

ROOTSTOCK

ISSUE #30

JAN - FEB 2019

The Official Newsletter of the **Belfast Co+op**

EQUITY & EQUALITY

FROM THE DESK OF THE GM

ON PAGE 4 OF THIS ISSUE OF ROOTSTOCK YOU WILL FIND A LETTER THAT WAS SENT OUT TO ALL BELFAST CO-OP OWNERS REGARDING CHANGES TO OUR EQUITY STRUCTURE EFFECTIVE JANUARY 1, 2019.

The letter addresses many of the logical and reasonable reasons why the board has decided to move our co-op to a different structure. In the spirit of our theme for this issue of ROOTSTOCK, the first cooperative principle (Open and Voluntary Membership), I want to speak to how equity relates to ownership and what we can do to ensure that our ownership remains open to anyone.

What does it mean to offer a membership that is open and voluntary? The International Cooperative Alliance defines this aspect of cooperatives as "...open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination." Additionally, another barrier to co-op involvement that must be considered is the limitation imposed by economic means.

P1: VOLUNTARY AND OPEN OWNERSHIP

IN THIS ISSUE

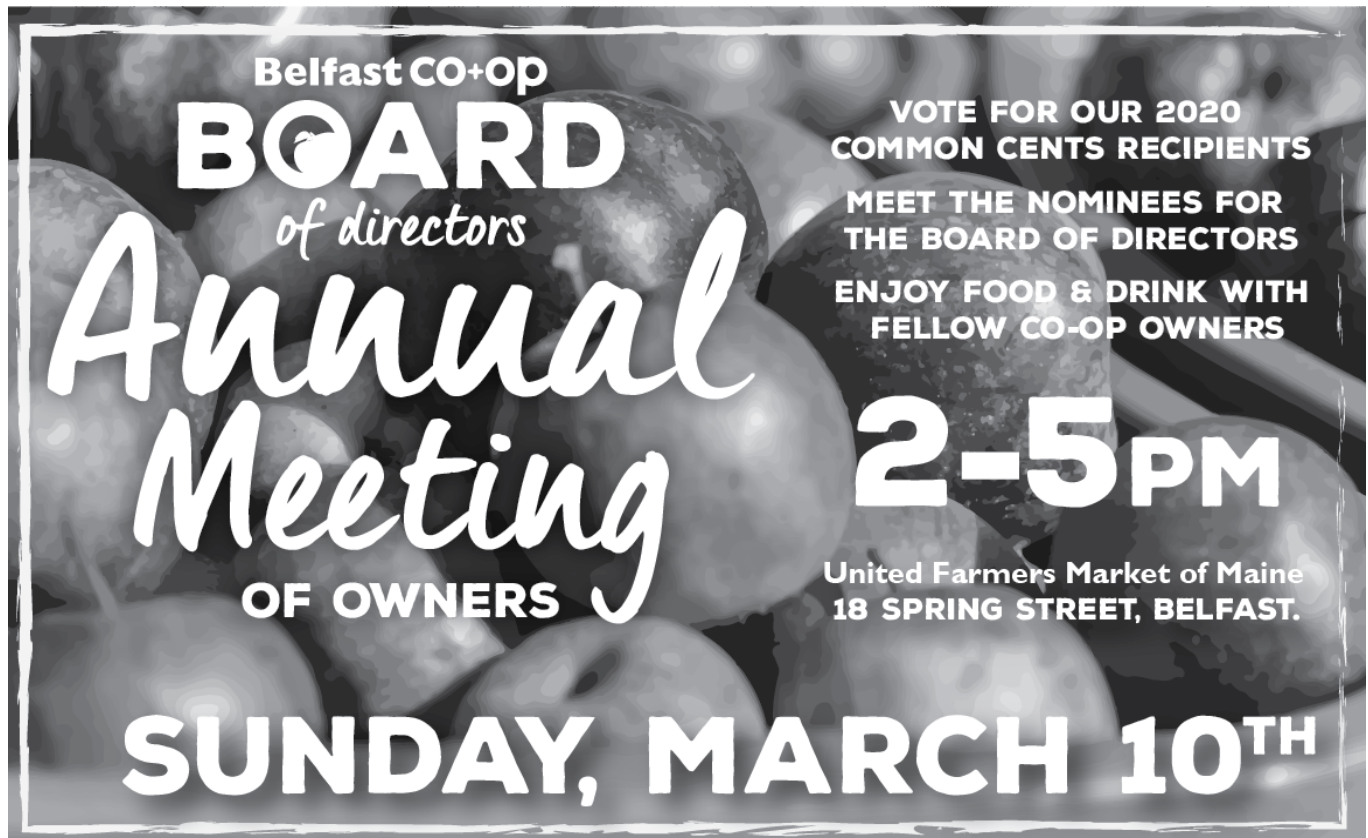
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When we began discussing a change in equity, one of my early fears was that a larger equity share would make the Co-op seem less accessible, even if the annual equity requirement was the same as the previous annual fees. The perception that a \$60 share plus \$15 annually in perpetuity is somehow more affordable than a \$200 share that can be broken out into \$15 annual payments seems illogical on the surface, but I was wary of the psychological impact of the change. Our co-op needs equity (capital) in order to stay financially solvent. Greater equity means greater solvency, and if we are to continue to grow at our current rate and to offer a livable wage and benefits to our workers, we need our owners to continue to support their co-op through investment. The greatest positive impact to our fiscal health a new owner can make is to become fully vested when signing up, but my assumption is that a \$200 outlay of cash is not a possibility for many members of our community. The Board and I want to ensure that the systems and practices that we have put in place to make ownership affordable to everyone remain intact under the new structure, including the Equity Assistance Fund, C.O.R.E, and the annual payment plan (to find out more about these programs please e-mail ownership@belfast.coop).

