

BYLAWS OF
ST. JOSEPH FARMERS' MARKET

This instrument constitutes the Bylaws of St. Joseph Farmers' Market, a nonprofit corporation duly organized under the Minnesota Nonprofit Corporation Act, Minnesota Statutes, Chapter 317A.

MEMBERS

Bylaw 1. Producer members. Producer members shall consist of those producers who join the SJFM annually. Producer members are determined each year during the SJFM membership application period. Producer members must be natural persons who are adults. No member may transfer interest rights to another person.

Bylaw 2. Community members. Community members shall consist of community representatives elected to the Board of Directors. Community representatives are nominated by the Board of Directors before the annual membership meeting or nominated from the floor at that meeting. Community members are elected at the annual membership meeting or through mail ballots for a staggered term of three years. Community members must be natural persons who are adults.

Bylaw 3. Place of meetings. Meetings of the members shall be held at a suitable place designated by the Board of Directors.

Bylaw 4. Annual meetings. The annual meeting shall be held at a time designated by the Board of Directors, normally in the fourth quarter of the calendar year. The date for this meeting will be announced at least fourteen (14) calendar days in advance of the meeting time. Members shall transact such business as may come before them.

Bylaw 5. Special meetings. Special meetings may be called by the Board of Directors. Upon a written request signed by at least 20% of the members, the Board of Directors must call a special meeting. All special meetings shall state the time, place, and purpose of the meeting. No business shall be transacted at a special meeting except as stipulated in a notice of the meeting.

Bylaw 6. Presiding officer. The President of the Board of Directors of SJFM will preside at all meetings of the membership. In the absence of the President, the Vice-president will preside. In the absence of both persons, the Board shall identify a president pro tem for that one meeting.

Bylaw 7. Notice of meetings. It is the duty of the Secretary to mail to the season's members a notice of each annual or special membership meeting stating the purpose thereof as well as the time and place where the meeting is to be held. Such notice will be sent to members at their most recent address on record at least fourteen (14) calendar days prior to the annual meeting and at least five working days before a special meeting.

Bylaw 8. Quorum. The presence of 40% of members of the SJFM shall constitute a quorum for transaction of business to be acted upon by the organization. When the computation results in a fractional number, it will be rounded upward to the next whole number.

Bylaw 9. Adjourned meetings. If a meeting of the membership cannot be conducted because a quorum is not present, voting members who are present may adjourn the meeting to a time not less than forty-eight hours from the time the original meeting was called. If a quorum is not reached at the rescheduled meeting, the Board of Directors is authorized to act in the members' behalf.

Bylaw 10. Voting. Each membership carries with it the privilege of one vote on each matter being voted upon. Neither cumulative voting nor voting by proxy shall be allowed. In the event that a membership is registered

in two names, either of the persons holding the membership is eligible to cast that vote but not both. A majority of votes cast determines the outcome of a vote.

BOARD OF DIRECTORS

Bylaw 11. Number and qualifications. The Board of Directors for SJFM shall be composed of nine members, six of them producers – one of these could be a vendor – and, whenever possible, three of them community representatives from the local area. If the latter is not viable in a particular term of service, at least one of the three may be someone with appropriate experience and/or a person with an expressed concern for the general good of SJFM. All directors must be natural persons who are adults.

Bylaw 12. Governing powers. The Board of Directors shall have the power and duties necessary or appropriate for the overall direction and governance of SJFM. Directors may engage in such acts and do such things as accord with the Mission Statement and are not prohibited by a Market rule or regulation or by these bylaws.

Bylaw 13. Election and term of office. Board of directors shall be elected at the annual meeting of the membership or through mail ballots for a staggered term of three years. Board directors may be re-elected if they are willing to serve another term. Board directors shall hold office until their successors have assumed office, the time for which is the first Board meeting after the membership holds its annual election.

Bylaw 14. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of the membership or by the Board itself shall be filled by a vote of the majority of the remaining Board directors. Each person so elected shall be a Board director until the next annual meeting, when the members shall elect that person or a successor to complete the unexpired term of the vacated seat.

Bylaw 15. Removal of directors.

- a. At any annual or duly called special meeting of the members, any one or more of the directors may be removed without disclosure of reason by a vote of the majority of the entire voting membership of record. The Board of Directors may also remove one or more directors for failure to do the work required of directors, for unexcused absences, or for refusal to act in accord with the Mission Statement. Any director whose removal has been proposed shall be given thirty days' notice of the intent to take such action and an opportunity to be heard at the next meeting of the body proposing the director's removal.
- b. After two unexcused absences, a director will automatically be removed from the Board. Upon recommendation from the Board of Directors, such a director may be reinstated.

Bylaw 16. Compensation. No compensation shall be paid to directors for their services to SJFM. Directors may be reimbursed for actual expenses incurred by them in performance of special duties.

