



PO Box 730 Putney, VT 05346 • 802-387-5866 • [www.putneyfood.coop](http://www.putneyfood.coop)

## A SEASON OF CHANGE

We love Autumn at the Co-op – leaves start to change, the air turns brisk, and everyone is celebrating the harvest season. It's one of our busiest times of year as we shift into cooler weather with lots of great products that can help you prepare for the season.

We closed our fiscal year having met our sales goals and the board of directors voted to declare a patronage rebate. Watch for this in your mail!

Along with the rebate, we have been able to invest in our staff, purchase some new equipment and begin the process of a kitchen remodel. Be sure to thank the staff for all they have done to ensure the success of your store!

We have also been doing some great work with our community. The Putney Food Co-op hosted its 8th annual Local Harvest Supper, this year in support of the Putney Central School Farm to School Project.

This project changes the face of school meals for the better, with fresh food prepared in the school using as many

local products as possible. For pictures of this year's magnificent Lantern Supper, go to our website.

And with the Autumn comes our voting period and Annual Membership Meeting. There are big changes being proposed this year, and this issue of the Beet is full of important details on your voting options and what you will find on the ballot.

All this doesn't even scratch the surface of all the good things going on at the Putney Food Co-op. We're trying to stay connected with you, so go to [www.putneyfood.coop](http://www.putneyfood.coop) to sign up for our E-newsletter and stay informed!

**Robyn O'Brien**  
General Manager



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## Vermont Fresh Network honors the Putney Co-op!

The Vermont Fresh Network, a statewide organization that connects Vermont's farmers, food producers and chefs, has awarded the Putney Food Co-op the Gold Barn Honor for 2015. Criteria for the award include sourcing ingredients from 15 or more Vermont Fresh Network farmers and a total of 30 percent or more of the store's annual food purchases from Vermont farmers or producers.



## MEMBER ENGAGEMENT IS THE CO-OP DIFFERENCE

Welcome to the Putney Food Co-op's Annual Meeting issue of the Beet.

In this Beet we are acknowledging to the Co-op Difference, a business owned by, serving and profiting the community!

This issue of the Beet provides an outline of the Co-op's Annual Meeting and details on ballot questions. There are two important bylaw questions for your vote. This Beet includes articles that will help inform your vote! Please help us, and your Co-op, by voting!

This is the first year for electronic voting and an extended (four week) voting period.

This is an opportunity for more of our 1,442 Members to participate in decision making for the organization. A paper ballot is also enclosed if that works better for you.

Your Board of Directors has been working to enhance communications and to seek input from member-owners to help with governance and with guiding the Co-op's future. Providing your email address will make this effort more effective.

We're also seeking to raise awareness of all that the Co-op does in the community. An important priority

for the Co-op is supporting and fostering a strong vibrant community.

This includes direct assistance to scores of local groups and initiatives, actively promoting local farmers and producers, as well as collaborating with our sister co-ops.

We're much more than just a grocery store. Shopping at your Co-op is an investment in your community!

This invaluable community market is fortunate to have a strong membership (more than doubled in 7 years!), excellent management and staff and a strong, professional Board of Directors. It's taken a great deal of thoughtful and challenging work to get to where we are today. Please support our efforts by shopping at the Co-op, voting, and keeping in touch.

**Michael Wells**  
President  
Board of Directors



# CAST YOUR VOTE

The 2015 voting period is now open and we encourage you to cast your ballot online this year.

**For more information visit:** [www.putneyfood.coop](http://www.putneyfood.coop)  
**To cast your ballot visit:** [voting.putneyfood.coop](http://voting.putneyfood.coop)

## Get informed!

If you're looking for more information to inform your vote before the **Annual Meeting on October 15, 2015**, there are a number of events on the horizon that can help!

### Information session:

Thursday, Oct. 8, 2015  
7-8:30 p.m.

Putney Community Center

Find out more about changes to the voting process, and understand proposed bylaw changes and a recent petition to allow member employees to serve on the Board.

### Tabling sessions at Co-op:

Thursday, Sept. 17, 2015  
4:30-6:30 p.m.

Tuesday, Sept. 29, 2015  
11 a.m. - 1 p.m.

Saturday, Oct. 3, 2015  
2-4 p.m.

### Next Board Meeting:

Thursday, Sept. 24, 2015  
6-8 p.m.

Putney Central School Library

### 2015 Annual Meeting:

Thursday, Oct. 15, 2015  
6-8 p.m.

