empowered to finalize this application form and utilize it as soon as it is completed.
- The group has been working on changes to the bylaws. Three proposed changes were presented for board approval to then be presented to the membership for approval at the next annual meeting.

1) Section 2.2 Rights

Original wording: (second sentence)

.... This includes the right of ownership as a group to decide any question regarding the business or affairs of the co-op that has been brought before it in accordance with the provisions of these bylaws.....

Proposed change is to strike this sentence.

Cicada expressed concern regarding the proposed change to 2.2. When this sentence was added to the bylaws a few years ago, it was not endorsed by the board, but was approved by vote of the owners.

Tara suggested tabling the bylaws changes for now – failed, due to objection (see next).

Anne Craig objected, saying that we need to move ahead. The proposal to change bylaws was listed on the agenda, so anyone interested in the discussion could have come to the meeting. In the future, proposed changes will be posted along with the agenda.

The proposed change to 2.2 was adopted as presented.

2) Section 6.3 Duties

The proposal to delete section 6.3 has been dropped for now.

3) Section 7.2 Financial Accountability

Original wording:

Financial statements of the Co-op for each fiscal year shall be audited or reviewed by an independent public accountant selected by the Board. Such engagement shall include a management review and report concerning management performance, adherence to governing policies, adequacy of operating controls and such other matters as determined by the Board.

Proposed change:

Financial statements of the Co-op shall be audited or reviewed by an independent public accountant selected by the Board as often as each fiscal year and no less than once every five fiscal years. Such engagement may include a management review and report concerning management performance, adherence to governing policies, adequacy of operating controls and such other matters as determined by the Board.

The proposed change to 7.2 was adopted as written. This change will allow for an audit of the coop's financial records at least once every 5 years (more often if needed) rather than the current yearly requirement.

- **Owner Linkage Report:** Surveys have been sent out and are being returned. They are due by the end of August.
- **Discussion of Linda Stier's comments regarding the Owner Comment Period -**

Anne Craig had contacted Linda regarding Anne's concerns about the owner comment period. Comments are made, there is no response from the board (Steve answers some concerns), and there is no mechanism for follow-up, if it is needed.

Linda responded via email with several suggestions.

This will be discussed further at the August meeting.

The following proposal was made and approved. Whenever there is communication with any outside consultant concerning board business, a summary of that communication will be sent to the entire board and to the archivist.

Jonathan will clarify the board's relationship with Linda as to how many consultant hours have been used this year, how many hours remain, and the cost per hour above the contract .

GM Monitoring Report on EL Policy 2.8 – Communication and Support

The report, which had been emailed to board members last week, was discussed. No action was taken. A special meeting was set for Monday, July 23, 2007 at 3:00 pm to further discuss this report.

Agenda Items Not Covered or Unfinished:

- Quarterly Financial Report

- Bylaws change 6.3.d
- Discussion of Owner Comment Period
- GM Monitoring Report on EL policy 2.8 Communication & Support
- Ends Policy discussion moved to August meeting

Special board meeting Monday, July 23, 2007 from 3 to 5 pm.

Next regular meeting will be August 9, 2007 at 5:00 pm.

Respectfully submitted,
Jean Karpen

MINUTES
 FBFC Board of Directors Special Meeting July 23, 2007

Meeting started at 3:25 pm and ended at 5:15 pm.

Board members present: Aja Wright (president), Darcel Eddins (secretary), Anne Craig, Tara Luetkenhaus, Jonathan Daniels

Board members absent: Regi Blackburn, Anne Gaines Grier, both excused

Others present: Cicada Brokaw (facilitator), Jean Karpen (note taker)

This was a special meeting of the board to review the GM Monitoring Report on Executive Limitations policy **2.8 Communication and Support to the Board.**

Information to be addressed by the Policy Governance (PG) working group is noted by *** at the beginning of the sentence.

- **2.8** reasonable acceptable
- **2.8.1** first paragraph reasonable not acceptable

*** Refer to PG working group to clarify the definition of *timely* as being at least one week prior to the board meeting.

2.8.1 second paragraph reasonable acceptable

statement regarding Policy 2.2 reasonable acceptable

statement regarding Policy 2.3 reasonable* acceptable*

* It is assumed that the 3 statements under 2.3 apply to 2.3 only and not to 2.2.

- **2.8.2** not reasonable
- **2.8.2** first sentence reasonable not acceptable

*** Refer to PG working group to change wording from *in a timely manner* to *as soon as possible*.

2.8.2 second paragraph not reasonable

The board feels that it is the GM's job to know policies thoroughly and to operate the store according to Policy Governance. GM should know whether or not he is in compliance with policies even if he has not reported on them yet.

• **2.8.3** reasonable not acceptable

*** Refer to PG working group to clarify *relevant trends* as to who decides what is relevant and how that is determined.

• **2.8.4** reasonable not acceptable

*** Refer to PG working group to clarify and expand on *material internal and external changes*. Also consider addressing timeliness here.

Some of the data is insufficient; some is inaccurate. The board feels that Steve is not in compliance with 2.8.4, that there has, in fact, been significant information that the board was not apprised of.

In conversation with Aja, Steve suggested that he could give a monthly informational report to the board concerning issues not addressed in the monitoring reports. This could be written into policy. See 2.8.7 below.