Bylaw 17. Annual meetings. The first meeting of the Board of Directors for the Market year shall follow the annual election of the new board. It shall be held for the purpose of electing officers for the Board of Directors and for consideration of any other business that may be properly brought before it. The place and time of this annual meeting of the Board shall be conveyed to each member at least fourteen (14) days in advance of the meeting.

Bylaw 18. Regular meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined by a majority of directors. The Board of Directors typically meets monthly but shall meet at least six times each year. Any action required or permitted to be taken at a meeting of directors may be taken without a meeting by written action signed by a quorum of assenting directors voting through electronic

means or telephone.

Bylaw 19. Special meetings. Special meetings of the Board of Directors may be called by the Chair of the Board upon at least three working days' notice to each director. This notice shall be given personally or by mail (postal or electronic) or by telephone. The notice shall state the place, time, and purpose of the meeting. In like manner and with like notice, the Secretary shall call a similar meeting upon the request of at least two directors.

Bylaw 20. Quorum. At all meetings of the Board of Directors, fifty percent of the directors shall constitute a quorum for the transaction of all authorized business. Where the computation results in a fractional number, it will be rounded up to the next whole number. The acts of the majority of the directors present shall be the acts of the Board of Directors, except where a larger number is required by law or these bylaws. Neither cumulative voting nor voting by proxy shall be allowed at meetings of the Board of Directors.

Bylaw 21. Authority for meetings. Unless otherwise stipulated, Robert's Rules of Order will be the authority for all questions and procedures at meetings of SJFM.

OFFICERS

Bylaw 22. Designation. Principal officers of SJFM shall be a President, a Vice-president, a Treasurer, and a Secretary. All officers must be natural persons who are adults. One person may hold more than one of these offices.

Bylaw 23. Election of officers. The officers of SJFM shall be members of the Board and be elected annually by the Board of Directors at its first meeting following the election of new Board members. Unless sooner removed by the Board, officers will serve for a term of one year or until their successors are elected. A vacancy in any office may be filled by a majority vote of the Board of Directors for the unexpired portion of the term. The Board of Directors also has the authority to appoint such temporary or acting officers as may be necessary during the temporary absence or disability of the regular officers.

Bylaw 24. Other officers. The Board of Directors shall appoint such other officers and agents as it shall deem appropriate, who shall hold their offices for such terms, exercise such powers, and perform such duties as shall be determined by the Board.

Bylaw 25. Removal. Any officer may be removed with or without cause by the Board of Directors by an affirmative vote of a majority of all the Board directors. The matter of removal may be acted upon at any meeting of the Board, provided that notice of intention to consider said removal has been given to each Board director and to the officer affected at least ten (10) days previously.

Bylaw 26. President. The President shall be the principal officer of SJFM. Subject to the direction and control of the Board, the President shall see that the resolutions and directives of the Board are carried into effect, and, in general, shall discharge all duties incident to the office of the President and as prescribed by the Board. The President shall preside at all meetings of the membership and of the Board of Directors, except in those instances in which the authority to execute is expressly delegated to another officer or agent of SJFM. The President may execute for SJFM all contracts, deeds, conveyances, mortgages, bonds, and other instruments in writing that may be required or authorized by the Board of Directors. If the Board of Directors has failed to do so, the President may appoint members to standing committees as well as establish and appoint members to other committees. The President is free to attend committee meetings in a non-voting capacity. In the absence or disability of the Treasurer, the President pays SJFM bills that the Board of Directors has authorized.

Bylaw 27. Vice-president. It will be the duty of the Vice-president to act in the absence or disability of the President and to perform such duties as may be assigned to him or her by the President.

Bylaw 28. Secretary. The Secretary of SJFM shall be responsible for keeping the organization's records. The Secretary shall keep, or cause to be kept, the minutes of all meetings of the Board of Directors and all membership meetings. The Secretary shall give, or cause to be given, all notices of meetings of the Board of Directors and other notices required by law or by these bylaws. The Secretary is responsible for keeping all books, correspondence, committee minutes, and papers relating to the business of SJFM, except for such financial records as are kept by the Treasurer.

Bylaw 29. Treasurer. The Treasurer is responsible for preparation of the proposed annual budget and will keep, or cause to be kept, financial records belonging to SJFM. The Treasurer will present a report of the finances of SJFM to the membership at its annual meeting and to the Board of Directors from time to time as it requests. The Treasurer shall pay, or cause to be paid, SJFM bills that the Board of Directors has authorized. The Treasurer shall have the authority to pay SJFM bills or cause these to be paid. SJFM bills that exceed \$250 as well as those incurred by the Treasurer shall receive prior Board approval before the Treasurer makes such payment.

Bylaw 30. Special duties. Any officer of SJFM, in addition to powers conferred on her or him by these bylaws, will have such additional powers and perform such additional duties as may be prescribed from time to time by the Board of Directors.

COMMITTEES

Bylaw 31. Authority. The Board of Directors may act by and through such committees as may be specified in resolutions adopted by a majority of the members of the Board of Directors. Each such committee shall have such duties and responsibilities as are granted to it from time to time by the Board of Directors. Each such committee shall at all times be subject to the control and direction of the Board of Directors. Committee members need not be directors except where specified in these bylaws.