Putney Community Center

## 2015 Voting: What to Expect

You will notice some big changes this year in how member-owners can participate in the democratic process at our Co-op. In an effort to guide you through these changes, this issue of the Beet includes important information on the new voting process, items being presented for a vote and opportunities to learn more.

As discussed on page 6 of this Beet, member-owners will be voting by ballot in 2015. The Board encourages everyone to vote electronically at **voting.putneyfood.coop**, but a paper ballot has been provided as an insert to this Beet for those who prefer that method.

Here's a summary of what you will find on the ballot:

1. Vote on proposed bylaws -- the proposed bylaws are printed starting on page 11 of this Beet. For more information on the story of how these were drafted, see page 4 or visit [www.putneyfood.coop/voting](http://www.putneyfood.coop/voting)
2. Vote on petition allowing employees to serve on the board -- the bylaw language changes proposed by the petition and a statement by petitioners in support and the Board's position in opposition are on page 5 of this Beet.
3. Vote to adjust Board terms -- our bylaws (both the existing and the proposed) dictate that the terms of the Board must stagger so that no more than one-third (1/3) of directors expire in each year. See page 7 of this Beet for more information.
4. Round-up for 2016 -- vote for Round-up recipients for the coming year. You may choose up to 3 organizations to receive a portion of the funds collected in 2016. See page 8 of this Beet for more information.

We hope this issue of the Beet gives you everything you need to cast your vote. Have more questions? Look to your left for more information on how to Get Informed!

It's been a wonderful year of member-owner engagement and participation. Casting your vote will cap off 2015 as the most vibrant and active year in our Co-op's recent history.

Thank you for your participation!



# Voting on Proposed Bylaws:

*Where we are, how we got here, and where we hope to go...*

Over the course of the last few years, the Putney Food Co-op Board of Directors has come to the realization that the bylaws of the organization need an update to remain relevant. The bylaws were written over 20 years ago, and the most recent update (related to uncashed patronage dividends) was voted by member-owners in 2013. Over the course of reviewing the bylaws in advance of the 2013 vote, the Board made the bylaws review project a priority.

The Board of Directors focused on the bylaws systematically at board meetings throughout 2014. As a starting point, the Board used a template developed by CDS Consulting Co-op which provided a clear framework and coalesced some best practices and experiences from a number of other co-ops. But this template was just a starting point and the bylaws that the Board drafted were a product of careful work comparing our existing bylaws to the template. At a retreat in Fall 2014, the Board did a thorough final review of the draft proposed bylaws prior to presenting them to member-owners for a vote at the 2014 Annual Meeting. The draft bylaws were reviewed by a Burlington lawyer who was recommended to us by the Board and General Manager of City Market/Onion River Co-op as well as a consultant with CDS Consulting Co-op who assists cooperatives in the area of bylaws review.

The proposed bylaws presented at the 2014 Annual Meeting reflected dramatic changes in content. These changes were met with concern and questions from the member-owners who were present at the 2014 Annual Meeting.

Member-owners voted not to accept the proposed bylaws and committed to collaborate with the Board for further review and comment on updating the bylaws.

Starting in December 2014, Board representatives and interested members-owners met monthly in a series of work sessions with the aim of reviewing the existing bylaws section by section and creating a new draft to present for member-owner vote at the 2015 Annual Meeting. Member-owners were invited to this process through

notice in the Beet and in local papers (the Reformer and the Commons).

Over 40 member-owners and non member-owners attended that first work session, and a core group of approximately 10-15 member-owners consistently met each month with Board Member, Pip Bannister.

The results of these work sessions were posted on the Putney Food Co-op website and an invitation went out to member-owners to give feedback in the Summer Beet published in July. Thanks to all the member-owners who attended work sessions and worked so diligently on the bylaws.

During the work sessions, a group of some member-owners requested that employees be allowed to serve on the Board of Directors. The Board recognized that this was a significant change that was being proposed and would take longer than the time available to research and adequately revise the bylaws prior to the 2015 deadline. This was also the first time that an employee would be allowed to serve on the Board in the history of the Co-op's existence. The Board chose not to include such a change in the proposed bylaws and acknowledged that the issue needed further review.

A petition was submitted by a group of member-owners who disagreed and believe that employees should be allowed to serve on the Board of Directors and that the vote needed to happen in the 2015 voting period. (See next page for more information on the petition.) To continue the process, a member-owner info session was scheduled for September 10, 2015.

In August the Board hired Jaime Contois, a grassroots community organizer, to help with member-owner outreach on the bylaws and voting process leading up to the 2015 Annual Meeting. Jaime will also be facilitating our October 8 Info Session and the Annual Meeting on October 15. Our goal is to continue our progress on increasing transparency and member engagement.