• **2.8.5** reasonable acceptable

• **2.8.6** reasonable acceptable

• **2.8.7** reasonable acceptable

*** PG working group may consider adding the monthly informational report mentioned above under 2.8.4 into this section.

• **2.8.8** reasonable acceptable

• **2.8.9** reasonable not acceptable

*** Refer to PG working group to delete the word *agenda* from the policy. Also, consider including this information in another policy section and eliminating this section.

• **2.8.10** reasonable not acceptable

One correction needs to be made; Policy Governance was adopted in February, 2006, not 3 months ago, as stated.

*** Refer to PG working group for language clarification. Consider either deleting the words *as detailed in the board's work plan*, or adding the words *or by direct request from the board*.

Respectfully submitted,
Jean Karpen

FBFC Board of Directors Meeting 8-9-07

Meeting started at 5:05 pm and ended at 7:40 pm.

Board members present: Aja Wright (president), Regi Blackburn, Anne Craig, Anne Gaines Grier, Tara Luetkenhaus, Jonathan Daniels

Board Members absent: Darcel Eddins (secretary), excused

Others present: Steve Watts, General Manager (GM). Owners: Cicada Brokaw (facilitator), Jean Karpen (note taker), Rusty Sivils

Meeting Summary:

- Steve gave an informational report.
- Approved minutes of 7-12-07 and 7-23-07
- Adopted a global Ends Policy
- Board compensation discussed, no action
- Adopted policy 4.7, Board committee and working group structure
- Approved proposal to delegate analysis of owner surveys to a worker/owner
- Approved proposal to use owner shopping data for board recruitment
- Approved equity refund request
- GM Monitoring reports discussed, 2.0 Global Executive Constraint to be reported in November
- Approved proposal concerning Procedure for Action on Monitoring Reports
- Special meeting for reviewing monitoring reports set for 9-13-07

Approve Agenda: Approved with the addition of approval of minutes from 7-12-07 and 7-23-07.

Owner Comment Period: Jean Karpen asked about monitoring of the new worker/owner discount card system. Steve responded that this is a line-item in the budget and will be closely watched.

Cicada commented that he spent 3 hours this week on archival work.

Steve gave the following informational report. (In the future, this report will not be given during the owner comment period; it will be on the agenda.)

- The building is being painted, should be completed by August 16.
- *The Recyclery* has cleaned up the basement and will be moving in soon.
- There have been several personnel changes recently.
- Member appreciation day is August 11.
- Contract negotiations with the union will begin soon.
- Steve will be out of town on 9-13-07, so the next board meeting will be moved to 9-20-07.

In response to this report, Anne Craig commented that in the past the board has discussed hiring an arbitrator rather than having Steve negotiate the union contract.

Attorney Bob Deutsch has been hired to handle the negotiations.

Cicada commented that, in the past, the board has had observers present at these negotiations.

Board Business:

- **Minutes** of the July 12 meeting were approved with the addition of the following clarifying statement in the owner comment section. *There is still a considerable amount of archival work to be done on records from previous years.*
- **CBL (Cooperative Board Leadership):** Meetings will take place in Atlanta on 9-22-07. Aja will definitely go; other attendees will be decided later. There are also a number of online CBLDs available now. Any board member may take these classes.
- **Ends Policy:** After a brief discussion, Aja proposed that we use the vision statement (bylaws section 1.3), with appropriate rewording at the beginning and, at the end, "...environmentally restorative manner." The proposal was adopted and will be sent to the policy writing group to finalize the wording. It was suggested that the notes from 10-28-06 be used to create sub policies.

- **Board Compensation and Recruitment:**

There are at least 2 people who are considering applying for board positions now.

Anne Craig has researched board compensation and has found a wide range of benefits from snacks to catered dinners and from discounts to cash payments.

All board members agreed that cash will not be considered.

Cicada reminded board members that Article IV of the bylaws limits the board member discount to no more than 15%. Any additional compensation must be approved by the owners.

Several suggestions were made, including the following: change bylaws to increase discount to 20%, make discounts transferable, use discount coupons per hour of board work as in the worker/owner (W/O) program, board discount should be equal to employee discount.

Anne Grier expressed concern about possible impact to the W/O program, if we use the same discount coupons.

Tara and Aja said that the board package should be kept completely separate from worker/owners and from employees.

No action at this time. This issue will be revisited in the future.

- **Policy Writing Group:** This group has organized the 4.7 policy concerning board committee and working group structure to make the wording more concise. There are two substantive changes. First, under committees, part E.3, product research committee has been added. Second, under Board Working Groups, part D.2, summer group has been added along with mission statements for both policy writing group and summer group.

This policy was adopted as presented.

- **Survey analysis:** Aja proposed that the board delegate analysis of the W/O surveys to Mareena Wright (Aja's mom) who is a research evaluator by profession. This will be a W/O task. The proposal was approved.

- **Proposal concerning owner shopping data for focused recruitment:** Original proposal: The Board will request the GM to gather data about owners. Specifically, he will provide a list of 1) the 20 people who have spent the most money at the coop in the past year, and, if possible, 2) the 20 people who have shopped at the co-op most frequently in the past year. From this data, the Board will send a letter and board application packet to each person identified by the GM.

Since those 20 people will likely be employees and worker/owners, it was suggested to ask for 50 names rather than 20. Regi asked if this presents any confidentiality issues. Since this information is part of the patronage rebate system, there is no problem with confidentiality. The proposal was approved with the numerical change from 20 to 50.

