



Overview of the votes scheduled for the Hunger Mountain Co-op Special Meeting of May 12, 2022

On May 12, 2022 the Co-op is holding a member meeting to vote on revisions to the Co-op's articles of incorporation and its bylaws. The meeting will be on Zoom. Here is a summary of items on which members will be asked to vote.

Background

In 2018, the Co-op Council chartered a Bylaw Committee to “develop and implement a plan, involving member input, to revise the Co-op bylaws to clear, concise, comprehensive language, consistent with applicable law.” The committee's twice-monthly meetings were publicized and open to the public, and the meeting notes are accessible in hard copy and online at hungermountain.coop/council-meetings-resources/#bylaw.

The proposed bylaws reflect the committee's research and interpretation of the existing bylaws and incorporate input from members and employees received throughout the process, including two sets of forums, held in June 2019 and January 2020. Plans to hold a vote in 2020 were put on hold in response to the pandemic.

The Bylaw Committee recommends passing items 1, 2, and 3, listed below. Items 4–7 are substantive issues that arose during the bylaws discussions which a) were clearly of importance to a significant and vocal number of members, b) could be appropriate to include in the bylaws, and c) were potentially controversial enough to merit a separate vote from the main body of revisions. The committee did not take a stand on these issues, but it wanted to provide members with an opportunity to vote on them.

Topics for votes

1. Removing language from the articles of incorporation that might be read to prohibit votes by paper or electronic ballot

The articles of incorporation prohibit one member from voting on behalf of another member. A question has been raised about whether that language prevents votes by paper or electronic ballot. The current bylaws expressly authorize votes by paper or electronic ballot on certain questions (e.g., election of council members), the practice for many years. The vote is to remove any possible ambiguity in the articles of incorporation on this question. The committee recommends this change.

2. A comprehensive revision of the bylaws, rewriting them in clear, concise language

The current bylaws are a combination of original material and numerous subsequent amendments aimed at addressing various isolated issues. The result is an illogically organized patchwork, riddled with typos, ambiguities, and poor phrasing. The committee began by reorganizing the bylaws in a more logical way, following the example of some other co-ops, and then scrutinized every line to see if it could be clarified, otherwise improved, or simply omitted. The committee recommends these changes.

The highlights of the proposed revisions include:

- a. Reformatted and edited the full body of the existing bylaws. Reorganized as necessary; simplified and clarified confusing sections; eliminated unnecessary language and misspellings.
- b. Added the Co-op's mission and stated we are guided by the seven cooperative principles. (1.2, 1.3)

- c. Eliminated the possibility of the council involuntarily terminating a person's membership. (2.5, cf. VII.3)
- d. Stated that members may inspect "records" of the Co-op, not just "financial records," and specified exceptions in more detail. (2.6, cf. X)
- e. Required the Co-op to facilitate ongoing dialogue among members, not just engage in one-way communication to members or a back-and-forth with members. (2.6, cf. X)
- f. Clarified that there are nine seats on the council, plus one non-voting representative elected by non-management employees. (3.3, cf. III.1)
- g. If two or more vacancies on the council arise at the same time, allowed for a special election to fill the vacancies, as an alternative to the council filling the vacancies through appointment. (3.4 (c)(2), cf. III.6)
- h. Created a mechanism for determining whether a conflict of interest disqualified a council or committee member from voting and eliminated the requirement that members disclose conflicts of interest at annual or special meetings. (3.5, cf. XI.2)
- i. Added a requirement that if the Executive Committee acts on behalf of the full council in "extraordinary circumstances," the EC is required to seek ratification of the decision(s) at the next full council meeting. (5.2; cf. VI.7)
- j. Lowered the threshold for a petition drive to hold a special member meeting to 150 signatures, from the current 5% of membership (which would be more than 450 now). (6.2, cf. IV.2)
- k. Clarified the voting procedures at member meetings for those topics where current bylaw language is confusing. (6.3 (c), cf. V.2)
- l. For special council meetings, changed the warning time from seven days to 48 hours; changed the number of council members required to request it from five to a majority; gave the council president the authority to call a special meeting without a request from any other council members. (7.1, 7.2; cf. IV.4)
- m. Clarified criteria for council's use of executive sessions. (7.3, cf. X)
- n. Changed council voting requirements such that if the number of council members drops to four or fewer, all council members must be present for a meeting to take place, and all must vote in the affirmative for a motion to carry. (7.4 (a,b), cf. V.3)
- o. Broadened the possibilities for council members who are employees and for the Staff Representative to participate in executive sessions. (7.4 (c); cf. V.3)
- p. Revised and simplified the language on patronage refunds to reflect current law and best accounting practices. (8.3, cf. IX)
- q. Revised and simplified the language on equity payments and return of equity payments to reflect current law and best accounting practices. (8.4, cf. VIII)
- r. Eliminated Article XII of the current bylaws, which redundantly describes voting to change the Articles of Incorporation. (6.3 (c)(1), cf. V.2.b. and XII)
- s. Eliminated the final paragraph of the current bylaws, "Explanation of Patronage Refund Consent Provision," as it has no prescriptive force and therefore doesn't belong in the bylaws.

