

Conor Byrne Cooperative Bylaws

“Question and Answers”

Membership Eligibility

- Question: How do I become a member of the cooperative?
- Answer: You become a member of the cooperative by paying your membership fee and signing the member agreement. For Worker Members, additional requirements include being over 21 years old, providing labor to the cooperative (full-time or part-time), having worked for at least 90 days, and being approved by the Board. Community Members must be Washington state residents over 21, support the cooperative's mission as a customer within the past 12 months, and be approved by the Board.
- Question: What are the benefits of being a Worker Member versus a Community Member?
- Answer: Worker Members are eligible to receive dividends based on patronage, meaning they receive a share of the cooperative's earnings based on their labor contribution. Community Members, while not eligible for patronage dividends, are offered benefits and perks as part of their membership.

Ownership and Shares

- Question: Can you explain more about how ownership works in the cooperative?
- Answer: The cooperative is owned by its members. Each member owns one Membership Share per class (Worker or Community) and has one vote per share. Decisions that require voting are determined by the Board of Directors. Only members can purchase Class A Preferred Shares, which is an additional way to financially support the cooperative.
- Question: What are the rights and responsibilities associated with owning Membership Shares or Class A Shares?
- Answer: Membership Shares give members voting rights and a stake in the cooperative. Class A Preferred Shares provide an additional financial stake, with dividends paid based on an interest rate and the amount of shares purchased. However, these shares cannot be sold, assigned, or transferred except back to the cooperative.

Financial Operations

- Question: How are profits and losses distributed among members?
- Answer: Only the Employee Member class is eligible for capital distributions. For these distributions to occur, all individual accounts and the retained earnings account must exceed thresholds set by the Board. Patronage dividends are paid out to Employee

Members, while dividends on Class A Preferred Shares are paid to any member who has purchased these shares.

- Question: Can you explain Patronage Dividends and how they differ from dividends on Class A Shares?
- Answer: Patronage Dividends are paid to Employee Members based on their labor contribution (patronage) to the cooperative. In contrast, dividends on Class A Preferred Shares are based on an interest rate and the amount of shares owned, and can be paid to any member who owns these shares, regardless of their labor contribution.

Meetings and Governance

- Question: How often are member meetings held, and what happens during these meetings?
- Answer: The annual member meeting is held on the first Friday of December each year. Special meetings can be called as needed. During these meetings, members discuss and vote on cooperative matters, receive updates on financial and operational performance, and elect directors if necessary.
- Question: How are decisions made within the cooperative, and what is the role of the Board of Directors?
- Answer: Decisions are made by a majority vote of members present at meetings. The Board of Directors manages the cooperative's property and business, makes policy decisions, and ensures the cooperative's priorities are met. They meet regularly to oversee operations and address any issues.
- Question: Can you clarify the voting process during meetings and the requirements for achieving a quorum?
- Answer: Each member has one vote. A quorum requires a majority of Worker Members and any Community Members entitled to vote, with both classes represented. Decisions are made by majority vote unless otherwise specified. Proxy voting is not allowed unless a Board-approved procedure exists.

Board of Directors

- Question: Who serves on the Board of Directors, and how are they elected?
- Answer: The current Board of Directors includes Dan Sodomka, Adria Dukich, and Maria Rocco. Board members are recommended and proposed by the current Board and then voted on by all members. The Board must have a majority of directors from the Employee Member class.
- Question: What are the responsibilities of the Board, and how often do they meet?
- Answer: The Board is responsible for the overall management and oversight of the cooperative, ensuring the business is preserved and built while serving its members. They hold regular meetings without notice and special meetings with three days' notice.

The Board also holds an annual meeting immediately following the annual member meeting.

Operational Procedures

- Question: Can you provide examples of the types of decisions the Board might make?
- Answer: The Board makes decisions on financial policies, membership eligibility, dividend distributions, capital account management, and overall strategic direction of the cooperative. They also handle conflict resolution and manage operational logistics.
- Question: How can I be more involved?
- Answer: Moving forward, the Board and leadership team will form committees of community members and area specialists around key priorities, ensuring ongoing engagement and transparency.
- Question: How can members get involved in committees formed by the Board?
- Answer: Opportunities to contribute to committees will be communicated through the member newsletter, which is anticipated to be sent out quarterly.
- Question: How are conflicts of interest handled within the cooperative?
- Answer: Conflicts of interest are managed according to policy, with transparency and accountability. Transactions involving conflicts must be disclosed and approved by disinterested directors or members. The Board has procedures in place to address these issues effectively.

Record-Keeping and Transparency

- Question: What type of records does the cooperative maintain, and who has access to them?
- Answer: The cooperative maintains records of member and Board meetings, corporate actions, and accounting records. A list of current members is also maintained. These records can be requested for inspection by members at the principal office during regular business hours with five days' of written notice to the board.
- Question: How transparent is the cooperative's financial information, and how can members stay informed about its operations?
- Answer: The cooperative aims to be transparent with its financial operations and cash flow, providing annual updates to members.