- **Equity refund request:** Owner Virginia Strobe has requested an equity refund. After a brief discussion, Tara proposed that the coop return \$25.00 to Ms. Strobe. Proposal was approved.

GM Monitoring Reports: The report had previously been emailed to board members. Time allotted at this meeting is for clarifying question.

Quarterly Financial Report EL 2.3 : No questions, no concerns

Treatment of staff EL 2.2:

- Aja asked about the staff survey data. Steve responded that everyone participated. AJ accepted and tallied the surveys & reported data analysis to Steve. In the future, internal surveys can be done online which will ensure complete transparency and privacy.
- Tara asked about the statement that there have been no worker's compensation claims prior to the past 12 months. This may be an error. Steve will verify that information.
- Under 2.2.6, there was a question about involving staff in decision making. Because of union

regulations, Steve is not able to involve the staff as much as he would like. The staff will be informed about this policy.

Global Executive Constraint EL 2.0:

Steve asked for an extension on this report. He feels that the structure of this product policy is different from other executive limitations and doesn't seem to follow policy governance in how it was adopted. The report will be very time consuming.

Tara said that the policy was set up as Linda Stier advised. Steve was not involved with this process and disagrees with Linda.

Tara stated that ELs (Executive Limitations) are by nature operational, and that the board can restrict operations as much as it feels necessary to ensure acceptable interpretation of the policy.

It was proposed and approved that this monitoring report be given in November, 2007.

Procedure for Action on Monitoring Reports

Original proposal:

1. 2 weeks before meeting, GM will deliver report to Board.
2. 1 week before meeting, Board meets and goes through the questions for monitoring report.
3. Minutes will be sent to Board and GM as soon as possible.
4. During Board meeting, GM gives short oral report; Board gives GM the written action plan; Board and GM dialogue.

Change item #3 to read: Minutes of the aforementioned meeting will be sent to Board and GM as soon as possible.

This proposal was approved with the change to item #3.

Regi suggested that the board designate a day and time for this special meeting to review the monitoring reports; it will be 9-13-07 from 5:00 to 7:00 pm.

The bylaws working group will meet on 9-6-07. We need to have a draft ballot for bylaws changes ready before the next board meeting.

Anne Craig expressed concern about the lack of participation at the board working group meetings.

At the close of the meeting, during Evaluation and Check-out, Jonathan said that he would like to know the cost of the lawyer hired for union contract negotiations.

Agenda Items Not Covered or Unfinished:

- Board compensation
- Monitoring Reports

Next Special Meeting will be September 13, 2007 at 5:00 pm.

Next Regular Meeting will be September 20, 2007 at 5:00 pm.

Respectfully submitted,

Jean Karpen

MINUTES

FBFC Board of Directors Special Board Meeting 9-13-07

The meeting started at 5:05 pm and ended at 6:50 pm.

Board Members resent: Anne Craig (acting president for this meeting), Anne Gaines Grier, Darcel Eddins, Regi Blackburn, Tara Luetkenhaus

Board Members absent: Aja Wright, Jonathan Daniels, both excused

Others present: Cicada Brokaw (facilitator), Jean Karpen (note taker)

Meeting Summary

- Review Monitoring Report 2.8
- Discuss Steve's workload request
- Discuss briefly annual review for Steve
- Discussion of Joy's email removed from agenda
- Send food basket to Wright family

Review Monitoring Report 2.8

This report was discussed at the July 23, 2007 special board meeting. There were several items that were deemed reasonable and not acceptable which will be sent to the policy writing group for rewording/clarification of the policy.

There were 3 sections in the original report which required action/correction by Steve. (Refer to minutes of 7-23-07.)

1. Section 2.8.2 second paragraph of the original report was considered not reasonable. This section of the amended report was considered reasonable and acceptable.
2. Section 2.8.4 was considered reasonable and not acceptable. This section of the amended report was considered reasonable and not acceptable. It will be referred to the policy writing group to include in the policy, "in a timely manner."
3. Section 2.8.10 date correction was made.

Additionally, the policy writing group will be directed to include a clear definition of "in a timely manner" as having the following 3 components:

1. no less than 30 days
2. more than 30 days, if known (as soon as known)
3. less than 30 days in an emergency situation and with board approval

Anne Craig will prepare the written report of board action on this monitoring report.

Steve's workload request

The board discussed the memo from Steve dated September 9, 2007 and formulated a list of questions to be answered and discussed at the regular board meeting on September 20, 2007. The questions are:

1. What do you think is your role in the annual meeting? What resources do you have that are needed?
2. How much time are you spending on union contract negotiations?
3. What exactly is your role in the contract negotiations?
4. What goes on at negotiations?
5. Is there a schedule or agenda for negotiations?
6. How much time would be required if the board wants to send an observer?

Regarding item #5, Steve's request to delay most of the monitoring reports until 2008, the board will agree to this, with assurance from Steve that he will begin to implement all policies with emphasis on 2.0. A document to this effect will be prepared by Jean Karpen.

Annual review for Steve

The process and scheduling for this review will be discussed at the board meeting on September 20.

Aja's father has had surgery recently and the board decided to prepare a food basket for the Wright family. We will spend up to \$50 from the board's budget and, to offset the cost, we will each bring our own snacks to the September 20 meeting.

Agenda items for next meeting:

- Steve's workload request
- Annual review for Steve

Next regular board meeting will be September 20, 2007.

