MINUTES
FBFC Board of Directors Meeting 1-15-09

Meeting started at 5:00 pm and ended at 7:17 pm.

Board members present: Regi Blackburn (Interim President), Darcel Eddins (Secretary), Aja Wright, Anne Craig, Anne Grier, Jonathan Daniels, Katherine Caldwell, Kenneth Tompkins (Suncere Ali Shakur), Chappell Carter, Will Kaylor, Mariate Echeverry

Board members absent: none

Others present: Steve Watts, General Manager (GM); Owners: Jean Karpen (note taker), Loch Hoffman

Meeting Summary:

- Approved minutes of 11-13-08
- Approved proposal for a winter potluck on Feb. 21
- Approved proposal to sponsor Free Breakfast program at Pisgah View Community
- Decision to spend approximately 10 minutes per Board meeting on policy work, if needed
- Approved proposal to strike attendance requirement language from bylaws
- Reviewed Monitoring Reports 2.4, 2.6.0, 2.1.8, 2.9.0, and 2.9.1
- Set monthly Board meeting – third Thursday of each month at **5:30 (note new time)**

Approve Agenda: Agenda approved with minor changes in time allotments.

Owner Comment Period: Loch Hoffman, coop owner and participant in the Saturday farmer's tailgate market, addressed the Board regarding the decline in business at the market. Steve will communicate with Loch via email (copy to Board members) to go over plans for the Saturday tailgate market.

Board Business:

- **Minutes** of the November 13, 2008 Board meeting were approved as written.

- **Owner Linkage:**
  Response to the intercept survey has been mostly positive. We need to gather information from approximately 65 more surveys to make the results statistically significant (need 82 total).

  Proposal for a winter potluck was approved. The owner event will be held on February 21 from 4 to 6. Details to follow.

  The following proposal was approved: The Owner Linkage Committee proposes that the Board approve the FBFC sponsorship of a children's free breakfast program to be held at Pisgah View Community and directed by Suncere. Sponsorship would include advertising the program and serving as a collection point for donations to the program. The co-op would also provide food and other supplies at cost. Worker Owners would have the opportunity to volunteer with the breakfast program under the same guidelines and benefits as the FBFC worker owner program. The fiscal sponsor for the breakfast program is a yet to be determined non profit organization, but will not be the FBFC.

  Suncere will write an article for the February Scoop to introduce this program.

- **Nominating Committee:** The committee has several prospective applicants; they have been invited to attend a Board meeting prior to applying. Regi and Anne C. will be going off the Board in May.

  Stephanie Smiley will begin working as administrative assistant to the Board. She will prepare a notebook for each Board member. Notebooks will be kept in the Board meeting room and will have all

information pertinent to the current meeting. Regi will take over this worker/owner job in June, 2009.

- **Bylaws Study Committee:** It was suggested that Katherine consult with Thane Joyal about how to proceed with bylaws revisions.

  It was suggested that the Board devote 10 minutes per Board meeting to work on policy. Through monitoring reports, Steve will pinpoint areas that need work. This will allow needed policy work to be documented in the minutes of Board meetings.

- **Attendance at Board Meetings:** There has been some concern about attendance at Board meetings. After a brief discussion of ideas, it was suggested that a commitment to attendance be part of the application for Board membership. The Board then approved a proposal to strike the attendance requirement language from the bylaws.

- **Schedule for 2009:** Monthly meetings will be the third Thursday of each month at 5:30. **Please note new starting time.**

  Possible dates for a Board retreat are Feb 28, Mar 7, or Mar 14. Final date will depend on when consultant Thane Joyal is available. Regi will ask Thane to give an overview of the consensus process since we have several new Board members who are less familiar with that process.

  Regarding the Board budget, Steve will email last year's figures for comparison.

  The annual Owner's Meeting will be held on Saturday, May 30, 2009.

Monitoring Reports: 2.4 Planning and Budgeting, 2.6.0 Emergency GM Succession, 2.1.8 Treatment of Consumers, 2.9.0 and 2.9.1 Administration of Capital Stock Policies

All monitoring reports were deemed reasonable and acceptable. Several Board members commented favorably on the thoroughness and attention to detail of 2.6.0.

Next Meeting will be February 19, 2009 at 5:30 pm.

Executive Session was held from 7:17 to 7:30 to discuss real estate and personnel.

Respectfully submitted,
Jean Karpen

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MINUTES
FBFC Board of Directors Meeting 2-19-09

Meeting started at 5:30 pm and ended at 8:00 pm.

Board members present: Regi Blackburn (Interim President), Darcel Eddins (Secretary), Anne Craig, Anne Grier, Katherine Caldwell, Chappell Carter, Will Kaylor, Mariate Echeverry

Board members absent: Jonathan Daniels, Aja Wright, Kenneth Tompkins (Suncere Ali Shakur)

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

Meeting Summary:

- Presentation from United Services Credit Union
- Minutes of 1-15-09 approved

- Report from Owner Linkage Committee
- Report from Bylaws Study Group
- Monitoring report 2.3, Financial Condition, will be reviewed and discussed at the March meeting.

Approve Agenda: Agenda approved with minor changes in time allotments. Steve requested an executive session as part of the GM comments.

Owner Comment Period: A question was raised about changes in parking at the coop. A thorough explanation will be posted when the new "rules" take effect.

