

POULSBO FARMERS MARKET BYLAWS

(revised 12/15/14)

ARTICLE I: NAME

Section 1.01. The name of this private, non-profit corporation is the Poulsbo Farmers Market. Its principal place of business and registered agent is Corner of 7th & Iverson, Poulsbo, WA 98370. The mailing address is Post Office Box 465, Poulsbo, WA 98370.

ARTICLE II: TERM OF EXISTENCE

Section 2.01. The term of existence of the corporation shall be perpetual.

ARTICLE III: PURPOSES OF CORPORATION

Section 3.01. The purposes for which the corporation is organized are:

- The corporation is one that does not contemplate pecuniary gain or profit to the members thereof.
- Provide an educational and direct market venue for Washington State farm producers.
- Provide a market for the general public to create a sustainable agricultural community
- Be a resource to other agencies serving farmers in Kitsap County, Washington.

Section 3.02. And in furtherance of its purposes, the corporation shall have the right and power to purchase or acquire by gift, devise or otherwise, either directly or as trustee, and to own and hold in trust, use, sell, convey, mortgage, lease or otherwise dispose of real and personal property; to erect suitable buildings; to contract for the services of employees, agents, and others and to pay them reasonable compensation; and to solicit funds and to in general do all such acts and things and exercise as may be necessary, incidental or proper under the laws of the State of Washington to the exercise of the purpose of this corporation.

ARTICLE IV: BOARD OF DIRECTORS

Section 4.01: Duties. The Board of Directors of the Poulsbo Farmers Market serves as the governing body and is responsible for ultimate accountability to the community. The Board of Directors shall elect the officers of the corporation and do all other things provided for in the Articles of Incorporation of the Poulsbo Farmers Market and these Bylaws.

Section 4.02: Term of Office. Board members shall serve for a term of two (2) years, or until his/her successor is elected and qualified. The Board shall devise a system of staggering the terms of Board members such that about one half of the Board terms end in any one year. No board member shall serve more than three (3) consecutive terms (6 years) with no more than four (4) consecutive years as an officer.

Section 4.03: Number, Classes, and Election of Board Members. There is one class of Board member. Any person who is interested in furthering the goals of the Poulsbo Farmers Market and participating in its efforts, is eligible for Board membership in the member eligible to become a Board member. The initial Board of Directors shall be 7 and shall not exceed twenty-one (21) members thereafter. It is desirable, though not mandatory, to reflect the diverse population of the community on the Board. All officers shall be members of the current board.

Board members shall be elected at the annual meeting by a vote of a majority of members present. Board members will serve until the next election at the annual meeting after their term expires. Nominations can be made by any member or by a nominating committee if such committee is formed by the Board.

At least a majority of Board members, including officers, shall be Vendor Members.

Section 4.04: Assessments. Initial and/or annual assessments of any kind made against the Board members of Poulsbo Farmers Market shall be established by a vote of the Board.

Section 4.05: Vacancies. Any vacancy on the Board of Directors caused by death, resignation or otherwise may be filled by a vote of the Board members present at a special meeting called for that purpose. Such election shall be only for the unexpired part of the term of the retiring member.

Section 4.06: Board Meetings.

- a) Annual Meeting. There may be regular meetings of the Board as is necessary and proper for the Board to conduct its business, and in any event there shall be an annual meeting of all members of the Poulsbo Farmers Market Board at a place to be determined by the Board. All Board members of the Poulsbo Farmers Market shall be entitled to attend such meeting. The annual meeting shall be held during each year after the close of each fiscal year of Poulsbo Farmers Market as may be set by the Board of Directors.
- b) Special Meetings. Special meetings of the Board of Poulsbo Farmers Market may be called by the chairperson with the consent of a majority of the Board or by written petition signed by at least five (5) Board members.
- c) Notice of Meetings. Written, electronic, or fax notice stating the place, day and hour of any meeting of the Board, and, in the case of special meetings, the purpose for which any such meeting is called, shall be delivered or mailed by

the Secretary of the Board to each member of record at such address as appears upon the records of the Poulsbo Farmers Market at least ten (10) days, or as soon as practicable, before the date of such meeting. But in no event less than five (5) days before said meeting.