Respectfully submitted,
Jean Karpen

MINUTES

FBFC Board of Directors Meeting 9-20-07

Meeting started at 5:08 pm and ended at 7:30 pm.

Board members present: Darcel Eddins (secretary), Regi Blackburn, Anne Craig, Anne Gaines Grier

Board members absent: Aja Wright (president), Tara Luetkenhaus, Jonathan Daniels, all excused

Others present: Steve Watts, General Manager (GM), Kelly Fain (Manager for membership, outreach, and marketing), Owners: Cicada Brokaw (facilitator), Jean Karpen (note taker)

Meeting Summary:

- Approved minutes of 8-9-07 and 9-13-07
- GM informational report given
- Archivist's report given
- Approved file cabinet proposal
- Annual review for GM to be discussed at October board meeting
- Owner Survey results given
- Approved proposal to change annual meeting date to November 12, 2007, 7 to 9 pm
- Annual meeting discussed, tasks assigned, target & preparatory meeting dates set

Approve Agenda: The agenda was approved with minor changes, including striking the last 3 items: preliminary data report on owner surveys, GM monitoring report on 2.4, and report from the policy writing group. Later, during the course of the meeting, Owner Survey report was given.

Owner Comment Period: no comments

Board Business:

- **Minutes** of the 8-9-07 meeting were approved with the addition of the following sentence at the end of the section on **GM Monitoring Reports**, just before the last sentence: Tara stated that ELs (Executive Limitations) are by nature operational, and that the board can restrict operations as much as it feels necessary to ensure acceptable interpretation of the policy.
- **Minutes** of the 9-13 07 special meeting were approved with one addition. Under **Meeting Summary** add the following: Discussion of Joy's email removed from the agenda.

- **GM Informational Report:**

Operations:

We are 95% complete with painting the store

Recyclery moved in September 1, rent \$200/month

I attended NCGA's General Assembly

Coop consultant for operations, Rob Martin, was here to train AJ Bowman, Chris Rowland and myself
9/20/07

Personnel:

Kelly Fain was hired as MOM Manager (membership, outreach, & marketing) Oct 1 start date

We are hiring 5-6 bargaining unit (non-management) staff, as we are severely understaffed

Lola & Jonathon had a baby, are on leave

Mike McCreary's Mother passed away

Contract negotiation:

Met with Union on opening round

Next meeting end of Oct/beginning of Nov

Outreach

Tabled at Organic Fest

Donated water to LAAFF

Will table at Women's Health Day Oct 6

Membership:

August 2007

10 Special Needs

30 Renewing Membership

21 New Membership

750 Total Membership

61 Memberships expired in August and were not renewed

Discussion of GM report: General information will continue to be reported; executive material will be given in executive session at the end of the meeting.

Darcel asked what we are doing about expired non-renewing members. Steve responded that we send a reminder card. This will fall under Kelly's responsibilities. Steve also added that knowing *why* people leave is not very reliable information; rather, it's better to focus on recruiting new members.

Cicada added that this renewal reminder is an opportunity to remind people that the equity they have in the coop is a step toward full investment & their renewal will continue to build on that.

Steve reported that the coop had a small net profit for August.

- **Archive Report:** Cicada reported that the Archives, the Board file cabinet and the FBFC owner notebook each has completed minutes for the years 2003, 2006, and 2007. He gave a list of other records he hopes to collect.

The owner notebook will be kept in the office and made available to any owner who requests to see it. Steve will post information on the Board's board as to when and how it is available. The following guidelines will apply to accessing the owner notebook:

1. provide member number and ID
2. use sign out sheet
3. no photocopies, hand-written notes OK
4. use at front counter only

- **File cabinet proposal:** Original wording: The President, Secretary, or Archivist shall take the file cabinet lock to be re-keyed. Three keys shall be made: 1 master and 2 copies. Each copy shall say “do not duplicate.” The president shall hold the master key; the secretary and archivist shall each be given one of the copies.

It was agreed to strike the first sentence. The proposal was then approved. Darcel will find out what needs to be done to carry out this task.

- **Annual Review for GM:** It was agreed to allow 30 minutes at the October board meeting to discuss the issue of an annual review.
- **Data Report on Owner Surveys:** Information from the recent owner survey was presented and discussed. About 25% of the membership answered the survey.

Discussion included the following points:

Steve: The data presented follow national trends. This survey is an initial step; further information is needed and will be addressed in future surveys. What we *don't* know is what's important to the majority of our shoppers. The majority of shoppers are not members.

Cicada: We deliver certain values to our customers, but do they know that? How can we let them know that, by shopping here, they are supporting all these values?

Steve: The gap could be either that we're not delivering the values or that we're not communicating that we're doing this.

Kelly: I can help in this area. Outreach and communication are key.

- **Annual Meeting:** On Sept. 6, 2007, at a working group session, it was decided to change the date of the annual meeting to Nov. 12. A proposal was made and approved to make this date change. Tasks to be completed for the annual meeting were discussed, assigned, and scheduled. The following meetings/target dates were set:

September 27, 207, 10:30 am, meeting to work on proposed bylaws changes/revisions.

Regular board meeting moved to October 18, 2007. Approve bylaws changes, BOD applications, and petition responses. (Anne C., Anne G., and Darcel will work on petition responses.)

October 23, 2007, 5:00 pm, special meeting to approve ballot.