Bylaw 32. Standing committees. The Board of Directors may, by resolution passed by a majority of the Board of Directors, designate one or more standing committees. Each committee may designate its own chair. At least one member of each standing committee must be a member of the Board of Directors, as must any chair of such a committee. Any committee so established shall have and may exercise such power as provided in the resolution which established the committee.

Bylaw 33. Types of committees. In general, the types of standing committees may include but not be restricted to Recruitment, Promotion and Advertising, Fundraising, and Education and Entertainment.

Bylaw 34. Meetings. Meetings of individual committees may be held at such time and place as may be determined by a majority of the committee, by the committee's chair, or by the Board of Directors. Notice of such meetings shall be given to the committee's members at least three working days in advance of the meeting unless its members agree to a shorter notification. A majority of the committee's membership shall constitute a quorum.

Bylaw 35. Other committees. Other committee(s) may be established by the President of the Board of Directors or by a motion passed in an appropriately constituted meeting of the Board of Directors. Any SJFM member may serve on such committees.

FISCAL MANAGEMENT

Bylaw 36. Fiscal Year. The fiscal year for SJFM shall begin on the sixteenth day of November in each year.

Bylaw 37. Financial books and accounts. Financial books and accounts for SJFM shall be kept under the direction of the Treasurer of SJFM. An internal audit of such books and accounts shall be conducted by a member

of the Board of Directors other than the Treasurer or by another duly appointed person and reported to the Board of Directors before the annual membership meeting.

Bylaw 38. Execution of documents for SJFM. The Board of Directors may authorize any officer of the Board or officer's agent(s) to enter into any contract or to execute and deliver any instrument in the name of and on behalf of SJFM. Such authority may be general or confined to specific instances. These authorizations are in addition to those authorized by these bylaws.

Bylaw 39. Loans. No loans shall be contracted on behalf of SJFM nor evidences or indebtedness issued in its name unless authorized by resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Bylaw 40. Deposits. All funds of SJFM not otherwise employed shall be deposited from time to time to the credit of SJFM in such bank(s) or depositories as the Board of Directors may elect.

Bylaw 41. Conflict of interest. The Board shall not enter into any contract or transaction with (a) one or more of its directors, (b) a director of a related organization, or (c) an organization in or of which a director of SJFM is a director, officer or legal representative, or in some other way has a material financial interest unless:

- 1) That interest is disclosed or known to the Board of Directors;
- 2) The Board approves, authorizes, or ratifies the action in good faith and at a meeting where a quorum is present (not counting the interested director);
- 3) The approval is by a majority of directors (not counting the interested director).

The interested director may be present for discussion to answer questions, but may not advocate for the action to be taken and must leave the room while a vote is taken. The minutes of all actions taken on such matters shall clearly reflect that these requirements have been met.

Bylaw 42. Checks, drafts, etc. All checks, drafts, and other orders for payment of funds will be signed by such officers or such other persons as the Board of Directors shall designate in its approved financial policies.

Bylaw 43. Maintenance and inspection of records. Correct and complete copies of the Articles of Incorporation, Bylaws, accounting records, and minutes of the Board and of committees of the corporation shall be kept at the registered office of the corporation. A member or director, or agent or attorney of a member or director, may inspect all books and records of the corporation for any proper purpose at any reasonable time.

MISCELLANEOUS

Bylaw 44. Amendments to Bylaws. Except as otherwise required by statute or the Articles of Incorporation, these bylaws may be amended or repealed by the affirmative vote of a majority of the Board present at a meeting at which there is a quorum and for which notice stating the purpose of the meeting has been given.

Bylaws 2002
11/18/02

Approved by Market membership

Additional bylaws approved in 2004 when the Market was working to become a cooperative for the purpose of gaining tax exempt status with the IRS:

Bylaw 45. Purpose of Organization The corporation is organized on a cooperative basis and agrees that

- 1) Members are producers who are marketing their products or purchasing their supplies and

- equipment through the association;
- 2) Products marketed for nonmembers will not exceed the products marketed for members;
 - 3) Supplies and equipment purchased for nonmembers will not exceed the value of supplies and equipment purchased for members provided purchases made for persons who are neither members nor producers do not exceed 15 percent of the value of all purchases; and
 - 4) Net proceeds from the business will be allocated or apportioned to members and nonmembers on a patronage basis.

Bylaw 46: Dissolution. Upon dissolution, after retiring all the debts, the remaining assets shall be distributed among those who are members at the commencement of proceedings to wind up and dissolve the St. Joseph Farmers' Market, and, insofar as practical, all persons who have been members at any time preceding dissolution, in proportion to their patronage contribution* to the St Joseph Farmers' Market as reflected in the books and records of the organization.

*Bylaw 46: A season's membership in the St. Joseph Farmers' Market yields one Market share. Such shares are the Market's measurement of patronage [Board decision, June 2005].