- d) Waiver of Notice. Notice of any meeting may be waived in writing by any member if the waiver sets forth in reasonable detail the time and place of the meeting and the purposes thereof. Attendance at any meeting, in person or by proxy, if the proxy sets forth in reasonable detail the purposes of such meeting, shall constitute waiver of notice of such meeting.
- e) Written Consent. Any action required or permitted to be taken at a meeting of the Board or committee thereof, may be taken without a meeting by written consent setting forth the action to be taken, signed by a majority of the Board or committee, before such action is taken. Written consent can consist of email or other electronic means, fax, etc.
- f) Voting Rights. Each Board member shall be entitled to one vote on any matter submitted to a vote.
- g) Voting by Proxy. A Board member entitled to vote at any meeting of the Board may vote either in person or by proxy executed in writing by the member. No proxy shall be valid after eleven (11) months from the date of its execution unless a longer time is expressly provided therein.
- h) Quorum. The presence in person or by proxy of a simple majority of the Board membership shall be necessary to constitute a quorum for all purposes at any meeting of the Board of the Poulsbo Farmers Market. The act of the majority of the Board members present at any meeting at which there is a quorum shall be the act of the full Board except as may be otherwise specifically provided by statute or by these Bylaws. A quorum must be present at a meeting in order to transact business. The term "vote of the Board" used in these bylaws means a simple majority vote of the quorum.
- i) Conduct of Meeting. The President shall preside at all meetings of Board members, except that in his/her absence the Vice- President shall preside. Except that in her/his absence any other member may be appointed by a majority vote of the Board members present to preside, and all such meeting shall be conducted according to standard rules of parliamentary procedure as stated in the current edition of *The Standard Code of Parliamentary Procedure*.
- j) Public Access to Meetings. Annual and special Poulsbo Farmers Market Board meetings shall be open to the public except for closed meetings where personnel issues are discussed.
- k) Meeting Agenda. The President or the Vice-President shall conduct all meetings and set the agenda. The Secretary of the Board shall send a written, electronic, or fax copy of the agenda to all Board Members at least ten (10)

days before the meeting, or as soon as is practicable. But in no event less than five (5) days before the meeting.

Section 4.07: Board Nominations. At least two months prior to the annual meeting, a nominating committee is to be formed to prepare a slate of nominees for presentation at the annual Meeting. The nominees will be subject to the review and approval of the Poulsbo Farmers Market Board. Present Board members remain eligible for re-election.

Section 4.08: Compensation. Board members shall not receive any compensation for their services as Board members, but may be reimbursed by the corporation for their reasonable expenses and disbursements incurred on behalf of the corporation.

Section 4.09: Removal of Board Member. The Board of Directors may remove a member from the Board by a simple majority vote if it is deemed in the best interest of the corporation. Removal of a member may be based on a member missing three (3) consecutive meetings, inability to complete assigned tasks, or other sufficient reason.

Section 4.10: Acquisitions/Budget. The Board shall approve acquisition of equipment, real estate and the establishment of an annual budget.

Section 4.11: Hiring. The Board shall hire employees or contractors as needed to operate the Market. A Manager of the Poulsbo Farmers Market may be hired by a vote of Board members at a scheduled Board meeting at which the hiring of a Manager is a meeting agenda item. The Board shall periodically review and revise the job description for the Manager and any other employee.

Section 4.12: Board Officers. The officers of the Board of Directors shall be President, Vice-President, Secretary and Treasurer. The offices of Secretary and Treasurer may be held by one person. Duties for the officers are described below:

- a) **President and Vice-President.** The President and Vice-President shall be the principal executive officers of the corporation. The President shall preside at all meetings of the Board of Directors. If she/he is unable to preside at a meeting the Vice-President shall so preside. They shall perform all duties indigent to the office of President and Vice-President and such other duties as may be prescribed by the Board of Directors from time to time. The President shall serve as ex-officio member of all Board and Executive Committees.
- b) **Secretary.** The Secretary shall attend all meetings of the Board of Directors and shall keep, or cause to be kept, in a book provided for the purpose, a true and complete record of the proceedings of such meetings. She/he shall see that all notices of the corporation are duly given and served in accordance with the provisions of these Bylaws or as required by law. She/he shall keep a list of all Board Members of the corporation and their respective addresses. She/he shall be the legal custodian of the corporate records and of the seal of the corporation, if the corporation adopts a seal. She/he shall perform all other duties required by law or directed by the Board of Directors of the Corporation.