October 23, 2007, meeting notice & ballot ready to print.

Meeting notice and ballots sent out by October 26, 2007.

Agenda Items Not Covered or Unfinished:

- Compensation of Board
- GM Monitoring Report 2.4 Planning and Budgeting
- Procedure for responding to owner comments
- List Serv Proposal
- Observe Union Negotiations
- Steve's Workload Proposal
- Annual Review for GM

Next Meeting will be October 18, 2007 at 5:00 pm.

An additional meeting will be held October 23, 2007 at 5:00 pm.

Executive Session began at 7:30 pm. to discuss personnel matters.

Respectfully submitted,
Jean Karpen

MINUTES

FBFC Board of Directors Meeting 10-18-07

Meeting started at 5:10 pm and ended at 8:05 pm.

Board members present: Aja Wright (president), Darcel Eddins (secretary), Regi Blackburn, Anne Craig, Anne Gaines Grier, Tara Luetkenhaus, Jonathan Daniels

Board members absent: none

Others present: Steve Watts, General Manager (GM), Owners: Cicada Brokaw (facilitator), Jean Karpen (note taker), Rusty Sivils

Meeting Summary:

- Minutes of 9-20-07 approved
- GM Report given
- Proposed bylaws changes discussed - some approved, some withdrawn
- Petition Responses approved
- GM Workload proposal not approved

Approve Agenda: Approved with no changes at this time. Changes will be considered as needed during the course of the meeting.

Owner Comment Period: Regarding proposed bylaws changes, Cicada hopes that the Board will consider his concerns (which had been previously sent to Board members via email) since, as facilitator, he will not be able to discuss those concerns during the meeting.

Board Business:

- **Minutes** of the 9-20-07 meeting were approved as written.
- **GM Report:** Steve presented and discussed a proposed budget for 2008. Darcel requested a slight increase in the Board's budget.
He also presented information on the patronage rebate system and discounts.
Regarding union contract negotiations, Steve will notify Board members of meeting times so that one Board member may attend meetings as an observer.
- **Approve Proposed Bylaws Changes (for ballot):**
 - 2.2 Adopted at 7-12-07 Board meeting (see attached)
 - 3.1 Discussed and withdrawn
 - 3.9 Adopted with change in wording to make it less cumbersome (see attached)
 - 4.1 Adopted with slight wording changes (see attached)
 - 4.2 Discussed and withdrawn

Related topics were also discussed during this segment of the meeting. Those topics were 1) how and when coop members can express concerns about proposed bylaws changes and 2) whether balloting will take place before or after the annual meeting. These issues will be addressed at the next meeting, 10-23-07.

- **Petition Responses:** Anne Craig presented Proposed Board Response to Petitions. With a few minor changes in wording, these responses were approved and will be presented to members at the annual meeting. Document attached.
- **GM Workload Proposal:** This proposal had originally been sent to Board members just prior to the September 13, 2007 meeting and was discussed at length at that meeting. It is the decision of the Board that we not approve this proposal at this time, that concerns be clarified, and that it be discussed further with consultant Linda Stier.

Agenda Items Not Covered or Unfinished:

- Proposed bylaws changes
- Finalize plans for annual meeting
- Listserv Proposal
- GM annual review discussion

Next Meeting will be October 23, 2007 at 5:00 pm.

Respectfully submitted,
Jean Karpen

Attachment:

PROPOSED BYLAWS CHANGES
for discussion at annual meeting 11-12-07

2.2 Right of Owners; delete 2nd sentence; rationale is to align with PG.
Adopted at the 7/12/07 Board Meeting

Bylaw now reads:

Section 2.2 Rights. Each owner shall be entitled to make purchases from the Co-op on terms generally available to owners and to participate in the governance of the Co-op as set forth in these bylaws. This includes the right of ownership as a group to decide any question regarding the business or affairs of the Co-op that has been brought before it in accordance with the provisions of these by-laws. Specifically, questions may be brought before the ownership via a Petition of Owners as set forth in Section 3.9 or by referral by the Board as set forth in Section 5.7. Owners may also contribute labor or services as needed by the Co-op and thereby be entitled to receive additional discounts, as determined by the Board of Directors.

Bylaw would then read:

Section 2.2 Rights: Each owner shall be entitled to make purchases from the co-op on terms generally available to owners and to participate in the governance of the Co-op as set forth in these bylaws. Questions may be brought before the ownership via a Petition of Owners as set forth in section 3.9 or by referral by the Board as set forth in section 5.7. Owners may also contribute labor or services as needed by the Co-op and thereby be entitled to receive additional discounts, as determined by the Board of Directors.

3.9 Petition of Owners; delete 1st sentence; rationale: eliminate confusion, align rules with PG, it is addresses in 2.2.
Adopted at the 10/18/07 Board Meeting

Bylaw now reads:

Section 3.9 Petition of Owners: Any issue which may be decided by the owners may be brought before them via a Petition of Owners. A Petition of Owners is one of more petitions stating the business to be brought before the ownership which have been signed by 10 percent of all owners.

Bylaw would then read:

Section 3.9 Petition of Owners: A Petition of Owners is one or more petitions that have been signed by 10 % of all owners, stating the business to be brought before the ownership.