## SHOULD EMPLOYEES BE ALLOWED TO SERVE ON THE BOARD?

On the ballot for 2015 is a petitioned proposal that would allow employees to serve on the Board of Directors of the Putney Food Co-op.

We want you to be informed and these statements offer a glimpse into both sides of the issue. Do you have more questions? Please join us for one of the events listed on page 3.

You are being asked to accept or reject the elimination of language from both the proposed and the existing bylaws.

*The petition proposes the following language be eliminated:*

From section 4.2 of existing bylaws: **“No member regularly employed by the Cooperative shall be eligible to serve as a director.”**

**AND**

From section 4.11 of proposed bylaws: **“No employee of the Cooperative may serve on the Board.”**

### INCREASED OPENNESS AND ACCOUNTABILITY

Member-employee directors will benefit our Cooperative.

Diverse voices in discussions and decision-making strengthen and enrich our cooperative. Employees understand store operations, the strengths and needs of the business, and have a stake in the co-op's success. As board members they contribute expertise and insight into impacts of policy decisions.

Member-Employee directors open communication channels to workers, members, shoppers, and community, amplifying feedback and engagement. This replaces “we know what's best for you” attitude with “commitment of interested or affected parties to a decision.” Openness and accountability are increased. The board hears additional perspectives on internal matters rather than only the general manager's.

A “Yes” vote will remove the current restriction and allow member-workers full membership rights. “Denying a specific group of members participation rights based solely on employment choice is unfair and unjust. Over the years many directors have had direct business ties to the Putney Co-op. Why are those potential conflicts of interest allowed while employees are excluded?”

Reasons and benefits for allowing member-employee directors include: increased perspectives and expertise, reality grounded understanding of policies, critical communication and engagement opportunities, and equity. Thank you for considering voting yes.

Sources: “Cooperative Grocer”, co-op directors with member-employees, Wikipedia, by-law workgroup email.

### MORE RESEARCH NEEDED: A VOTE IS PREMATURE

The Board urges you to vote no on the petition to change bylaw language to allow employees to serve as Co-op directors.

We believe a vote on this issue is premature and not in the best interest of the Co-op at this time. We propose that the board and members-owners come together in the coming year to investigate and delve into pros and cons of this issue, which we believe are many.

We believe the bylaws should retain language excluding employees from serving on the Board until a thoughtful, informed discussion can be shared between the Board and member-owners.

Some may think this a simple issue, but digging into the details of how this would work reveals a number of significant questions that should be thoroughly discussed. Other co-ops that allow employees to serve as directors outline those parameters in their bylaws and policies.

Some of the questions that need to be answered:

- Is our conflict of interest policy robust enough to deal with employees on the board?
- Are certain policies needed to address any issues that arise?
- What do other co-ops do?

We propose you vote no to this petition and join us in delving deeper into the issue.

## YOUR VOTE MATTERS - CHANGES TO VOTING PROCEDURES IMPROVE ACCESS TO PARTICIPATION

Over the course of the last 7 years our Co-op has doubled in size to 1,442 member-owners. As the board has seen our membership numbers grow, it has become a priority to ensure that as many of our member-owners have the opportunity to participate in key decisions.

How can we involve as many of our member-owners as possible? The board believes that this will require updating and improving our voting process.

Putney Food Co-op member-owners are accustomed to casting a vote on the floor of the Annual Meeting. This has meant that only those able to attend the annual meeting can vote. On average, we have had 60 people attend Annual Meeting.

This year, we are moving to a ballot system. This will allow more member-owners to participate -- we have heard for many years that the timing of the Annual Meeting (on a Thursday evening) is chal-

lenging for families and those who work nights. A balloting system vastly improves access for all member-owners.

This updated voting process is a result of the Board's long-term goal of engaging all member-owners in opportunities to participate in the Co-op. In addition to voting by ballot, we will also have the opportunity to vote by electronic ballot. Electronic voting is a sign of changing times and shows our commitment to reducing the use of paper and the expense of postage.

For this year and likely for more years to come, the Co-op is supplying member-owners with both paper ballots and access to electronic voting.

The Board believes that this change to the voting process acknowledges and embraces that all our 1,442 member-owners (and growing!) have an ownership relationship with the Co-op.

## ANNUAL MEETING AGENDA

The voting period opens on September 17, 2015 and will close for electronic voting at noon on October 15, though you will be able to cast your vote via paper ballot until 7:15 p.m. on October 15.

We hope you can join us at the annual meeting for a great meal!