Presentation: Esteve Coll-Larossa from the United Services Credit Union gave a brief informational presentation. USCU is a full service financial institution with membership currently available to FBFC employees, Board members, and owners. The Board will consider having a USCU table or presentation at the next annual owners' meeting.

Board Business:

- **Minutes** of the January 15, 2009 meeting were approved as written.

- **Owner Linkage –** Anne Grier will speak at the community pot luck February 21.
  Plans are underway for the annual owners' meeting, May 30, 2009. Plans are to have a panel of speakers, brief presentations, and time for Q & A. Possible speakers include representatives from MANNA Food Bank, ASAP (Appalachian Sustainable Agriculture Project) and Bountiful Cities, and a local farmer.

- **Bylaws Study Group –** Katherine will bring suggestions for bylaws changes to the March Board meeting for discussion. Proposed changes will also be reviewed by attorney Bob Deutsch. Current plan is to present proposed changes to owners at the annual meeting and vote on changes in 2010.

- **Nominating Committee –** Two Board seats will need to by filled on or after May 30, 2009. The committee has several prospective applicants.

Executive Session – At 7:07, the Board went into executive session to discuss personnel.

Monitoring Report 2.3, Financial Condition – This monitoring report will be reviewed and discussed at the March Board meeting. Send questions to Anne C. by February 27.

Board Retreat 2-28-09 – Retreat committee will plan agenda. Board members should read sections 3 and 4 of the policy manual prior to the retreat.

Agenda Items Not Covered or Unfinished:

- Monitoring Report 2.3

Additional Agenda Items for Next Meeting:

- Report on conference call 2-23-09 regarding dealing with recession.

Next Meeting will be the Board Retreat February 28, 2009.

Next Regular Board Meeting will be March 19, 2009 at 5:00 pm.

Respectfully submitted,
Jean Karpen
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MINUTES
FBFC Board of Directors Retreat 2-28-09

Board members present: Regi Blackburn (Interim President), Darcel Eddins (Secretary), Aja Wright, Anne Craig, Anne Grier, Jonathan Daniels, Katherine Caldwell, Kenneth Tompkins (Suncere Ali Shakur), Will Kaylor, Mariate Echeverry

Board members absent: Chappell Carter

Others present: Thane Joyal, (consultant/retreat leader), Steve Watts (GM), Jean Karpen (note taker)

Meeting Summary:

- Presentation and discussion of Board roles and responsibilities
- Presentation and discussion of decision-making process
- Plan Board goals and work to be done for 2009
- New "Ends" committee formed

Board goals for 2009:

- Plan for annual meeting – Owner linkage committee will do this.
- Research decision-making alternatives and choose one. Considerations to include: long- and short-term decisions, possible use of consent agenda, and mode of decision-making (consensus, Robert's Rules, other?). Also need to plan training for Board members in whatever process is agreed upon.
- Bylaws Process Outlined
- Linkage with owners, business community, local growers

Proposed **time line for 2009 work:** (list on Board calendar)

March Board meeting:

- Katherine will present work of Bylaws committee (email beforehand).
- Nominations committee continues its work through May.
- Plan for Board leadership transition.
- March Board meeting of each year – start discussion of Board leadership.

April Board meeting:

- Mariate will present options for decision making. Material on options will be sent to Board members 2 weeks prior to Board meeting. Meeting time (one hour) will be used for discussion. Thane has a matrix comparing different processes which she will share with Mariate.

May Board meeting:

- Make a selection about decision-making process.
- Plan for training in decision-making process.
- New Board nominations due.
- Annual owners' meeting, May 30, 2009.

June Board meeting:

- Elect new Board officers.
- Orientation of new Board members (not at Board meeting; include a notebook with Bylaws, Policy Manual and other pertinent information).
- Training for all Board members in decision-making process.
- CCMA (Consumer Cooperative Management Association) meeting in Pittsburgh
- Policy committee planning

July Board meeting:

- Ends committee presents work plan.

July – December – Work on Linkage and Ends. (Linkage with owners, business community, local growers, etc.)

New Committee: Will and Mariate will be on the newly formed "Ends" committee. They will present a work plan at the July Board meeting.

Ends work to include:

- Linkage with owners – market study, survey, annual meeting
- Education – CCMA, Board retreats, reading/discussion
- Identify other Cooperatives in our area– credit union, electric coop, Ace Hardware, Southern States – possibly have representatives speak at annual meeting.

Next regular Board meeting will be at 5:30 pm on March 19, 2009

Respectfully submitted,
Jean Karpen

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MINUTES
FBFC Board of Directors Meeting 3-19-09

Meeting started at 5:40 pm and ended at 8:06 pm.

Board members present: Darcel Eddins (Secretary), Aja Wright, Anne Craig, Anne Grier, Katherine Caldwell, Chappell Carter, Will Kaylor, Mariate Echeverry

Board members absent: Regi Blackburn (Interim President)

Others present: Steve Watts (GM); Owners: Bette Jackson, Morna Childers, Jean Karpen (note taker)

Meeting Summary:

- Minutes of 2-19 Board meeting and 2-28 retreat approved
- Report on planning for Annual Meeting, May 30, 2009
- Drafted proposal for nominations to Board
- Approved proposal that Chappell be President-elect
- Discussed proposed changes to bylaws
- Reviewed Monitoring Reports 2.3 and 2.4
- Executive session

Approve Agenda: Approved with minor time changes and the addition of "Leadership transition."