3. Revising some voting procedures

An article that is warned for a vote at a member meeting can be drastically changed through an amendment from the floor. Floor amendments need not have gone through prior vetting, and they may have unknown and unintended consequences. The current bylaws follow Robert's Rules for amendments, requiring a simple majority (50% + 1) to pass—except for amendments to a bylaws revision, which require a 90% vote to pass. This revision sets a uniform requirement of a 2/3 vote to pass an amendment to any warned item at a member meeting, to help ensure that substantive amendments are possible but only pass with strong support of the members present.

In addition, for council elections and all other member votes by paper or electronic ballot, this provision starts voting at a member meeting and continues it for 14 days. Currently, ballot voting ends at the member meeting. This change allows an informed discussion of the candidates and the items to be voted on before most votes are cast. The committee recommends these changes.

4. Transparency of compensation

Co-op members have access to information on compensation for staff (unionized) employees that they do not have for management. This item would make more information on management compensation available. The information would be listed by position, not individual, but in many cases, it would be easy to connect an individual with a position. The committee recommends that members have a chance to vote on this change, but it does not take a stand on whether to vote it up or down.

5. Council member freedom of expression

In some past member votes, a principle in Co-op policy documents that the council should speak with “one voice” has left some council members feeling that they were not allowed to explain to members why they voted against a particular council decision. The council has debated changing or clarifying this language but has not agreed on any action. The Bylaw Committee developed language to preserve the one-voice policy in most circumstances while giving council members full freedom to argue publicly against proposals members are asked to vote on (like this one). The committee recommends that members have a chance to vote on this change, but it does not take a stand on whether to vote it up or down.

6. Defining an annual council retreat differently than other council meetings

The current bylaws require the council to allow members to attend all council meetings, except for those parts held in executive session. Nonetheless, the council has, for many years, held an annual retreat that has been closed to members. This provision would explicitly allow this practice, while providing for some transparency and accountability. The committee recommends that members have a chance to vote on this change, but it does not take a stand on whether to vote it up or down.

7. Non-binding vote to develop a family memberships option

A frequent question from members over the years is why the Co-op does not allow all people in a family or household to jointly be Co-op Members, instead of requiring each individual adult to hold a membership. Transitioning from an individual membership model to a family or household membership option raises issues of logistics and fairness. This is a vote to indicate interest in expending Co-op resources on developing a family membership option, to be voted on by members in the future.

Bylaw committee members: Carl Etnier (Chair), Cheryl Conner (through summer 2019), Jed Davis, Steven Farnham, Scott Hess, Eric Jacobson (2021), Stephanie Kaplan, Sue Zekas, Kari Bradley (General Manager; non-voting).