- 6 p.m. Dinner is served!
- 6:30 Welcome and awards
- 6:40 Introduction to evening and agreements
- 6:45 Proposed Bylaws Update
- 6:50 Petition Overview
- 6:55 Q&A
- 7:05 Reports - President, GM and Treasurer
- 7:15 Voting closes, votes tallied
- 7:30 Election results announced
- 7:40 Wrap-up, closing and other business

We will see you then! And be sure to stay informed by attending the info and tabling sessions outlined on page 3 of this Beet.

### *Voting has begun!*

Be sure to cast your ballot by voting online at  
**voting.putneyfood.coop**  
 or by voting with the paper ballot included as an  
 insert to this Beet.

Voting will close on October 15, 2015.  
 See our website for more detailed voting procedures.





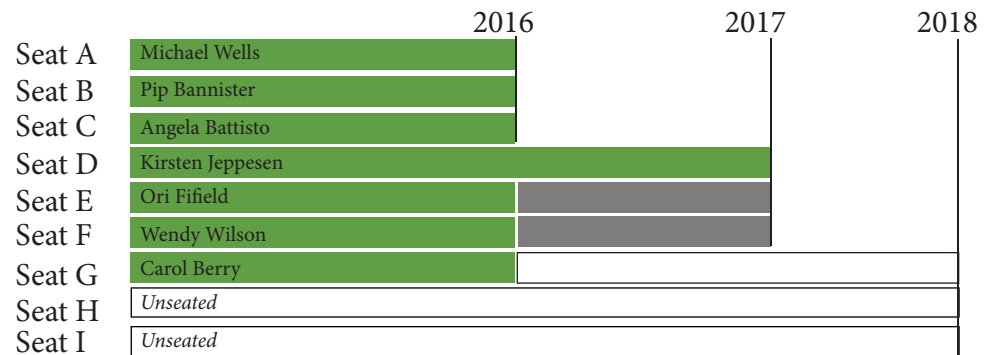


## Vote on Term Extensions

The bylaws (both the existing and the proposed) charge the Board of Directors with ensuring that Board terms are staggered so that approximately one-third (1/3) of the board is elected each year.

In reviewing materials for the 2015 voting period, the Board realized that a high portion of Board member terms are due to expire in 2016! In order to meet the requirement of staggering board terms, the Board proposes that 2 recently elected Board members have their terms extended by one year. Both Ori Fifield and Wendy Wilson were elected in 2014 for 2-year terms, when the typical term length is 3 years.

This proposal will ensure staggered terms for directors with the goal of having one-third of directors up for election each year. If you have any questions about this proposal, please email [board@putneyfood.coop](mailto:board@putneyfood.coop). Below is a simple graphic that helps to show the distribution of term lengths and how this proposal would help to extend Ori and Wendy's terms to 2017. The Board is requesting you vote in support of term extensions.



## Join the Putney Co-op Cheese Club!

Interested in expanding your culinary horizons by trying new artisan cheeses each month? Consider a membership in the Co-op's monthly cheese club and receive an exciting new box for less than \$20 per month (price varies).

Members, non-members and staff are all welcome to join. See Adrienne for more information or email [frontend@putneyfood.coop](mailto:frontend@putneyfood.coop) for details.

# 2016 ROUND-UP FOR COMMUNITY

Every day member-owners are reaching into their pockets at the register and putting change into a jar for the Round-up Fund. Round-up For Community is a great way for Co-op member-owners to support local organizations and neighbors. In the case of Round-up, a little goes a long way! And the coins that you put in the jar join with all the others, which all goes to support local community not-for-profit organizations.

Historically, the recipient organizations have been chosen by member-owners at the annual meeting. This year, we will be voting by ballot in advance of the annual meeting. As always, Round-up Funds are allotted to 3 organizations throughout the calendar year. So one organization will receive the collections for a designated 4-month period. The following organizations will be on the ballot:

- Putney Food Shelf
- Putney Cares
- Morningside Shelter
- Putney Community Center
- Putney Central Farm to School Project

All of these are worthy organizations! But we must vote to determine which of them will receive funds for the 2015-2016 period. For more information on each of these nominees, visit our website: [www.putneycoop.com/your-coop/round-up-for-community/](http://www.putneycoop.com/your-coop/round-up-for-community/)

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## AN EVENING OF COMMUNITY AND LIGHTS: 2015 LANTERN SUPPER

On September 11, the Putney community came together to celebrate the annual Local Harvest Community Supper. With food prepared by the Putney Food Co-op and lanterns decorated by Putney Central School students, the event attracted more than 450 local residents. The donations collected from the dinner will benefit the Putney Central School's new "Farm to School" initiative--a move to bring healthy, local fresh foods to our school children. The event was also a chance for the Putney community to meet the school's new Farm to School chef, **Nathan Drake**, pictured at the far left, next to Putney Food Co-op General Manager **Robyn O'Brien**. Special thanks to **Christopher Irion** for his vision!