4.1 Powers and Duties of the Board of Directors; change wording of entire bylaw; rationale is to align with PG Adopted at the 10/18/07 Board Meeting

Bylaw now reads:

Section 4.1 Powers and duties. Except as to matters reserved to owners by law or by these bylaws, the business and affairs of the Co-op shall be directed and controlled by the Board of Directors (sometimes referred to in these bylaws as “the Board”). The powers and duties of the Board shall include, but not be limited to, overseeing the operations and finances of the Co-op, engaging one or more operations managers and monitoring and evaluating their performance, maintaining communications with owners, securing good conditions of employment and assuring that the purposes and mission of the Co-op are properly carried out.

Bylaw would then read:

Section 4.1 Powers and duties. The powers and duties of the Board shall include, but not be limited to, the governance of the organization and monitoring and evaluating the performance of the general manager and any other board-hired personnel, maintaining communications with owners, organizing an annual meeting of owners (reference Section 3.1 of bylaws) and assuring that the purposes and mission of the Co-op are properly carried out.

End attachment

MINUTES

FBFC Board of Directors Meeting 10-23-07

Meeting started at 5:10 pm and ended at 7:18 pm.

Board members present: Aja Wright (president), Darcel Eddins (secretary), Regi Blackburn, Anne Craig, Anne Gaines Grier, Jonathan Daniels

Board members absent: Tara Luetkenhaus, excused

Others present: Steve Watts, General Manager (GM), Owners: Cicada Brokaw (facilitator), Jean Karpen (note taker), Rusty Sivils

Meeting Summary:

- Adopted proposed changes to bylaws
- Planned annual meeting

Approve Agenda: Two agenda items, proposed bylaws changes and annual meeting, approved.

Approve proposed bylaws changes:

- 5.1 Adopted with minor changes (see attached)
- 5.7 Adopted with one minor change (see attached)
- 6.1 Adopted - designation of officers (see attached)

Rusty expressed concern over eliminating the treasurer's position since, in the past, the treasurer has overseen all coop finances. Cicada added that, in prior years, the treasurer has looked at budgets,

monthly financials, balance sheets, and profit & loss projections, and has then been responsible for understanding and reporting that information to the Board.

Darcel stated that, under policy governance (PG), the Board treasurer oversees only the Board budget and that, at any time, the Board may request financial information from the GM.

- 6.3 Adopted – duties of officers (see attached)

During the discussion of changes to 6.3, Rusty commented that, though the Board accepts and uses PG, the owners have not voted on PG.

- 7.2 Adopted 7-12-07, re-adopted with wording change (see attached)

Plans for annual meeting:

- Notice of the meeting will be by post card mailed to owners on November 2, 2007. The post card will give the date, time, & location of the meeting, purpose of the meeting, and will give a web address where owners can access additional information concerning proposed changes to the bylaws, petitions brought by members, Board nominees, and other general information about the meeting.
- Cicada will prepare information for the website and, after Board approval, send it to Steve for posting on November 3, 2007. This will be ready for Board comments and discussion by October 25, 2007.
- Cicada will prepare a handout for owners attending the meeting which will briefly describe rules and procedures for the meeting and how they (owners) can participate.
- In order to have discussion about ballot issues, it was suggested that, at the meeting, one of the Board members move that all questions brought to the point of a vote be put on a ballot and voted on later. The ballot can be made available in the store and online. Another possibility is to establish, at the meeting, a rule to govern voting. The issue of how to handle voting will be decided at the November Board meeting.
- Regarding petitions, Cicada expressed concern that the maker of a petition be allowed to make comments about the petition. Such comments will be included on the website.

Next Meeting will be November 8, 2007 at 5:00 pm.

Respectfully submitted,
Jean Karpen

Attachment:

PROPOSED BYLAWS CHANGES

for discussion at annual meeting 11-12-07

5.1 Meetings of the Board; add to 2nd sentence: "With proper notice (reference Sec. 5.2 of the bylaws), special meetings" ; also, change "...and shall be" to "...or shall be"; rationale is clarity
Adopted at the 10/23/07 Board Meeting

Bylaw now reads:

Section 5.1 Meetings. The Board may determine the times and places of regular meetings. Special meetings may be called by the President and shall be called by the Secretary upon request of at least thirty-five percent of all directors. Meetings of the Board shall be held no less frequently than once in each calendar quarter.

Bylaw would then read:

Section 5.1 Meetings. The Board may determine the times and places of regular meetings. With proper notice (reference Sec. 5.2 of the bylaws), special meetings may be called by the president or shall be called by the secretary upon request of at least thirty-five percent of all directors. Meetings of the Board shall be held no less frequently than once in each calendar quarter.

5.7 Referendum; in the first sentence, change “...a decision of the Board...” to “...a decision made by the Board”; rationale is clarity

Adopted at the 10/23/07 Board Meeting

Bylaw now reads:

Section 5.7 Referendum. At the request of thirty five percent of all directors, a decision of the Board shall be referred to a meeting of owners. A decision referred to owners shall stand until annulled or modified by owners. Modification by owners shall not impair rights previously acquired by third parties.

Bylaw would then read:

Section 5.7 Referendum. At the request of thirty five percent of all directors, a decision made by the Board shall be referred to a meeting of owners. A decision referred to owners shall stand until annulled or modified by owners. Modification by owners shall not impair rights previously acquired by third parties.

6.1 Designation of officers; delete Vice President and Treasurer from the first sentence; rationale is to fulfill legal requirement and to allow flexibility depending on the skills/abilities and availability of the current board.

