

Willimantic Food Co-op  
Board of Directors Meeting  
January 8, 2015

Present: Chris Dubis, Bryan O'Hara, Alice Rubin, Stephanie Golaski, Matthew Kyer, Joanne Todd, Bruce Oscar, Johnnie Walker, Kirk Begg, Kathleen Krider, Patty Smith, Joanne Todd, Penny

Call to Order: 7:11 pm

**Board Board**

No report from the board, board.

**Members Speak Out**

No member speak out

**Approve Minutes (December)**

Bryan O'Hara moved to accept minutes, second Chris Dubis

All in favor

Johnnie Walker, Kirk Begg, Kathleen Krider abstain

**Attorney from Waterbury—Matthew Gaul**

- Non-stock cooperation statute is what we fall under (this act was specifically designed to exclude cooperatives 1954) Could have been useful, but not intended to cover the ideas we are interested in (distributions to members)
- Provision dealing with distribution for giving anything of value to members due to the status as member
- Statute says you cannot make distributions to members.
- What can we do? Can we change the corporate form? Ct Cooperative Association Act (1800s)—not a good idea
- CT entities—LLC, you can create the rules the way you want, taxed as partnerships, but you can vote to be taxed as a cooperation. Problem—as a non stock cooperation you cannot merge with a LLC, merge with a Delaware non stock cooperation, convert into an LLC and then move back to CT
- Cooperative laws of other states, tax law would be CT, legal laws would be based in the other state, if you are in another state your annual compliance costs would be higher,
- Revision of the CT Cooperative Act would takes years to amend
- Drawbacks to LLC—tax consequences, transactions costs, some risks depending on how you write your rules—you can build in protections
- What does the process look like for our Coop? Time?
- The way we are presently incorporated is fine. We would need to adjust if we wanted to distribute patronage rebates.

#### By-Law Conversation with lawyer

- Update by-laws—Our by-laws do not permit the Board of Directors to amend by-laws
- Develop amendments, distribute them to members, 2/3 of members vote then they are passed
- By-laws are not filed with the state—they are private
- Members can amend by-laws
- Look into adjusting the Certificate to add provisions to further protect Board of Directors in case of a lawsuit
- He recommends amending the certificate, needs to be approved by 2/3 of the members in attendance
- Review of amendments to wording in by-laws
- Strive to amend by-laws and Certificate by Annual Meeting
- Strive to have all paperwork ready for approval by board by February 5<sup>th</sup>, to be able to send to the members by the annual meeting

Bryan, Alice, and Matthew should meet before February 5<sup>th</sup>, to review the amendments the lawyer set forth. They will choose a date.

#### **New Business:**

- Discussion surrounding member benefits
- Membership discussion groups
- Accessibility, opening the Coop, and education—making the Coop more accessible to the community
- Educate, Educate, Educate
- Article in newsletter discussing the change
- Look forward to discussing at February meeting

Our next meeting will begin at 6:30.

Monitoring Reports and store updates tabled to next meeting.

**Joanne moved to adjourn, Bryan second**

**9:15 meeting adjourned**