## NEW MEMBERS

Thank you to the following new member owners for joining the Putney Food Co-op Family:

**Travis Mason**  
**Melanie Brubaker**  
**Nancy Preston**  
**Elise Bloustein**  
**Aristides Nogueron**  
**Parker Hudson**

Welcome!

## STAFF ANNIVERSARIES

### OCTOBER:

**Odell Bouchard** (2 years)  
**Amanda Lefevre Bort** (5 years)

### NOVEMBER:

**Jeanette Pfeiffer** (11 years)  
**Sydney Bobrow** (2 years)  
**Terrie Newell** (9 years)

### DECEMBER:

**Pamela Cabbage** (1 year)  
**Taylor Struthers** (1 year)

Thanks for everything you do!

## CAVE TO CO-OP: SEPTEMBER IS SPRING BROOK READING

In May of 2010 Spring Brook Farm produced its first make of Reading. Utilizing the same copper vats and cheese making equipment used for their award winning Tarentaise, Reading is a semi-soft cheese ideally suited for melting over vegetables, breads or meats, yet it can stand alone on any cheese plate. It offers a creamy, nutty flavor that is again unique to this cheese coming from cows grazing in Vermont pastures. Reading is aged at least three months and given the same loving and patient care and nurturing the cheesemakers show towards their Tarentaise. Wheels average between 15 and 18 pounds.



## Coming Soon!

The Putney Co-op is proud to announce that we'll have a 2015 Annual Report to share with member owners at this year's Annual Meeting.

Additional copies will also be made available at the store and online after October 15.





# AUTUMN STAFF PICKS



**Terrie**  
*Cashier*

**LARA BARS:** “I eat LARA Bars all the time, especially when I’m golfing. I’ll golf nine holes, eat one and then finish the next nine. I love all the flavors but Key Lime Pie is my favorite--it’s really refreshing. These bars are good to keep handy if you’re on the go.”



**John**  
*Produce Manager*

**HONEY CRISP APPLES:** “We’re going to have a great crop from Dwight Miller Orchard this year. They’re great snacking apples--light and sweet with a crisp finish.”



**Roberto**  
*Deli*

**“BERNIE” CHEESE BY LAZY LADY FARMS:** “It’s really good stuff, but more than that--how many presidential candidates can say they have their very own cheese named after them?”



# PROPOSED BYLAWS OF PUTNEY CONSUMERS' COOPERATIVE, Inc.

Starting in December 2014, Board representatives and interested members-owners met monthly in a series of work sessions with the aim of reviewing the existing bylaws section by section and creating a new draft to present for member-owner vote at the 2015 Annual Meeting. Member-owners were invited to this process through notice in the Beet and in local papers (the Reformer and the Commons). The following are the proposed bylaws being presented for a vote in 2015. The Board urges member-owners to vote to accept the proposed bylaw changes presented here. For more information visit [www.putneyfood.coop/voting](http://www.putneyfood.coop/voting).

## PROPOSED BYLAWS OF PUTNEY CONSUMERS' COOPERATIVE, Inc.

[Draft developed from Bylaw work sessions with board member P. Bannister]

### Article I Organization

1.1 Name The name of the organization shall be Putney Consumers' Cooperative (henceforth "the Cooperative"), registered as a Consumer's Cooperative corporation under Vermont Statutes with offices located in Putney, VT.

1.2 Ownership The Cooperative shall be owned by its members and shall operate for the mutual benefit of its members.

1.3 Purpose The Cooperative is established in accordance with cooperative principles and for the following purposes:

- a) Generally promote the welfare of its members by utilizing their united funds and efforts for the acquisition and distribution of food and other products and for the performance of related services.
- b) Operate a local market place which emphasizes product quality, customer satisfaction, and a healthy working environment, with a focus

on natural foods and a respect for the environment.

1.4 Philosophy of the Cooperative We are guided by the needs of our members.

- a) We encourage and invite diversity in all aspects of the Cooperative.
- b) Being community owned we are dedicated to the support of the economy, diversity, and well being of the local area.
- c) We strive to educate our members in respect to food related health and social issues, and in respect to the cooperative movement as a way of doing business.
- d) Above all, the Cooperative shall strive to be a member in good standing of the community by supporting local efforts, which benefit the common good.