Board Business:

- **Minutes** of the 2-19-09 Board meeting and the 2-28-09 Board retreat were approved with one correction; the time for the March Board meeting is 5:30, not 5:00.

- **Annual Meeting:** The Owner Linkage committee is planning the meeting which will be held on May 30, 2009. Anne C. reported on possible representatives for our panel (A. D. Anderson – Manna Food Bank, Emily Jackson – Appalachian Sustainable Agriculture Project, Cecil Bothwell – home gardening, and someone from Bountiful Cities Project). Panel members will give a brief presentation and then be

available to answer questions. The April "Scoop" will have an article about the meeting. Other suggestions included a table for the Self Help Credit Union, no member check in, arrange chairs for maximum space. Scot Quaranda will be asked to facilitate.

- **Proposal for nominations to Board:** All candidates, including those nominated from the floor at an annual meeting, must fill out an application and be vetted by the nominating committee. If approved by the nominating committee, applicants will be presented to the Board for approval. If approved by the Board, they will serve a provisional term until the next annual meeting at which time they may be elected by owners to serve a regular term. (Only those applicants who have been previously approved by the Board will be elected at an annual meeting. Anyone nominated from the floor must complete the application process and may be appointed by the Board to a provisional term soon afterward, with election to take place at the next annual meeting.)

  This needs to be addressed in the bylaws. No action taken tonight.

- **Leadership Transition:** Chappell was approved as President-elect. A vice president will be chosen at a later date. Other Board "jobs" to be filled in June, 2009 are facilitating the Owner Linkage committee, and moderating the list serv. Beginning in June, Katherine will take over scheduling of Board members to write articles for the Scoop.

- **Policy Committee:** Will K. will send out a proposal on changes to the mission and vision statements. The goal is to make them more specific with measurable goals. The intention is to streamline the language, not to make any fundamental changes. They will be working on mission, vision, global ends, and ends. Anne C. commented that global ends are supposed to be general and visionary, not specific or measurable. Mariate said that they plan to have a mix of the two.

- **Nominating Committee:** There are currently 2 seats open, with 2 additional openings in June, 2009. The committee has 3 potential applicants.

- **Bylaws Committee:** Proposed changes to the bylaws were presented and discussed. Katherine will send out the changes, via email. Board members will send any comments to Katherine. The goal is to have owners vote on the changes at the 2010 annual meeting.

Monitoring Report 2.3, Financial Condition and Activities
The report was deemed reasonable and acceptable. Under 2.3.5, Steve recommends combining 2.3.4 and 2.3.5. The policy committee will follow up on that recommendation.

The following comment was listed on the Executive Limitations Matrix check sheet: The Board members are concerned by the reduction in outreach activities due to the current economic situation. If that trend continues, they will consider a policy change. Steve will be asked to report on what outreach activities are being done. It was suggested that there may be other policies which address this concern.

Monitoring Report 2.4, Planning and Budgeting
This report is not considered reasonable. It is lacking data. Action: The Board requests that Steve prepare a multi-year plan by June 11, 2009.

Executive Session was held to accept the resignations from the Board of Jonathan Daniels and Kenneth Tompkins (Suncere Ali Shakur).

Next Meeting will be April 16, 2009 at 5:30 pm.

Respectfully submitted,

Jean Karpen

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MINUTES
FBFC Board of Directors Meeting 4-16-09

Meeting started at 5:35 pm and ended at 8:23 pm.

Board members present: Regi Blackburn (Interim President), Darcel Eddins (Secretary), Aja Wright, Anne Craig, Anne Grier, Katherine Caldwell, Chappell Carter, Will Kaylor, Mariate Echeverry

Board members absent: none

Others present: Steve Watts, General Manager (GM), Sage Turner, Finance Manager for FBFC and Haywood Road Market (HRM); HRM Board of Directors members: April DeLac, Bill Miller, Palmyra Romeo, Katie Oaks, Michael Abramowitz; Owners: Jean Karpen (note taker), Rusty Sivils

Meeting Summary:

- Approved minutes of 3-19-09
- Discussion with HRM Board of Directors
- Decision to use Consensus as decision making process, secure training for Board members
- Policy committee: Draft vision/mission statement presented
- Approved revision of Board application form
- Rescinded nominations proposal (from 3-19-09)
- Reviewed Monitoring Reports 2.1 and 2.2
- Executive Session 8:08 to 8:23 to discuss real estate

Approve Agenda: Agenda approved with minor changes in times and addition of executive session.

Owner Comment Period: no comments

Board Business:

- **Minutes** of 3-19-09 were approved with the following correction: under Board Business, Bylaws Committee, the last sentence should read, "...vote on the changes at the 2010 annual meeting."

- **Presentation by Haywood Road Market:** HRM Board president, April DeLac gave information about their current financial difficulties and possibilities for their future. FBFC Board members asked several questions. Issues were discussed further in executive session.

- **Policy Committee – decision making process:** Mariate presented information on both consensus and Robert's Rules of Order. Advantages and disadvantages of each were discussed. It was agreed that the Board will use consensus. Regi and Chappell will work with consultant, Thane Joyal, to secure consensus training for the Board.

