

MINUTES

FBFC Annual Owner's Meeting 5-31-08

Meeting started at 2:18 pm and ended at 5:14 pm.

A quorum of owners was present.

Scot Quaranda facilitated the meeting.

Agenda: Approved with an additional 10 minutes allotted for worker owner program

- Welcome, introductions.....5 minutes
- Approve agenda & ground rules, discuss minutes approval process.....10
- Process for Board nominations.....5
- Highlights of Board accomplishments, outside speaker.....20
- Bylaws study committee.....10
- General manager's (GM) report – equity, finance & operations.....15
- Board elections.....30
- Patronage Rebate.....10
- Worker owner program.....10 (add 10)
- Petitions.....10
- Owner comment period.....open

Meeting Summary:

- Robert's rules suspended, consensus rules adopted.
- President's report given.
- Bylaws study committee formed.
- GM report given.
- Two new Board members elected.
- Patronage rebate explained.
- Worker owner program discussion – more information will be posted about meetings, jobs available, and committee work being done.
- Petition response explained.
- Owner comments heard
- Proposal for staff reports to Board will be submitted to Board.

Ground Rules:

Scot reviewed the ground rules for the meeting. It was agreed that we would suspend Robert's Rules for this meeting and use these alternate consensus-based rules for this meeting. (Rules attached.)

Process for Board nominations: All applicants, those who have filled out an application and those nominated from the floor, will answer 3 questions verbally (questions 3, 5, and 8 on the application). Voting will be done verbally with “yea” or “nay.” If the results are unclear, we will have a show of hands to be counted.

Board President's Report - Board accomplishments: Regi Blackburn, interim president, gave a report on the highlights of Board accomplishments since the last owner's meeting. Regi read a statement from Sage Turner, manager of the Haywood Road Market, addressing how FBFC and Steve Watts have helped that coop during their financial difficulties. Jennifer Woodruff, owner of “Build It Naturally,” addressed the group listing ways in which FBFC has helped her business as well.

During this part of the meeting, there was some discussion about Policy Governance (PG) and the fact that some coop owners still don't have a clear understanding of PG. At the request of an owner, there will be a PG study committee formed. This will not be a Board committee. A sheet of paper was circulated for owners to sign up if they are interested in being part of this PG study group.

There was also a question about Executive Limitations Policies. Aja Wright answered the question, saying that the Board has policies which limit what the GM can and cannot do; the policies create boundaries within which the GM may operate. Steve gave an example.

Bylaws Study Committee: Katherine Caldwell will chair a new committee to study the coop's bylaws. Owners are invited to join this committee. The committee will meet regularly (probably monthly) with the goal of clarifying the bylaws. They will draft changes to be sent to the Board, and with Board approval, the changes will then be brought before the owners for a vote. Contact Katherine if you are interested in this group.

GM Report: (Report attached.) Steve Watts recognized and thanked staff members present. He then recapped information on the coop's financial condition for 2007. The report was given to owners attending the meeting.

Board Elections: Two owners had completed the application for Board membership: Chappell Carter and Kenneth Tompkins (Suncere Ali Shakur). Both responded to the 3 questions as required. Both were elected by voice vote. There were no other nominations.

Patronage Rebate: Steve gave an overview of the patronage rebate system. An FAQ sheet was made available to all owners attending the meeting. (Copy attached.) Net profit for the year 2007 was \$26,341. Of that amount, \$7,361 was attributed to owners' purchases. Twenty percent of the total allocation will be paid out to fully invested owners based on their patronage during the fiscal year and 80% will be retained by the coop as additional equity, to be used to enhance the coop's ability to provide member services. Patronage rebates will be available at Register 3 on June 2, 2008. Owners may take their rebate in cash, use it for purchases, or donate it back to the coop. If an owner chooses to donate, it will apply only to the cash and not the retained earnings.

Worker/Owner Program: Ed and Sue Mayer are supervising the worker/owner program. This is an operational committee, not a Board committee. The current system is much easier to administer; for each hour worked, an owner receives a coupon for a one-time 15% discount on purchases. Additional workers are needed at this time.

It was decided that information about the worker/owner program (including meeting dates, jobs available, and committee work) will be published in the Scoop and will be made available on the coop's website. Steve will see that this is done.

Bette Jackson suggested a meeting of current and potential worker/owners. Ed will try to set that up soon.

Cicada Brokaw commented that in November 2007, owners voted for a resolution asking the Board to form a worker/owner committee – it would be a good idea to form this committee. (The resolution asks that the committee be made up of worker/owners, staff and board members.

Petitions: Aja gave a brief explanation of how petitions are addressed. Board members look for the underlying values expressed in the petitions. They then identify policies which address those values. Our current bylaws are unclear as to delegation of authority from owners to the Board regarding petitions. Consultant Thane Joyal has reviewed our procedure for following up petitions decisions and feels that it is reasonable.

Katherine Caldwell said that it seems some people feel the Board is evading doing what has been asked. What is the purpose for a Board-established worker/owner committee? We have an operational committee. Regarding publishing the highest and lowest salaries, what will be done with that information? How will it be helpful?

Ileana Grams-Moog feels the Board is reluctant to be more transparent. Why not just say, "This is an issue; here's what we did or did not do."

Owner Comment Period: (staff/Board responses in parentheses)

- Loch Hoffman participates in the tailgate market and would like to see us work together a little more to help each other.
- Geri Soloman doesn't feel a sense of community at the coop anymore. We need a community space with seating. (The new patio seating area is a step toward this.)
- Suncere feels we should work together to accomplish things.
- Darren Stroupe made a proposal that, in addition to the GM monitoring reports, there also be a staff monitoring report to give the Board a more balanced overall report. (Aja will put this proposal on the agenda for a Board meeting.)
- Cricket Greer said that about 80% of the time, she is not able to fill her shopping list at the coop due to out-of-stock items or discontinued items. She would like to see more consistency in the stock. (Jay suggested that she fill out a comment card at the cash register.)
- Paul ____ wanted to know if we can afford the new patio seating area. (Steve said yes, we did not borrow any money for that project.) Paul asked what is the point. (Steve's response: In looking at our competition, we needed to create a place to congregate. Also we will increase our deli area.)
- Rusty Sivils appealed to owners to rectify the lack of action by the Board regarding the two resolutions passed last year.

Respectfully submitted,
Jean Karpen