1.5 Cooperative Principles The Cooperative shall be operated in accordance with the cooperative principles adopted at the International Co-operative Alliance, which includes the following:

- a) Co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

b) Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organized in a democratic manner.

c) Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

d) Co-operatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure



democratic control by their members and maintain their co-operative autonomy.

- e) Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.
- f) Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.
- g) Co-operatives work for the sustainable development of their communities through policies approved by their members.

1.6 Governance The business of the Cooperative shall be governed by its Board of Directors, selected by and accountable to its members as described in these By-laws. The members shall retain all powers required by law or by these Bylaws.

## Article II: Membership

2.1 Eligibility Membership in the Cooperative shall be voluntary and open to any individual who is in accord with its purposes and is willing to accept the responsibilities of membership.

2.2 Nondiscrimination Membership shall be open without regard to any characteristic that does not directly pertain to a person's eligibility.

2.3 Admission Any eligible

person may be admitted to membership upon submitting an application and investing equity in an amount and on such terms as determined by the Board of Directors (henceforth "the Board").

2.4 Rights Each member shall have an equal right to participate in the governance of the Cooperative as described in these by-laws. Members have the right to serve as a director, elect the Cooperative's Board, to attend and participate at meetings of the Board in accordance with these bylaws, to receive notice of and participate in membership meetings, to petition as described in these Bylaws, and to approve amendments to these Bylaws. Each member shall have one vote and no more on all matters subject to member voting. The rights of members shall be understood to apply only to active members in good standing, as defined in Section 2.5 below. All rights and responsibilities of members are subject to the requirements and limitations of the Bylaws as they may be amended from time to time, and to policies and decisions of the Cooperative or the Board.

2.5 Responsibilities Members shall keep current in equity investments due to the Cooperative, shall keep the Cooperative informed of any changes in name or current address, and shall abide by these by-laws and the policies and decisions of the Cooperative or the Board, and by the means established in these bylaws to amend such bylaws, policies and decisions. A member who upholds these responsibilities is considered an active member in good standing.

2.6 Access to Information Members shall have access through print or electronic means to: copies of these by-laws; reasonably adequate and timely information as to the organizational and financial affairs of the Cooperative; current Board policies and procedures for Board nominations and member voting; copies of meeting minutes; and the date, time, location and agenda of scheduled meetings.

2.7 Settlement of Disputes In any dispute between the Cooperative and any of its members or former members which relates to normal membership transactions and which cannot be resolved through informal negotiations, it shall be the policy of the Cooperative to prefer the use of mediation whereby an impartial mediator may facilitate negotiations between the parties and assist them in developing a mutually acceptable settlement.

2.8 Termination of Membership Membership may be terminated voluntarily by a member at any time upon written notice to the Cooperative. The Board may also terminate membership involuntarily for good cause, provided that the member is accorded the opportunity to answer the charges either in person or in writing.

2.9 Return of Equity Equity shall be returned upon termination of membership in the Cooperative, under terms determined by the Board, provided that the Board has determined that the equity is no longer necessary for the reasonable or prospective capital needs of the Cooperative.

2.10 Unclaimed Property If a member voluntary or involuntarily terminates membership in the Cooperative, and fails to inform the Cooperative of his or her current mailing address within ninety (90) days of terminating ownership, then the equity and patronage dividend amount allocated to that member will be forfeited by the member to the Cooperative.

2.11 Non transferability Membership rights and member equity may not be transferred in any manner. Any attempted transfer contrary to this section shall be wholly void and shall confer no rights on the intended transferee.

### Article III: Member Meetings and Voting

3.1 Annual Meeting A membership meeting shall be held locally each year at a time and place to be determined by the Board, and announced no less than twelve (12) weeks before the meeting date. The purpose of such meetings shall be to hear reports on operations and finances, to review important policy changes and issues that vitally affect the Cooperative, elect directors, and to transact such other business as may properly come before the meeting.

3.2 Special Meetings Special meetings of the membership may be called by the Board, either by decision of the Board or in response to a written petition of at least 10% of active members in good standing, stating the proper business to be conducted at the meeting. Special meetings may also be called upon request of any three

directors. Notice of special meetings shall be issued to members in a timely manner. In the case of a petition, notice of the special meeting will be issued in writing within ten (10) days after a presentation of a properly supported petition to the Board. Special meetings shall be held as promptly as feasible after issuing notice. No business shall be conducted at that special meeting except as specified in the notice of meeting.

