

## **Hendersonville Community Co-op Board of Directors Meeting**

715 S Grove Street, Hendersonville NC

January 25, 2011

6:00pm

**Board Members Present:** Ron Angermuller, Thomas Beckett, Beth Beasley, Steve Breckheimer, Susan O'Brien, Laura Miklowitz, Carolyn Widener, Tony Womack

**Staff Present:** Damian Tody

**Absent:** Liz Malloy

### **Announcements**

- CNBC will have a program on the grocery business airing Thursday the 27<sup>th</sup>.

### **Approval of the Agenda**

- By **consensus**, the Board approved the meeting agenda.
- Tony suggested eliminating committee reports from the agenda but asked for the formation of a retreat committee.

Action item: Laura, Susan and Carolyn will plan the May 7 retreat. Tony also suggested having dinner with Michael Healy the Friday evening before we meet.

### **Consent Agenda**

- By **consensus**, the Board approved the Operations and Financial reports.
- Change to December minutes – GL5 was voted in compliance 9 out of 10 subsections—The GM will provide timelines to bring subsection 2 into compliance.

### **Owner Comments**

- No owners present

### **Board Education/Owner Loan Campaign**

- Steve led a discussion that included issues that can be formulated into FAQs.

Action item: Beth and Laura will rework the owner letter to send to Damian by Thursday the 27<sup>th</sup>.

Action item: Thomas will reformat the ballot and will send to Damian in time to print with the letter for mailing.

- By **consensus**, at 8 p.m., the Board accepted the Resolution (attached), the content of the letter, and ballot.

Action item: Stuffing envelopes and mailing tasks will be done by the Board and other volunteers on Sunday the 30<sup>th</sup> starting at 9 a.m. at the Annex.

Action item: Follow up calls to the ownership will need to be started by Thursday, February 3.

Action item: Laura will work on a script, and Steve will craft FAQ sheet.

Action item: Carolyn, Steve, Beth and Tony will plan the owner meeting in a meeting on February 2 at 1 p.m. at the Annex.

**Next topic:** On-going exploration of expansion.

**GM Report:** Nothing to add from Damian, other than James is now Grocery Manager and expansion news.

**Policy Governance**

BGM1. Global Governance/GM Connection: Voted **in compliance with a rating of 1.**

GL7. Asset Protection: Timely report with **a rating of 12 out of 12 subsections in compliance.**

GL5. Financial Conditions and Activities: The Board accepted the GM's plan and timeline for **resubmitting the subsection from this policy report for compliance.**

**Governance:**

- Beth distributed a refreshed, complete copy of policies to all members who asked for them.

Action item: Beth will create a fresh print out of policies for Steve.

- Next Organic Press article (March/April)

Action item: Beth will write an article expansion.

- Open member slot: Since no names have been brought forth as a possible board member, we will remain 8 members for the present time.
- Monitoring Calendar change: GL6 will now be reviewed in August.

Meeting adjourned at 8:30pm

The next monthly board meeting will be February 22, 2011

*Respectfully submitted by Beth Beasley, January 28, 2011*

*Board approved, February 22, 2011*

**Resolution**  
**by the Board of Directors of the**

**HENDERSONVILLE FOOD COOPERATIVE**

The Board of Directors of the HENDERSONVILLE FOOD COOPERATIVE duly adopted the following Resolution on January 25, 2011:

WHEREAS, the General Manager with the cooperation and participation of the Board and through engagement of qualified consultants has for several years diligently researched and carefully planned the potential for relocating and expanding (referred to here as "Expansion") the business of the Hendersonville Food Cooperative ("the Co-op"); and

WHEREAS, the General Manager has outlined a financial and organizational plan for accomplishing such Expansion in 2011 that upon repeated and diligent review the Board finds to be competent, practical and viable for the business of the Coop; and

WHEREAS, the General Manager has credibly shown the Board that some financing options for Expansion would require additional equity capital in the Coop; and

WHEREAS, the General Manager has credibly shown the Board that additional capital financing through the issuance of preferred capital shares would support Expansion directly and make it easier to obtain additional debt financing on more favorable terms; and

WHEREAS, the Board has duly considered the issue and believes that the Co-op should have the ability to seek capital financing through preferred shares if it becomes necessary to finance Expansion; and

WHEREAS, the Board and General Manager have deliberated and, with advice of counsel, drafted proposed amendments to the Articles of Incorporation and Bylaws necessary to facilitate issuance of preferred capital shares if that becomes necessary, and those proposed amendments are incorporated in Ballot form and attached here as Exhibit A; and

WHEREAS, the Board also notes in reviewing the existing Articles that the original and current legal name of the Co-op is not consistent with the name the Co-op now trades under, which is "Hendersonville Community Co-op", and that the Articles should also be amended accordingly;

**IT IS THEREFORE**

**RESOLVED**, that the Board hereby proposes to the Owners amendments to the Articles and Bylaws as shown in the Ballot attached as Exhibit A; and it is further

**RESOLVED**, that pursuant to Section 3.2 of the Bylaws the Board hereby gives notice of a Special Meeting to take place on March 3, 2011, in the Annex at the Co-op to discuss and vote upon the proposed amendments; and it is further

**RESOLVED**, that the Executive Committee of the Board and the General Manager are authorized and directed to draft a Notice Letter to the Owners, to prepare a Ballot substantially conforming to Exhibit A with such minor changes as are necessary to improve readability, and to print and mail the Letter and Ballot to every owner who has active status as of February 1, 2011, such mailing to be postmarked on or before February 1, 2011; and it is further

**RESOLVED**, that the Owner vote upon the proposed Amendments shall also take place by mail and by delivery of ballots to the kiosk in the Coop; and it is further

**RESOLVED**, that Notice of the Special Meeting and the Ballot shall be distributed to all Owners who are in active status as of January 21, 2011, by mail on or before Monday, January 24, 2011; and it is further

**RESOLVED**, that all proposed amendments to the Articles that are duly adopted by the Owners shall be promptly certified by the officers and filed with the District of Columbia Department of Consumer and Regulatory Affairs.