Adopted at the 10/23/07 Board Meeting

Bylaw now reads:

Section 6.1 Designation. The principle officers of the Co-op shall consist of President, Vice President, Secretary and Treasurer. The Board may designate other officers or assistant officers. All officers shall be directors.

Bylaw would then read:

Section 6.1 Designation. The principle officers of the Co-op shall consist of President and Secretary. The Board may designate other officers or assistant officers such as Vice President and Treasurer. All officers shall be directors.

6.3 Duties of officers: delete sub-sections (b) and (d), sub-section (c) then becomes (b): align with PG

Adopted at the 10/23/07 Board Meeting

Bylaw now reads:

Section 6.3 Duties. In addition to signing or attesting to formal documents on behalf of the Co-op as authorized by the Board, officers shall have the following duties and such additional duties as determined by the Board:

- (a) The President shall be responsible for assuring the orderly conduct of all meetings and coordinating the activities of the Board;
- (b) The Vice President shall be responsible for performing the duties of the President in his or her absence and, as requested, assisting the other officers in the performance of their duties;
- (c) The Secretary shall be responsible for the issuance of required notices and the recording and keeping of adequate minutes of all meetings; and
- (d) The Treasurer shall oversee the maintenance of financial records, reporting of financial information and filing of required reports and returns.

Bylaw would then read:

Section 6.3 Duties. In addition to signing or attesting to formal documents on behalf of the Co-op as authorized by the Board, officers shall have the following duties and such additional duties as determined by the Board:

- (a) The President shall be responsible for assuring the orderly conduct of all meetings and coordinating the activities of the Board; and
- (b) The Secretary shall be responsible for the issuance of required notices and the recording and keeping of adequate minutes of all meetings.

**7.2 Financial Accountability; change wording of first sentence so that independent audit is not required each year; Rationale: align with PG
*Adopted at 7/12/07 Board Meeting***

Bylaws now reads:

Section 7.2 Financial Accountability. Financial statements of the Co-op for each fiscal year shall be audited or reviewed by an independent public accountant selected by the Board. Such engagement shall include a management review and report concerning management performance, adherence to governing policies, adequacy of operating controls and such other matters as determined by the Board.

Bylaws would then read:

Section 7.2 Financial Accountability: Financial statements of the Co-op shall be audited or reviewed by an independent public accountant selected by the Board no less than once every five fiscal years; however, the Board can require an audit at any time. Such engagement may include a management review and report concerning management performance, adherence to governing policies, adequacy of operating controls and such other matters as determined by the Board.

End attachment

MINUTES

FBFC Board of Directors Meeting 11-8-07

Meeting started at 5:05 pm and ended at 7:20 pm.

Board members present: Aja Wright (president), Darcel Eddins (secretary), Anne Craig, Anne Gaines Grier, Jonathan Daniels

Board members absent: Regi Blackburn, excused, Tara Luetkenhaus

Others present: Steve Watts, General Manager (GM), Owners: Cicada Brokaw (facilitator), Jean Karpen (note taker)

Meeting Summary:

- Approved minutes of 10-18-07 and 10-23-07
- Discussed petitions to be brought before ownership at annual meeting
- Discussed conference call with consultant Linda Stier
- Received report on Coop Conference
- Made final plans for annual meeting
- Darcel Eddins and Anne Craig were each appointed for an additional one year term on the board

Approve Agenda: Agenda was approved with the addition of discussion of December meeting date.

Owner Comment Period: no comments

Board Business:

- **Minutes** of 10-18-07 and 10-23-07 were approved as written.
- **GM Informational Report:** Steve email the financial conditions monitoring report to Board members today. He reviewed this report and explained several items. The floor in the Movement & Learnings Center will be replaced as soon as we have 2 consecutive days in which to do this.
- **Discussion of Petitions:** There was a brief discussion of how to proceed with petitions that are approved by the owners. No decisions were made.
- **Discussion of Conference call with consultant Linda Stier:** Discussion included product policy, policy governance (PG), and the role of staff members on the Board. No decisions.
- **Report on Coop Conference:** Anne Craig, Darcel, and Steve recently attended the first regional coop board cluster conference. Anne gave a brief report on the types of sessions that were offered and stated that they were very helpful. She suggested that Board members attend more meetings of this type.
- **Finalize plans for annual meeting:** Agenda will include these items: reports from the Board (a general report on work done, owner linkage report, PG explanation, survey reports posted) and GM, election of new Board member(s), break with writing activity for owners, discussion of amendments and discussion of resolutions. Concerns raised by Cicada about amendments will be read aloud by Scot Quaranda, facilitator, at the meeting.

The Board adopted the following amendment regarding voting:

Proposed Bylaw change for the Ownership Meeting

Resolved, the following two paragraphs shall be inserted into the Bylaws, Section 3.8, Balloting by Mail immediately prior to the final sentence. The final sentence shall then conclude the second paragraph.

When balloting by mail, the procedure specified for a vote by mail within Robert's Rules of Order, Newly Revised may be utilized. Alternatively, the following procedure may be adopted. 1) Notice of the balloting shall be mailed to each owner qualified to vote. 2) The notice will specify locations where ballots and voting instructions may be obtained and the time span during which ballots must be submitted in order to be counted. 3) At the end of the balloting, the ballots shall be counted according to the procedure for a vote by mail.