3.3 Notice of meetings In addition to mailing written notice of each meeting of the membership to each member, notice of the date, time, place and purpose of each meeting of the membership shall be posted in a conspicuous place at the Cooperative, published in a newspaper of local circulation, and communicated to members via other means deemed appropriate by the Board from time to time, not less than four (4) weeks prior to the date of the meeting. Written notice to members, whether in paper or electronic format, shall be effective when mailed or sent and correctly addressed to the member's last known address in the Cooperative's records of members. Any decision on issues not included in the notice of a meeting shall be of an advisory nature only.

3.4 Voting Voting on any decision shall be accomplished through methods and means established by the Board, with the intent of maximizing member participation. Notice of the vote shall be posted in a conspicuous place at the Cooperative and communicated to members not less than four (4) weeks prior to the end of the voting period. Unless otherwise stated

in the articles of incorporation, or these bylaws, or required by law, all questions shall be decided by a vote of a majority of the members voting thereon. In the case of contested elections of directors or where more than one option is presented on a single issue, the decision shall be made by plurality of votes cast, except where a higher percentage is required by law or by these by-laws. Proxy voting is not allowed.

3.5 Quorum The presence in person of at least fifty (50) members shall be necessary and sufficient to constitute a quorum for the transaction of business at any membership meeting.

3.6 Issues Submitted by Members Notices of a meeting of members shall include any proper issue submitted by petition of thirty-five (35) members. Petitions must be received at the Cooperative not less than sixty (60) days before the date of the meeting at which they are to be presented.

### ARTICLE IV: Board of Directors

4.1 Powers and Duties Except as to matters reserved to members by law or by these bylaws, the business and affairs of the Cooperative shall be directed and overseen in the interests of the members by the Board. Except for matters for which member voting is required, the Board shall have full power to govern the Cooperative, including, but not limited to, hiring management and evaluating its performance; implementing fiscal controls, borrowing money and granting security therefore, ensuring fair and equitable conditions

of employment, leadership in the realm of long range policy, establishing, with member approval, compensation for the Board; and assuring that the purpose and principles of the Cooperative are carried out.

**4.2 Number, Terms and Elections** The Board shall be composed of nine (9) directors elected from among members of the Cooperative, and shall not have any overriding conflicts of interest. Elections shall occur annually, in a manner prescribed from time to time by the Board. Directors shall serve a term of three (3) years and shall serve staggered terms so that approximately one-third (1/3) of the Board is elected each year.

**4.3 Nomination** Any member in good standing may apply for candidacy to the Board. If a member is not selected for candidacy by the nominations committee, they may be added to the ballot by obtaining a petition of thirty-five (35) member-owners in good standing, and shall be accorded the same opportunities to present campaign statements as accorded other candidates.

**4.4 Vacancies** Any vacancy among directors elected by the members may be filled by appointment by the Board. A director so appointed may be presented as a candidate for election at the next regular Board election.

**4.5 Contracts for Profit** A director shall not during her/his term of office be a party to a contract for profit with the Cooperative differing in any way from the business relations accorded members gener-

ally or upon terms differing from those generally current among members.

**4.6 Termination** The term of office of a director may be terminated prior to its expiration in any of the following ways:

- a) voluntarily by a director upon written notice to the Cooperative;
- b) involuntarily, with cause, by action of a membership vote; or
- c) involuntarily for cause, which may include but not be limited to:
  - termination of membership;
  - absence from three (3) regularly scheduled consecutive Board meetings; or
  - by a two-thirds (2/3) vote of the Board, provided the director is accorded the opportunity to answer the charges either in person or in writing.

**4.7 Board Meetings** The Board shall hold regular and special meetings at such time and place as it shall determine. The Board shall meet no less frequently than ten (10) times in a calendar year. Meetings may be called by the Board, by the President, or any two directors. Meetings shall be open to all members unless the Board decides to go into executive session regarding confidential or proprietary matters such as: labor relations or personnel issues; negotiation of a contract; discussion of strategic goals or business plans, the disclosure of which would adversely impact the Cooperative's position in the marketplace; and/or discussion of a matter that may, by law or contract, be considered confidential. Such executive sessions shall be for purposes of discussion only. The Board may otherwise exclude members from Board meetings

only for cause.

**4.8 Notice** Directors shall be notified in writing of regular meetings of the Board not less than ten (10) days before the meeting. Directors shall be notified in writing of special meetings of the Board no less than three (3) days before the meeting. An announcement of all Board meetings shall also be posted conspicuously at the Cooperative no more than one (1) day after calling a meeting.

**4.9 Action without a Meeting** Any action required or permitted to be taken at a meeting of the Board may be taken by written action affirmed by all of the directors, and shall be recorded in the Board's minutes. The action is effective when affirmed by all of the directors, unless a different effective time is provided in the action.