- c) Treasurer. The Treasurer shall keep correct and complete records of account, showing at all times the actual financial condition of the corporation. She/he shall be the legal custodian of all monies, notes, securities and other valuables that may from time to time come into the possession of the corporation. She/he shall furnish a statement of the financial condition of the corporation at least quarterly and at the annual meeting of the members of the corporation. She/he shall perform such other duties as directed by law or by the Board of Directors of the corporation.

Section 4.13. Removal of an Officer. Any officer elected or appointed by the Board of Directors may be removed from office by a 2/3 vote of the Board of Directors whenever in its judgment the best interest of the corporation shall be served.

Section 4.14. The Board shall establish a grievance procedure and shall be the final authority in resolving grievances.

Section 4.15. The Board shall establish a written Market Rules and Policies statement to cover the details of operating the market. The Board shall have the authority to amend as needed.

Section 4.16. No two members of the same single family unit may serve on the Board at the same time.

ARTICLE V: COMMITTEES

Section 5.01: The Board shall form committees as needed. The Board shall appoint the head of the committee, and define its duties and authorities. The Board shall also develop procedures for committee vacancies, meeting schedules, and member removals.

ARTICLE VI: MEMBERSHIP

Section 6.01: Definition and Membership. Any person interested in promoting the goals of the organization may become a member upon application and acceptance by the Board of Directors (Board). The Board of Directors shall establish dues for members.

CATEGORIES:

- Member Vendors: shall be vendors as defined by the Market Rules and Policies.
- Guest Vendors: shall be non- member vendors as defined by the Market Rules and Policies.
- Community Members: Any non-vendor person from the community as defined by the Market Rules and Policies.
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Section 6.02: Suspension. Members must abide by these bylaws, the Market Rules and Policies, other policies and procedures established by the Board, and all applicable City, County, State, and Federal laws.

Section 6.03: Due process. The Board shall establish a policy providing the right to due process for any suspension or discipline of a member.

Section 6.04: Voting: Members of this organization will be the final authority as it relates to the governance of the Poulsbo Farmers Market. Voting privileges shall be extended to Vendor and Community members with a limit of one vote per participating individual or single family unit. The Board shall define what a single-family unit is. Any voting member in good standing is eligible to vote. Voting members must be present at annual, general or special meetings to cast their votes. Proxies will not be allowed at those meetings. A quorum shall be a majority of those present at such meeting.

Section 6.05: Member meetings. An annual meeting will be held in the first quarter of each year to elect Board members, hear any Board or committee reports, or conduct any other business. At least 14 days notice will be given of these meetings. General member meetings will be held in June and November each year. At least 14 days notice will be given of these meetings. Special meetings of the members may be called at any time upon petition to the Board of at least 20% of all members. At least 14 days notice will be given of these meetings.

Section 6.06: Removal of Board Member. The membership may remove a member from the Board by a two-thirds (2/3) vote of members present if it is deemed in the best interest of the corporation. Such vote shall be taken only at meetings scheduled per Section 6.05.

ARTICLE VII: OPERATION OF THE CORPORATION

Section 7.01: Overall Operation. The Board of Directors of the Poulsbo Farmers Market shall have the ultimate authority and responsibility for the operation of the corporation. This shall include the establishment of general policies by which the corporation is to be conducted.

Section 7.02: Day-to-Day Operation and the Manager. The day-to-day operation of the Poulsbo Farmers Market may be under the direct supervision of the Market Manager who shall be hired by the Board of Directors of the Poulsbo Farmers Market. The Manager shall have full authority and responsibility for day-to-day operations.

Section 7.03: Compensation. The Manager shall be reimbursed by the Corporation for his/her reasonable expenses and disbursements on behalf of the corporation if he/she produces receipts which have been pre-authorized by the President. The Board shall set other compensation it deems appropriate.