When balloting by mail in conjunction with a meeting the following rule may be adopted for either 1) all main motions considered during a meeting, or 2) any main motion under consideration during a meeting: *All main motions for which this rule is adopted, at the conclusion of debate on the motion, shall be put to the entire ownership via balloting by mail subsequent to the meeting. Details and time limits relating to the process of balloting by mail shall be specified upon adoption of this rule. Such motions shall be considered pending, with regard to the application of meeting rules regarding such motions.*

Following the annual meeting, on November 13, 2007 at 4:00 pm, there will be a meeting to draft a ballot which will then be posted online and printed for distribution at the coop.

- **Board Members reappointed:** Darcel Eddins and Anne Craig were each appointed for one additional year on the Board.

Agenda Items Not Covered or Unfinished: none

Next Meeting will be an informal social gathering with a pot luck dinner on 12-18-07 at 6:00 pm. , location TBA.

The next regular Board meeting will be January 10, 2008 at 5:00 pm.

Respectfully submitted,
Jean Karpen

Originally, there was no Board meeting scheduled for December, 2007. Board meeting was held on December 13, 2007. At that meeting, the January, 2008 meeting was changed to January 17.

MINUTES
FBFC Board of Directors Meeting 12-13-07

Meeting started at 5:05 pm and ended at 7:35 pm.

Board members present: Aja Wright (president), Darcel Eddins (secretary), Regi Blackburn, Anne Craig, Anne Gaines Grier, Jonathan Daniels, Katherine Caldwell

Others present: Steve Watts, General Manager (GM), Owners: Cicada Brokaw (facilitator), Jean Karpen (note taker), Rusty Sivils

Meeting Summary:

- Approved minutes of 11-8-07
- Approved proposal for owner potluck/PG (policy governance) explanation
- Adopted policy 2.1.7 concerning ownership application materials
- Scheduled dates for 2008 (meetings, retreats, workshops, monitoring reports, etc.)
- Discussed/debriefed annual meeting

Approve Agenda: Agenda was approved with the following additions: CBLD (Cooperative Board Leadership Development) report from Darcel, Owner Linkage report from Anne C., set up ballot count, and clarify next meeting date.

Owner Comment Period: Cicada asked about the key to the filing cabinet. In July, the Board had approved duplication of the key. Steve will follow through with making a duplicate key.

Cicada noted that he has donated several hours of work time to the coop. He will resume work on the archives next week.

Cicada also has concerns about the ownership meeting and the balloting. He feels that a significant number of owners were not aware of balloting and that fact is unfortunate.

Board Business:

- **Minutes:** Minutes of the 11-8-07 board meeting were approved as written.
- **GM gave Informational report** on operations, finances, personnel, and marketing.

- **Owner Linkage** committee presented the following proposal:

The Owner Linkage Committee proposes that the Board of Directors sponsor a pot luck dinner/seminar to be held in January or early February. This pot luck would serve as a social get-together for our co-op community. The seminar would be of an educational nature, explaining policy governance as used by our co-op and comparing and contrasting it with corporate governance. It would include explanation of why the majority of co-ops are adopting policy governance in order for their organizations to survive in today's market reality yet still remain co-ops.

The proposal was approved with the addition of the date for the event, January 25, 2008. Organizers will ask one of the CBLD leaders to present PG information.

- Anne Craig proposed the following policy addition:

The General Manager shall not fail to ensure that adequate ownership application materials and information regarding rights, benefits and responsibilities of ownership are readily available for and provided to potential or new owners of the cooperative.

This policy was adopted as written and will be number 2.1.7

- **Report from Darcel:** Darcel has received information on the CBLD training and will forward that to all Board members.
- **2008 Planning:** Dates were set and posted on the calendar in the Board meeting room. Monthly meeting dates are: Jan 17, Feb 21, Mar 20, Apr 17, May 15, Jun 12, Jul 10, Aug 14, Sept 11, Oct 16, Nov 13, and Dec 11. Owner linkage events are: Jan 25 (potluck/PG info), May 31 (annual meeting, 2 to 4 pm), and Sept 17. (potluck) CBLD is Jan 26. Board retreat is Feb 9-10, (snow date Feb 23-24).

- Darcel suggested that board members periodically bag groceries in the store. No decision made.

- **Discussion/debriefing of Annual Meeting**

Anne C. would like to look at the bylaw which requires the use of Robert's Rules for Order for conducting annual meetings.

There was a discussion of the bylaws changes which were not on the ballot. Anne C. proposed that, since the Board has already approved those changes, they become an addendum to the bylaws, pending approval by owners at the next annual meeting.

Darcel is not comfortable with this, in light of the discussion of these amendments at the Nov 12, 2007 annual meeting.

No decision was made. This will be discussed further at the January board meeting.

Each person present then made a brief statement as to how he/she felt about the annual meeting.

Procedure for counting ballots: Steve will ask the owner of the business next door, as an impartial third party, to assist with ballot counting. One person will check an owner list to verify that each ballot is valid; a second person will cut off the top part of the ballot which has identifying information; then the votes will be tallied by two additional people.

- Board potluck scheduled for Dec. 18 has been canceled.

Agenda Items Not Covered or Unfinished:

- Further discussion of proposed bylaws changes which were not on the ballot.
- Plan Jan 25 Owner Linkage potluck/ PG presentation.

Next Meeting will be January 17, 2008 at 5:00 pm.

Respectfully submitted,
Jean Karpen