- **Policy Committee – mission and vision:** Will K. distributed copies of a new draft mission and vision statements. This draft will be posted at the May 30, 2009 annual meeting for member input. It will also be posted on the policy group website for input.

- **Owner Linkage Committee:** Approved revised Board application form. Darcel will table at the April 22 Customer Appreciation Day. Aja will write the May Scoop article. Mariate will take over the owner linkage committee, since Anne C. is going off the Board at the end of May. (Note: A change was made immediately following the Board meeting. Chappell will head the Owner Linkage committee, not

Mariate.)

- **Nominating Committee:** The proposal (which was approved 3-19-09) regarding nominations to the Board, was rescinded. Anne C. has a template from Thane to address this issue. Anne will send this out to all Board members. Comments are due to Katherine by April 30.

- **Bylaws Committee:** Brief discussion of section 2.3.9 concerning rights of owners. Comments are due to Katherine by April 30

Monitoring Report 2.1, Treatment of Consumers
This report was deemed reasonable, but not acceptable: the Board needs to clarify in what format they want this report.

Monitoring Report 2.2, Treatment of Staff
After discussion, this report was deemed reasonable and acceptable. The data provided in this report is provisional; additional data will be provided after the staff survey is done, Dec. 2009.

Executive Session was held from 8:08 to 8:23 to discuss personnel and real estate.

Agenda Items Not Covered or Unfinished: none

Additional Agenda Items for Next Meeting: none

Next Meeting will be at 5:30 pm. May 21, 2009.

Respectfully submitted,
Jean Karpen

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MINUTES

FBFC Board of Directors Meeting 5-21-09

Meeting started at 5:30 pm and ended at 8:00 pm.

Board members present: Regi Blackburn (Interim President), Darcel Eddins (Secretary), Aja Wright, Anne Craig, Katherine Caldwell, Chappell Carter, Will Kaylor, Mariate Echeverry

Board members absent: Anne Grier

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

Meeting Summary:

- Minutes of 4-16-09 approved
- GM report reviewed
- New policy 2.8.11 approved, regarding GM informational report
- Committee reports reviewed
- Four Applicants for Board seats accepted, election to be held at annual meeting
- Plan for annual owners' meeting
- Approved donation for the family of former coop employee Paula Hatley
- Executive session to discuss personnel

Approve Agenda: Approved with the following changes: add executive session; move all discussion of monitoring report 2.3, Financial Condition to June Board meeting. (Due to a computer glitch, Board members received an incomplete monitoring report. This will be

corrected for the June meeting.)

Owner Comment Period: no owner comments

Board Business:

- **Minutes** of 4-16-09 approved as written. (Note: A change was made immediately following the Board meeting. Chappell will head the Owner Linkage committee, not Mariate.)
- **GM Informational Report:** Reviewed and discussed. Beginning June 1, 2009 until May 31, 2010, FBFC will extend non-equity benefits to owners of the Haywood Road Market. Benefits are primarily access to discounts and specials.
- **Proposal for new policy 2.8.11:** The following proposal was approved. "The GM shall not fail to provide a monthly informational report that speaks directly to the Ends Policy."
- **Nominating Committee** has four applications for Board seats. The Board approved accepting all four applications; the applicants will be nominated by the Board at the annual owners' meeting for vote by owners.
- **Bylaws Committee:** There will be no bylaws changes presented to owners at the upcoming meeting. The Board is taking under consideration how to proceed with bylaws revisions.
- **Policy Writing Committee:** The committee is working on section 2.5, Asset Protection. No action taken tonight; revisit in June.
- **Owner Linkage:** It is suggested that the next owner potluck be held on June 20 in conjunction with the Customer Appreciation Day. Agenda for annual meeting is set. Darcel & Aja will take care of member check-in. Steve will moderate the panel discussion. Election of new Board members will be by show of hands, unless a written ballot is requested by an owner. Board members will meet at 1:00 just prior to the annual meeting.
- **Donation** of $300 will be given to the family of long-time coop employee Paula Hatley, who died recently. Additional contributions from coop owners will be accepted and will be passed on to the family.
- **Executive Session** was held to discuss personnel issues.

Agenda Items Not Covered or Unfinished:

- Monitoring Report 2.3, Financial Condition
- Policy committee work on section 2.5

Next meeting will be at 1:00, prior to the annual owners' meeting, Saturday, May 30, 2009.

Next Regular Board Meeting will be at 5:30 pm. June 18, 2009.

Respectfully submitted,
Jean Karpen

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MINUTES
FBFC Board of Directors Meeting 5-30-09

Meeting started at 1:20 pm and ended at 1:55 pm.

Board members present: Regi Blackburn (Interim President), Darcel Eddins (Secretary), Aja Wright, Anne Craig, Katherine Caldwell, Chappell Carter, Will Kaylor, Mariate Echeverry

Board members absent: Anne Grier

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

Meeting Summary:

- The purpose of this special meeting was to review for the annual owners' meeting. Board members reviewed and clarified the schedule and agenda and made final preparations for the annual meeting.
- No decisions requiring further action were made.

Next Meeting will be at 5:30 pm. On June 18, 2009.

Respectfully submitted,
Jean Karpen

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MINUTES
FBFC Board of Directors Meeting 6-18-09

Meeting started at 5:30 pm and ended at 8:00 pm.