My hope is that owners will be able to see the long-range benefits of the new structure, both for the individual owners as well as for the entire Co-op association and realize that increased investment translates to a greater return for all. I am optimistic about how this new structure positions us for the future and I encourage you to reach out to me or the Board of Directors if you have any further questions.

Doug Johnson
General Manager





who we are:

OWNERS:

4353

STAFF:

80+

GENERAL MANAGER

Doug Johnson

BOARD OF DIRECTORS

Shannon Grimes, President
Andrew Watkins, Vice President
Ernie Cooper, Treasurer
David Gibson, Secretary
Alessandra Martinelli
Betsy Garrold
David Balicki
Violet Zerbe
Heather Selin

BOARD COMMITTEES

Finance:
boardfinance@belfast.coop
Owner Engagement:
boardowners@belfast.coop
Board Development:
boarddevelopment@belfast.coop
Expansion:
expansion@belfast.coop

**WE'RE LOOKING FOR MORE PEOPLE TO JOIN THE BOARD OF DIRECTORS AND/OR BOARD COMMITTEES.
TO FIND OUT MORE PLEASE EMAIL: BOARD@BELFAST.COOP**

why we're here:

**THE BELFAST CO-OP EXISTS SO THAT
OUR OWNERS AND OUR COMMUNITY WILL HAVE:**

A thriving, just, and sustainable local food economy
A source of healthy, nutritious, affordable food, and water
An efficiently managed, democratically governed inclusive cooperative retail store
A greater understanding of health, food systems, cooperatives and
economic and environmental sustainability
An invested, engaged, and empowered staff that thrive in a safe,
respectful, inclusive, and equitable workplace



est'd 1976

7 COOPERATIVE PRINCIPLES

1. VOLUNTARY AND OPEN OWNERSHIP
2. DEMOCRATIC OWNER CONTROL
3. OWNER ECONOMIC PARTICIPATION
4. AUTONOMY AND INDEPENDENCE
5. EDUCATION, TRAINING AND INFORMATION
6. COOPERATION AMONG COOPERATIVES
7. CONCERN FOR THE COMMUNITY

The Belfast Co-op adheres to the seven international cooperative principles which are guidelines by which cooperatives put their values into practice.

Principle 1: Voluntary and Open Ownership states that Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, political, racial, or religious discrimination.

Principle 1 is profound because of its expression of inclusiveness, no one can be turned away, no one can be discriminated against. As long as you accept the responsibilities of membership, you can join the co-op. Our co-op is the oldest democratically owned and operated grocery store in the state of Maine. Whether you're shopping and not currently an owner or are interested in serving on the Board of Directors- all are welcome. Our intent is to be an organization that meets the needs of our community.

Ultimately, the community, represented by the Board of Directors, helps determine how to meet those needs. There are many motivations to being a part of the Co-op: supporting our local economy, supporting local food systems, the sense of community, financial benefits, available product selection, participation in a different type of economic model, convenient location, or to have a great lunch.



P1 AT THE BELFAST CO-OP

“There are all these different ways people can participate in our co-ops, and we want to be making sure the doors are open, that people in our community, members in our co-ops know that the opportunities exist, and that they are welcome to find a place that would be meaningful to them to participate.”

