



**IMPORTANT**

## **MEMBER-OWNER VOTE #4**

**March 12, 2025**

**Title:** Vote to Adopt the Board of Directors Proposed Revisions to Bylaws IV and V

**Resolution:** We, the Member-Owners of Sevananda Natural Food Cooperative, hereby adopt the December 3, 2024 votes of the Board of Directors, which approved certain revisions, additions and deletions from Bylaw sections IV and V of the February 2024 Bylaws. As such, the approved revisions will take full effect on April 12, 2025.

**Introduction:**

- Sevananda had Bylaws as a not-for-profit organization from 1974 - 1995. In 1995, Sevananda became incorporated as a cooperative under Wisconsin law. Sevananda filed its first Articles of Incorporation as an official cooperative organization in 1995 with the state of Wisconsin.
- Bylaws set forth the rights and duties of Member-Owners and the Board of Directors. They contain provisions that regulate how the cooperative's affairs are managed consistent with the governing laws of the State of incorporation (Wisconsin).
- Wisconsin law requires that “[a] cooperative shall have bylaws governing the cooperative's business affairs and structure, the qualifications, classification, rights, and obligations of members, and the classifications, allocations, and distributions of membership interests”. WIST § 193.241(1)
- Since 1995, there have been several versions of the bylaws. A revision to a couple sections was made by the board in 2018, but the board at the time wasn't clear on its legal responsibility to present to member-owners. The 2018 revisions will be removed as a result of the revisions presented to member-owners now.
- As it relates to Bylaw IV revisions, since the Covid pandemic of 2020-2022, the way that businesses define “in-person” attendance and voting for Annual Member Meetings has changed, to include live, virtual attendance. Sevananda's Bylaws need to reflect both our practices and Wisconsin law.
- As it relates to Bylaw V, the committee and consulting attorney identified some additional revisions needed in order to align with Wisconsin law and provide clearer language regarding voting for bylaw amendments.

**History:**

In 2023, after a review of the Bylaws with the Board consultant, the Board of Directors found that the current and existing bylaws were out of compliance with Wisconsin law. The Board of Directors voted to create a Bylaw Revision Committee to enact the needed changes to the existing Bylaws. The Subcommittee's purpose was to review the bylaws, identify the areas that needed to be brought into compliance, and consult with legal counsel to ensure that the bylaws were properly revised. The Subcommittee prepared draft revisions for review and approval of the Board of Directors.

On May 16, 2023, the Bylaw Revision Committee was formed and began meeting weekly. During this year and a half long process, the committee reported their progress to the Board of Directors during the regular monthly board meetings. At the recommendation of a Board consultant, we have worked with attorneys at Dorsey & Whitney LLP in Minneapolis, Minnesota that specialize in business and cooperative law.

While working to revise the current Bylaws to comply with Wisconsin state law, the Bylaw Revisions Committee discovered some unclear language in Bylaw IV and V related to member-owner meetings and revisions to the bylaws. The committee chair took this information to the attorney to receive their feedback.

After conducting the Annual Member Meeting in 2024, the board, board consultant, and consulting attorney realized the language in the February 2024 Revised Bylaws regarding the definition of "in-person" meeting did not include attendance over Zoom or a similar live virtual platform. The language regarding electronic voting was unclear and incomplete, as was the language regarding voting for bylaw revisions and Articles of Incorporation revisions.

The Bylaw Revisions Committee worked closely with the attorney to revise the bylaws to provide more clarity, in accordance with Wisconsin law, to the two sections of the Bylaws.

According to the current Bylaws (section 5.1), bylaws can also be amended by the Board of Directors, but any amendment adopted by the Board of Directors shall be reported to the next annual meeting of members and is subject to amendment or repeal by vote of the members.

**Attachments For Review:**

1. Final draft of revision to Bylaws IV and V
2. Prior version of Bylaws

**Vote:**

Vote for

Vote against