Board members present: Chappell Carter (Pres.), Darcel Eddins (Sec.), Aja Wright, Anne Grier, Katherine Caldwell, Will Kaylor, Mariate Echeverry, Howard Yarborough, Jakub Poley, Gretchen Brown, Sloan Pickens
Board members absent: none
Others present: Steve Watts, General Manager (GM); Owners: Jean Karpen (note taker)

Meeting Summary:

- Minutes of 5-21-09 approved
- New Board members introduced
- Board officers approved: Mariate - vice-president; Will - treasurer
- GM Report given
- Approved proposal to have consultant Thane Joyal work on our bylaws
- Policies changes approved: 2.5.6, and 2.3
- Monitoring Reports 2.3 and 2.4 reviewed
- Executive session

Approve Agenda: Agenda approved with the addition of executive session.
Owner Comment Period: No comments
Minutes of 5-21-09 approved as written.

President's comments: Chappell asked Board members to consider the idea of a Board secretary who would help with organization, keeping Board member notebooks up-to-date, collating information from customer comments, and other miscellaneous jobs as needed. This will be discussed further at the July meeting.
New Board members were given the opportunity to introduce themselves.

Board Officers: Without objection, Mariate will serve as vice-president and Will will serve as treasurer.

GM Report: Informational report had been previously sent via email. Steve recently attended the CCMA (Consumer Cooperative Management Association) Conference, since FBFC was awarded a scholarship to do so. He feels that the conference provides a lot of very good, useful information and suggested that at least 1/3 of the Board attend next year.

Aja commented that this informational report does not speak to Ends Policy, as required in the new policy 2.8.11. Brief discussion followed. This will be addressed in the monitoring report when 2.8 is monitored.

Aja then brought up an email from Steve requesting that, as a requirement of our contract with National Cooperative Growers Association (NCGA), copies of all correspondence to the FBFC Board group and GM, be sent to Peg Nolan (NCGA), David Fowle (NCGA), and consultant Thane Joyal. The original request was dated March 5, 2009; Board was informed on June 18, 2009. Discussion followed. These 3 people will be added to our correspondence list. Emails between or among Board members will not be copied to those 3; all correspondence to Steve will be copied to those 3.

ByLaws: It was proposed and approved that we have consultant Thane Joyal work on our bylaws. The Board will then revise as needed. We will have our attorney check them and have Steve check to make sure they are OK with union rules. The goal is to present a document to the owners for a vote at the 2010 annual meeting. Chappell will contact Thane to get a cost estimate for this task. Darcel requested that we have original wording with changes marked in red so we can compare the two. The document to be presented will be posted well in advance of the annual meeting, so that owners may comment.

Policy Committee: In EL 2.5.6, Asset Protection, the Board approved filling in the blank with the amount $3000. The policy now reads as follows:

> 6. Make (a) any purchase wherein normally prudent protection has not been given against conflict of interest; (b) any non-retail purchase (i) of over $3,000 without having obtained comparative prices and quality; (ii) of over $ 3000 without a stringent method of ensuring the balance of long-term quality and cost.* Orders shall not be split to avoid these criteria.

The Board also approved changes in EL 2.3.

- Original wording: .....the GM shall not

1. Operate at a rolling four-quarter net profit of less than 2%
2. Use any long-term reserves* (Board action needed: schedule discussion regarding the Calvert Account: define who's responsible; address issue of owner equity)
3. Use restricted funds for other than their intended purpose
4. Fail to settle payroll and debts in a timely manner
5. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed
6. Exceed a debt to equity ratio of __: __ * (Board action needed: research appropriate values and complete this later)
7. Operate the cooperative so as to cause it to be in default under any of its financial agreements
8. Acquire, encumber, or dispose of real property
9. Fail to aggressively pursue receivables after a reasonable grace period.

- Newly approved wording: .....the GM shall not

1. Fail to provide quarterly statements of income, balance sheet, cash flow , and changes in shareholder equity.
2. Fail to disclose any material deviation from budgeting and planning at the first board meeting subsequent to such deviation. ('Material' is any figure that might affect the board's decision making).
3. Fail to maintain and archive all documentation related to financial reporting.
4. Use any long-term reserves* *(Board action needed: schedule discussion regarding the Calvert Account: define who's responsible; address issue of owner equity)*
5. Use restricted funds for other than their intended purpose
6. Fail to settle payroll and debts in a timely manner
7. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed
8. Operate the cooperative so as to cause it to be in default under any of its financial agreements
9. Acquire, encumber, or dispose of real property, nor plan for aquisition, encumbrance, or disposition of real

property without board approval.

10. Fail to aggressively pursue receivables after a reasonable grace period

A worker/owner policy is being written and will be presented at the July Board meeting. The committee is also in the process of creating a survey of owners.

Owner Linkage Committee: The committee has discussed ways to increase attendance at the annual owners' meetings. Two surveys are in process; one concerning Ends Policy and one concerning "Why do you (or why do you not) come to the coop? "

Monitoring Reports: Beginning in August, monitoring reports will be sent 2 weeks in advance.

Monitoring Report 2.3 Financial Condition and Activities: With the exception of 2.3.2 and 2.3.3, the report was deemed reasonable and acceptable. Regarding 2.3.2, Steve recommends dropping this statement. Regarding 2.3.3, Steve is not aware of any restricted funds. Policy committee will review both.