Michael Healy, CDS Consulting Co-op



Attendees at our Annual Meeting of Owners 2018

Whatever your motivation, you are looking to meet a need and the Co-op can help you meet this need. Cooperative Development Services (CDS) consultant, Marilynn Scholl, has developed this model of co-op member involvement (see graphic to left):

1. **Customers:** people who shop at the co-op but are not members-owners
2. **Shopping members:** like the store and join primarily because of the economic benefits
3. **Social members:** like belonging to the co-op, though they may not experience the connection as “ownership.” They care about what the co-op stands for in the community. More likely to attend a social function than a meeting.
4. **Member-Owners:** people who understand that the co-op has a different ownership structure and that the member is a part owner. They are interested in the governance of the co-op and are willing to be more involved when this is convenient.
5. **Active Owners:** actively involved in the co-op. They are the leaders and decision makers who serve or have served on the board or committees. They pay close attention to what the co-op does and what decisions are made. They take ownership responsibilities seriously. They usually vote in elections and regularly attend co-op functions.

No level of involvement is better than another, we need participants at all levels! By meeting your needs as a cooperative Owner and your continued support - the Co-op is better able to serve our whole community.

change to equity

Dear Co-op Owners,

After lengthy consideration and conversations with the Co-op's owners, the Board of Directors recently approved changes that will, effective January 1, 2019, eliminate the current \$15 annual membership fee for all owners while increasing each owners' required equity share in the Co-op from \$60 to \$200. Availability of payment plans means that this change can be made with little or no increase in annual payments to the Co-op for any owner and, as explained below, will benefit both owners and the Co-op.

Why increase the owner equity requirement?

Co-op members are not just customers; they are also owners of the Co-op enterprise. Ownership requires substantial financial investment to ensure the Co-op can continue to thrive. While the Co-op invests in itself with money derived from sales, it also depends on a solid financial base of equity investments by owners. The Co-op's current \$60 equity investment requirement was set in the 1990s and is the lowest of any food co-op in Maine, whose equity requirements range from \$100 to \$300.

How will this work? Effective January 1, 2019, the Co-op will no longer charge owners a \$15 per year membership fee. At the same time, the equity contribution requirement for all owners will be changed from \$60 to \$200. Every current owner will be credited whatever amount they have already paid into equity, \$60 if fully vested. Going forward, every owner, new or existing, will be billed \$15 towards their \$200 equity share on the anniversary of their last equity payment. Once their total equity payments equal \$200 they will be considered fully vested and will not receive another equity payment notification from the Co-op. Of course, any owner is free to pay more than \$15 at any time to hasten the time that they will hit \$200 and have no additional equity requirement. Additionally, owners who are able and willing to pay their equity requirement in full now will help the Co-op strengthen its balance sheet and be better positioned for future expansion.

Because the \$15 per year equity payment requirement is the same amount as the eliminated annual membership fee, individual owners will not be required to pay more per year than they are paying now, and will be paying nothing after they complete the \$200 investment. Households where there are two equity shares will pay \$30 annually, an increase of \$5 over what they are currently paying in fees, however these payments are going into their equity account. This can ultimately be a big savings over current rules, under which owners can be required to pay a \$15 per year membership fee essentially forever. Reduced equity payment plans for CORE participants will remain in effect and the Co-op's Equity Assistance Program will remain available for persons with serious financial hardship.

Why is this good for owners? In addition to helping make the Co-op a financially stronger institution, owners will benefit directly in two ways. First, under current rules, if an owner fails to pay the annual membership fee, they are no longer a member in good standing and cannot take advantage of member benefits or vote in Co-op elections, despite the fact that they may have paid their full equity share and been members in good standing for many years. The Co-op Board and management have come to recognize this as unfair and fundamentally undemocratic. With the new changes, once the \$200 equity requirement is met, there will be no additional annual charges that could jeopardize the vested owner's rights under Co-op bylaws. Second, currently an owner's annual membership fee is simply recorded as additional revenue of the Co-op and is no longer associated with that owner. With the change, annual payments paid toward the owner's equity requirement remain associated with their membership and are potentially refundable if the owner leaves the Co-op.

Why is this good for the Co-op? The Co-op does not actually realize more money through the changes. A \$15 membership fee that was recorded as revenue on the books now becomes a \$15 equity payment recorded as equity. But the additional equity makes the Co-op a better risk to banks and others as we consider building expansion. And the Co-op community benefits from eliminating the inequity of vested owners losing rights over non-payment of an annual fee.