**4.10 Quorum** A majority of seated directors shall constitute a quorum for the transaction of business at any meeting of the Board. Decisions of the Board shall be made by majority vote of directors. A meeting of the Board may be conducted by means of a telephone conference or other communications equipment or computer program whereby all persons participating can hear each other at the same time. Participation by such means shall constitute presence in person at such a meeting. Meetings held by electronic means, as described herein, shall not be used for the purpose of excluding members.

**4.11 Conflicts of Interest** Directors shall be under an obligation to disclose their actual or potential conflicts of interest in any matter



under consideration by the Board. Directors having such a conflict shall not be present during discussion and decision of the matter. No employee of the Cooperative may serve on the Board.

4.12 Officers The Board will designate officers according to the requirements of state law and as necessary for the effective conduct of Board business.

4.13 Committees: The Board may designate committees to perform specified functions, such as nominating candidates to fill Board vacancies. Committees exercising the powers of directors shall be composed of directors.

4.14 Fiscal Accountability Thorough financial statements of the Cooperative for each operating year shall be made available to the Board and the members. The Board shall arrange for an audit or review of the financial statements of the Cooperative by an independent public accountant selected by the Board at least each fiscal year. This review or audit shall include financial management review and a report to the Board concerning management performance, adherence to governing policy, adequacy of operating controls and procedures and such other matters as determined by the Board.

4.15 Indemnification The Cooperative shall indemnify and reimburse each past, present and future directors, officers, and employees for any claim or liability (including expenses and attorneys' fees actually and reasonably incurred in connection therewith) to which such person may become subject

by reason of being a director, officer or employee. Such indemnification shall be made only if it is determined by the Board that the director, officer, or employee acted in good faith in the reasonable belief that his or her action was in the best interests of the Cooperative, or as otherwise allowed by law.

#### ARTICLE V: Patronage Dividends

5.1 Allocations to Members The Cooperative shall allocate and distribute to members the net profit from business done with them in such a manner as to qualify them as patronage dividends consistent with cooperative principles, applicable state and federal laws and generally accepted accounting principles. The Board shall determine when and how such allocations and distributions will be made, consistent with same.

5.2 Consent of Members By obtaining or retaining membership in the Cooperative, each member consents to take into account, in the manner and to the extent required by federal and state tax law, any patronage dividend received from the Cooperative. Each member agrees that if his or her patronage refund is not cashed within 90 days of the date on which it was issued by the Cooperative, the Cooperative shall have the right to make a contribution in the name of that member to support the local food system in a manner as may be directed by the Board from time to time.

5.3 Treatment of Losses In the event the Cooperative shall incur a net loss from operations in any fiscal year, such loss may either be

charged against retained savings or other unallocated members' equity or carried forward to offset distributable net savings of subsequent fiscal years, as determined by the Board. No loss shall be allocated to, or assessed against, members.

#### ARTICLE VI: Dissolution

6.1 Asset Distribution The Cooperative may be dissolved upon a decision of the Board and a two-thirds (2/3) vote of the members who participate in the vote. Upon dissolution of the Cooperative, its assets shall be distributed in the following manner and order:

- a) by paying or making provision for payment of all liabilities and expenses of liquidation;
- b) by redeeming any equity accounts which, if they cannot be paid in full, shall be paid in an equitable manner;
- c) by distributing any remaining assets in accordance with a plan of distribution approved by vote of the members.

#### ARTICLE VII: By-laws

7.1 Amendments These by-laws may be amended or repealed in whole or in part by two-thirds (2/3) of the members who participate in the vote. An amendment may be proposed by decision of the Board or by petition of at least sixty-five (65) active members in good standing. The complete text of the proposed amendment and the voting methods shall be communicated to the membership following the notice requirements of these bylaws.

# The Putney Co-op is making healthy food more accessible to everyone in our community!

### Join Food For All!

If you qualify for WIC, SNAP or SSI, join the Putney Co-op Food for All program and receive a 10% discount, every time you shop! Renew your membership annually, and pay as little as \$15 a year! To find out more, see a cashier, or call us at (802)387-5866 x 110.



## Calendar

Sept	17	Tabling at Co-op
Sept	24	Board Meeting
Sept	29	Tabling at Co-op
Oct	3	Tabling at Co-op
Oct	8	Info Session: Inform your vote
Oct	11	Putney School Harvest Festival
Oct	12	Columbus Day
Oct	15	Annual Meeting
Nov	26	Thanksgiving

[www.putneyfood.coop](http://www.putneyfood.coop)



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