Monitoring Report 2.4 Planning and Budgeting: This report was deemed reasonable and acceptable. 2.4.5 will be reviewed by the Policy committee. 2.4.5 refers to Policy 4.8, which has monetary amount blanks for training and for an external audit that need to be filled in annually. Blanks in 4.8 will be filled in at the August meeting. Request for $15,000 for an audit will be made.

Next Meeting will be July 16, 2009 at 5:30 pm.

Executive Session was held to discuss real estate. Chappell will organize, via email, a special meeting for further discussion.

Respectfully submitted,
Jean Karpen

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MINUTES
FBFC Board of Directors Meeting 7-16-09

Meeting started at 5:30 pm and ended at 8:17 pm.

Board members present: Chappell Carter (President), Darcel Eddins (Secretary), Will Kaylor (Treasurer), Aja Wright, Jakub Holy, Gretchen Brown, Sloan Pickens
Board members absent: Mariate Echeverry (Vice-pres), Anne Grier, Katherine Caldwell, Howard Yarborough

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

Meeting Summary:

- Minutes of 5-30-09 and 6-18-09 approved. Approved minutes will be posted on the FBFC website.
- GM Report given
- Bylaws discussion
- New policy 2.4.6, Planning and Budgeting approved
- New policy 2.10, Worker Owner Program approved
- Owner Linkage report
- Monitoring Report 2.8, Communication and Support to the Board moved to August
- Executive Session held; audit Committee to be formed

Approve Agenda: Add approval of 5-30-09 Board meeting minutes.

Minutes of 5-30-09 were approved as written. Minutes of 6-18-09 were approved with the following addition.

"The original request was dated March 5, 2009; Board was informed on June 18, 2009." The 3rd paragraph under GM Report now reads as follows:

Aja then brought up an email from Steve requesting that, as a requirement of our contract with National Cooperative Growers Association (NCGA), copies of all correspondence to the FBFC Board group and GM, be sent to Peg Nolan (NCGA), David Fowle (NCGA), and consultant Thane Joyal. The original request was dated March 5, 2009; Board was informed on June 18, 2009. Discussion followed. These 3 people will be added to our correspondence list. Emails between or among Board members will not be copied to those 3; all correspondence to Steve will be copied to those 3.

Owner Comment Period: Cicada Brokaw asked the Board to be aware of and continue the work done by the bylaws committee. He is glad to see that a worker owner policy is on the agenda. Regarding a worker owner committee, he urged the Board to be more communicative with owners about the process. He had been told that there would be a meeting about this committee, but has yet to be notified of such a meeting.

President's comments:
Chappell asked Board members to occasionally read our mission and vision statements and to keep them in mind. Both Katherine Caldwell and Regi Blackburn have expressed interest in being the Board assistant/secretary. Katherine will prepare a spread sheet of owner comments. Reminder that Monitoring Reports will now be sent out 2 weeks prior to the meetings. Chappell encouraged Board members to make an effort to bring in new owners.

Darcel encouraged new Board members to join a Board committee.

Board terms were updated as follows:

Aja	May, 2010	Chappell.	May 2011	Darcel	May, 2012
Anne	May, 2010	Katherine	May 2011	Will	May, 2012
Jakub	May, 2010	Gretchen	May 2011	Mariate	May, 2012
		Sloan	May 2011	Howard	May, 2012

GM Report: Report was sent out via email. Brief discussion of financial information.

Bylaws: The proposal (approved in June) to have consultant, Thane Joyal, work on our bylaws was discussed. There are many areas of the bylaws that need clarification. Next action: Conference call with Thane, Chappell, and Katherine to identify critical issues and to relate concerns of the bylaws committee.

Proposal that approved minutes of Board meetings be posted on our website - approved.

Policy Committee: Approved new section, 2.4.6, under 2.4, Planning and Budgeting:
"… there will be no financial plans that:
6. Omit from planning and budgeting all activities not directly related to the operation of the coop. Such activities include, but are not limited to, professional consultation, attendance at trade conventions, and management and staff development."

Approved new **Worker Owner** policy:

Policy Title: 2.10. Worker Owner Program

The GM shall not fail to support and maintain a worker owner program that is overseen by the Owner Linkage Committee of the Board of Directors.

Further, without limiting the scope of the previous statement by the following, the GM shall not fail to:

1. Work toward a goal of continued growth in participation of worker owner program and value to the coop.
2. Provide management representation at monthly owner linkage committee meetings.
3. Provide a monthly report to the owner linkage committee that includes but is not limited to aggregate data on: numbers of participants; hours worked by worker owners; number of worker owner positions available; and numbers and amounts of discounts taken by worker owners.

Brief discussion of who updates & keeps official documents. This will be discussed at a future Board meeting.

Owner Linkage: Consider local beer or wine for the next owner linkage event.

Schedule for Scoop articles:

August.....Will
September.....Jakub (organic month)
October.....Darcel (owner drive)
November.....Aja
December.....Gretchen
January.....Will
February.....Sloan
March.....Chappell

Monitoring Report 2.8 was discussed briefly. No action taken. Discussion will continue in executive session. Steve stated that he needs at least 60 days from approval of a new policy before that policy can be monitored.

Agenda Items Not Covered or Unfinished:

- Discussion of policy 2.8.6
- Update & keeping official documents
- Monitoring report 2.8

Next Meeting will be August 20, 2009 at 5:30 pm.