Section 7.04: Removal of the Manager. The Manager may be removed by a vote of the Board of Directors if it is deemed in the best interest of the corporation.

Section 7.05: Board Meeting. The Manager or his/her designee shall meet with the Board members as is necessary and shall attend Board meetings as directed.

ARTICLE VIII: BOOKS AND RECORDS

Section 8.01: Annual Budget. The annual budget of Poulsbo Farmers Market shall be presented to the Board of Directors at the November board meeting and approved at the December board meeting.

Section 8.02: Fiscal Year. The fiscal year of Poulsbo Farmers Market shall be from January 1 to December 31.

Section 8.03: Annual Report. There shall be an annual report presented as soon as possible each fiscal year during a Board meeting. This report shall list officers, current members of the Board of Directors and provide a financial summary. The Manager and President of the Board shall report on progress of the organization's purpose for existence. All interested parties shall be encouraged to attend such meeting.

Section 8.04: Poulsbo Farmers Market Bank Account. All funds of the corporation shall be deposited in such banks or financial institutions as designated by the Board of Directors. All checks drawn upon such funds shall be signed and countersigned by such officers of the corporation and/or persons as may be authorized by the Board of Directors from time to time.

Section 8.05: Annual Audit. An independent annual audit of funds of the corporation, or agreed-upon procedures conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, shall be made at least once per year.

Section 8.06: Contracts. Unless otherwise authorized by the Board of Directors, all contracts, leases, deeds, mortgages, powers of attorney, and other such official documents shall be executed by the President.

ARTICLE IX: AMENDMENTS

Section 9.01: The Bylaws may be amended when approved by a 2/3 majority of a quorum present at a regular meeting of the Board of Directors, provided written notice of the proposed amendment(s) is given to the Board of Directors sixty (60) days prior to the meeting at which the vote is taken.

ARTICLE X: CONFLICT OF INTEREST STATEMENT

Section 10.01: Any Director, Manager, Officer or Board member who has a conflict of interest with a matter pending before the Board, or in a private business relationship with the corporation, shall disclose the conflict of interest to the other members prior to taking part in any discussion and/or voting on any issues. All such disclosures (including abstentions from voting by reason of conflict of interest) shall be included in the minutes.

ARTICLE XI: INDEMNIFICATION CLAUSE

Section 11.01: The Corporation shall indemnify and hold harmless any Executive Director or Officer or Board member for any expenses necessarily incurred by reason of serving or having served as a Director or Officer; provided, however, that no such persons shall be indemnified against or reimbursed for any expenses incurred in connection with any claim or liability arising out of his/her willful misconduct. The amount paid to any Director/Officer/Board member shall not exceed the actual, reasonable, and necessary expenses incurred in connection with the matter involved. Such indemnification shall not be exclusive of any other right to retain counsel on behalf of the corporation in any action in which a Director or Officer or Board member may be a party as a result of having acted in said capacity.

ARTICLE XII: NON-PROFIT STATUS

Section 12.01: No part of the net earnings of the Poulsbo Farmers Market shall inure to the benefit of any Board member, officer or other private individual, except that the corporation shall be authorized and empowered to apply reasonable compensation for services rendered and to make payments and distributions in furtherance and the purposes stated in Article III. No substantial part of the activities of the Poulsbo Farmers Market shall consist in carrying on propaganda, or otherwise attempting to influence legislation; and the corporation shall not participate in, or intervene in, any political campaign on behalf of any candidate for public office.

ARTICLE XIII: DISSOLUTION OF CORPORATION

Section 13.01: Dissolution of Corporation. In the event of dissolution of the corporation, the assets of said corporation remaining after payment or adequate provision for the debts and obligations of the corporation, shall be distributed to another organization which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code of 1986 (or corresponding section of any future tax code), or shall be distributed to the federal government, or to a state or local government, for a public purpose that advances the same causes of the Poulsbo Farmers Market. Any such assets not so disposed of shall be disposed by the court of Common Pleas of the county in which the principal office of the corporation is then located, exclusively for such purpose or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purpose.

Approved by the PFM Board of Directors this 16th day of February, 2015.

President- Paula Strid

Secretary- Victoria McGarrity