Executive Session began at 7:32 to discuss personnel. An audit committee consisting of 3 Board members will be formed. The committee will contact potential auditors and bring bids to the Board. Will Kaylor will chair the committee. Other committee members to be determined.

Respectfully submitted,
Jean Karpen

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DRAFT MINUTES
FBFC Board of Directors Meeting 8-20-09

Meeting started at 5:30 pm and ended at 8:06 pm.

Board members present: Chappell Carter (President), Mariate Echeverry (Vice-president), Darcel Eddins, (Secretary), Will Kaylor (Treasurer), Aja Wright, Anne Grier, Howard Yarborough, Jakub Holy, Gretchen Brown, Sloan Pickens

Board members absent: Katherine Caldwell

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

Meeting Summary:

- GM Report given
- Discussion of Board Committees – Audit committee changed to Finance committee
- Owner linkage meeting set for Sept 2, 2009 - to include discussion of worker owner program
- Draft of owner survey presented
- Executive session

Approve Agenda: Agenda was approved with minor rearrangement of times.

Minutes of 7-16-09 Board meeting were approved as written.

Owner Comment Period: There was a question about parking during Board meetings. Board members can give their car make & license tag info to Steve to avoid a “no parking” notice. Preferred parking is in the “pit.”

President's comments: Each Board member is asked have in mind one person who would be a potential Board

candidate, in the event of a vacancy on the Board.

GM Report: Report was emailed prior to Board meeting. We have had a successful year. Attention to the deli is paying off. Soon, we will introduce a mini-salad bar in the produce room.

Board Committees: The audit committee, which was discussed during the executive session of the July meeting, will instead be a Finance Committee. Gretchen & Will (chair) will serve on this committee. Aja will chair the Policy Committee. Sloan will serve on the Owner Linkage Committee, beginning in November. Worker owner coordinator Ed Mayer will be invited to be part of the Owner Linkage Committee.

Kelly Fain will be asked to notify owners, via email and The Scoop, of the Owner Linkage Committee meeting on September 2, 2009. At this meeting, the worker owner program, with Board oversight, will be clarified. As always, all owners are welcome to attend.

Bylaws: Next step will be a conference call with Katherine, Chappell, and consultant, Thane Joyal.

Policy Writing Committee: Next task is to work on the Ends Policy – to create measurable goals. Will has compiled a document which is a collection of brainstorming ideas for revision of the mission and vision statements. This will be sent to all Board members for input.

Owner Linkage: A draft of the next owner survey was presented and discussed. Aja will refine the survey for clarity.

Agenda Items Not Covered or Unfinished: Monitoring Reports and discussion of 3 items: 2.0 Global Executive Restraint, 2.3 Financial Condition, and Ends Policy

Next Meeting will be September 17, 2009 at 5:30 pm.

Executive Session began at 7:14 to discuss personnel

Respectfully submitted,
Jean Karpen

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MINUTES
FBFC Board of Directors Meeting 9-17-09

Meeting started at 5:33 pm and ended at 7:58 pm.

Board members present: Chappell Carter (President), Mariate Echeverry (Vice-president), Darcel Eddins, (Secretary), Will Kaylor (Treasurer), Aja Wright, Anne Grier, Katherine Caldwell, Howard Yarborough, Gretchen Brown, Sloan Pickens

Board members absent: Jakub Holy

Others present: Chris Roland (Assistant GM); Owners: Rusty Sivils, Jean Karpen (note taker)

Meeting Summary:

- Owner comments heard
- Owner survey discussed
- Owner Linkage committee report
- Strategic planning meeting set for Nov. 14, 2009
- Customer comments collated & presented
- Finance committee discussion
- Monitoring reports reviewed: 2.8, 2.0, 2.3, Ends Policy, and 2.4
- Anne Grier will exit the Board in October, 2009

Approve Agenda: One addition: Katherine will present spread sheet of owner comments. Strategic Plan – move to 6:30.

Minutes of 8-20-09 were approved as written

Owner Comment Period: Rusty Sivils distributed copies of several items: his commentary (printed in the Mountain Express 5-08), 2 printed responses, Rusty's response (not printed), and wording of the 2 resolutions passed by owners in November, 2007. He briefly discussed these items since there are several new Board members.

Rusty then requested responses to 3 questions. 1) How much does the coop owe on our building? 2) Have we been making payments on the principle? 3) When do we expect to pay off the loan on the building?

Chappell commented that attorney Bob Deutsch will be at the next Owner Linkage meeting, October 12 at 5:30, to explain the specifics of what the law and the union contract allow in terms of a worker owner program.

Rusty also commented that he could not find any notice of this meeting posted in the coop.

President's Comments: Comments led to a discussion of the upcoming owner survey. Mariate will finalize the survey. As soon as it is ready, it will be put out on Survey Monkey. Final survey will be a blend of the two drafts that have been prepared.

First draft, question #1.....add zip code
first draft.....use questions #3. #7, and #10, adding a range on questions #1, #3, #7, and #8
second draft.....omit question #6

Informational Report: Report was sent via email prior to meeting. "Special needs" card was discussed. Anyone, owners and non-owners, may apply for a special needs card.

Owner Linkage Committee: At the September meeting, there was a lengthy discussion of the worker owner program. Bob Deutsch will be at the next owner linkage meeting, October 12, 2008 at 5:30. to explain the legal ramifications of our worker owner program – what jobs can and cannot be done by worker owners and how that relates to the union contract. Shop steward, Joy, will be asked to attend that meeting as well.

Strategic Planning Meeting will be held on Saturday, November 14, 2009, at Katherine Caldwell's house.

Bylaws Committee will have a conference call with consultant Thane Joyal before she begins working on our bylaws.

Will commented that Board members need to be able to access all documents. Perhaps this could be a worker owner job.

Katherine presented a spread sheet on owner comments. It is a collation of all comments and responses. She will prepare similar reports for the Board on a quarterly basis. All 4 quarterly reports will then be available for review at the annual owners' meeting.

Policy Writing Committee: No meeting since the last Board meeting.

Finance Committee: The committee wants to know all systems that feed into the finances of the coop.

Will K. sees three major areas that the Board monitors. These are finance, asset protection, and planning & budgeting. Each of these areas should be placed under the aegis of one of the Board committees. This will be decided at the October meeting.
Howard will join the finance committee. Will K. would like to see one more person on this committee.

Monitoring Reports:

- 2.8 Communication and Support to the Board – not reasonable, not acceptable
- 2.0 Global Executive Constraint (product policy) – not reasonable, not acceptable
- 2.3 Financial Condition and Activities – reasonable, acceptable
- Ends Policy – reasonable, acceptable
- 2.4 Planning and Budgeting – reasonable, acceptable

Checkout: Aja – we need to monitor 2.1.8, which requires that shoppers are asked if they are owners and, if not, are invited to become an owner.

Anne Grier will exit the Board in October, 2009.

Additional Agenda Items for Next Meeting:

- Monitoring areas assigned to Board committees (see Finance committee note)
- Set date for monitoring of 2.1.8

Next Meeting will be October 15, 2008 at 5:30 pm.

Respectfully submitted.
Jean Karpen

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October, 2009 – no quorum, so no meeting

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MINUTES
FBFC Board of Directors Meeting 11-19-09

Meeting started at 5:32 pm and ended at 7:55 pm.

Board members present: Chappell Carter (President), Darcel Eddins (Secretary), Will Kaylor (Treasurer), Katherine Caldwell, Gretchen Brown, Sloan Pickens

Board members absent: Mariate Echeverry (Vice-president), Aja Wright, Howard Yarborough,

Jakub Holy has resigned from the Board.

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

Meeting Summary:

- Owner comments heard
- Request for refund of equity shares denied
- Owner Linkage committee – list of worker owner jobs available in February
- Bylaws report
- Policy committee
- Monitoring Reports reviewed: 2.7, 2.5, 2.5.6, and 2.3

Approve Agenda: Agenda approved as written.

Minutes of 9-17-09 were approved as written.

Owner Comment Period: Answers to Rusty Sivils' questions (9-17-09) were given. 1) How much does the coop owe on our building? We owe approximately $118,000. 2) Have we been making payments on the principle? Yes. 3) When do we expect to pay off the loan on the building? The loan is due 8-16-2011.

Rusty again voiced concerns about coop governance practices.

Comments from Anne Grier (10-15-09) were read: Anne hopes that the coop produce department will work more closely with local farmers. She suggests contacting local farmers ahead of time to ask them to supply produce for the coop. For example, if the coop sells X pounds of garlic per year, find a local farmer who will agree to supply that amount of garlic.

Request for equity refund: A coop owner has requested an equity refund. Citing bylaws Article VIII, section 8.3, the request was denied.

GM Informational Report: We currently have 918 owners. Steve clarified the coop's discount practices, saying that there is no compounding of discounts.

Owner Linkage: The worker owner program is overseen by this Board committee. Attorney Bob Deutsch met with the committee in October to clarify some issues. In the union agreement, it is stated that if an employee has a particular job, the coop cannot have a volunteer do that job. A list of potential volunteer jobs will be compiled by the February Owner Linkage meeting. Joy (shop steward) will be asked to check that list to see if any jobs listed infringe on employee tasks.

The next meeting of the Owner Linkage committee will be January 12, 2010 at 5:30 in the Board conference room.

Bylaws: Information to be given to consultant Thane Joyal: The Bylaws Study Committee is concerned that we are changing the bylaws to be in accordance with policy governance. The committee feels that governance of the coop should be in compliance with the bylaws.

Policy Committee will look at 2.3.3, use of long term reserves. We also still have a few templates which need to be either expanded or eliminated.

Monitoring Reports:

2.7 – Compensation and Benefits – reasonable, acceptable

2.5 – Asset Protection – reasonable, acceptable

2.5.6 – regarding the lease of the new phone system – reasonable, acceptable

2.3 – Financial Condition – reasonable, acceptable

Policy Discussion: Financial reports are difficult to understand. Will offered to have a session with Board members to explain some aspects of financial reports. Data provided raises no red flags at this point.

2.1.8, will be monitored in February for baseline data. This policy states that coop cashiers are to ask shoppers if they are coop owners and, if not, invite them to become owners.

Executive Session began at 7:34 to discuss personnel. Steve will be asked to submit a self-evaluation by December 16, 2009.

Next special Board meeting will be a strategic planning meeting, January 9, 2010, 10:00 to 3:00

Next regular Board meeting will be January 21, 2010 at 5:30 pm.

Respectfully submitted,
Jean Karpen

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