That said, there is a downside for the Co-op – we are losing an income source. Last fiscal year annual membership fees totaled \$39,000. That income is now going to be invested directly into a capital account, and its absence from current revenue will have a negative effect on the bottom line. We still believe this is the right thing to do, however, and hope that you will continue to support your Co-op financially through increased patronage.

We are confident that this change in our equity structure will help position the Co-op for a bright and sustainable future. The work of the Belfast Co-op leadership is not only to protect our current assets but also to ensure that the Co-op will continue to be there for our owners for many, many years to come. If you have any questions about the equity change please feel free to contact Belfast Co-op General Manager Doug Johnson at doug@belfast.coop or the Board of Directors at bodfull@belfast.coop. Thank you all for your continuing support of the Belfast Co-op.

*Ernie Cooper - Board Treasurer
Shannon Grimes - Board President
Doug Johnson - General Manager*

COASTAL MOUNTAINS LAND TRUST



JANUARY

COASTAL MOUNTAINS LAND TRUST

has been working since 1986 to benefit the natural and human communities of the western Penobscot Bay region in Maine. CMLT has permanently protected over 10,000 acres of land. They own 31 preserves, comprising more than 6,000 acres, that are open to the public for hiking, skiing or snowshoeing, nature observation, and scenic enjoyment. Many allow game hunting and fishing, as well. They also hold conservation easements to protect the conservation values of privately owned land--including forests, working farms, and waterfront--for the future. Volunteers are integral to the success of CMLT. Throughout the year, they organize groups of volunteers for stewardship and outreach work.

More info at www.coastalmountains.org

LINCOLNVILLE COMMUNITY LIBRARY

in Lincolnville, Maine is the heart of the community, connecting neighbors, providing resources and fostering lifelong learning.

The new Lincolnville Community Library opened on February 1, 2014, in a renovated one-room schoolhouse built originally in 1849. Today the library is thriving, with a growing collection of books, free wifi, and regular programs such as author talks, a book discussion group, and children's story time. The Library was built by a large team of skilled volunteers and professionals and continues to rely on donations from individuals, businesses and foundations and on the work of volunteers to keep its services and programs thriving.

More info at www.lincolnvillelibrary.org

FEBRUARY

ROUND UP AT THE REGISTER in support of worthy causes - each month at #yourbelfastcoop.

In November, co-op shoppers donated \$4,396.22 to the Belfast Soup Kitchen.

At time of printing (12/27), our community donated \$3,377.96 to Habitat for Humanity of Waldo County.

UPCOMING EDUCATIONAL OPPORTUNITIES

lecture & discussion

GENTLE DAILY DETOXING

SHABDSANGEET KHALSA

Wednesday, January 23 6-7:30pm
at the Unitarian Universalist Church,
37 Miller St. Belfast

Regain a healthy balance at the beginning of 2019: We'll focus on how and why the gentle, daily approach to detoxing is effective and the safest way to detox.

We'll touch on how to tap into internal motivation that can sustain us as we make small changes that support health and are detoxifying. We'll look at resources that can help us reduce and avoid allowing toxins into our bodies, and review some available resources. If you want to get into deep cleansing and detoxification we'll discuss some criteria that will help you understand what to pay attention to, what questions to ask of yourself and your practitioner.

ShabdSangeet Khalsa is a Functional Medicine Certified Health Coach who has recently moved to the area from Alaska.



in store one-on-one advice

ASK A NATUROPATHIC DOCTOR

DR CANDIDA SCHWARTZ

Saturday, January 5 12-2pm

and

Saturday, February 9 12-2pm

at the Belfast Co-op

Would you like to know more healthy ways to adapt to the challenges of winter? Whether it's ways to boost your immune system, improve your sleep, keep your mood positive, questions about diet or nutrition. Dr. Schwartz will be available to answer your questions- one-on-one in our store.

Dr. Candida Schwartz is a Camden, Maine native and is a board certified naturopathic doctor with a degree from the National University of Natural Medicine



lecture & discussion

FEBRUARY CLASS TBD

CHECK THE STORE AND FACEBOOK FOR UPDATES

Additional questions may be sent to jamie@belfast.coop or call the Co-op @ 338-2532

REFLECTIONS ON CO-OP LEADERSHIP

ALESSANDRA MARTINELLI
BOARD OF DIRECTORS

In 2014 I was elected to the Board of Directors of the Belfast Coop for the first time. Within my first term, I was elected Vice President and then stepped up to be President in 2016 when another board member had to step down and ultimately resign. I have held the seat of President until a couple of months ago when I decided to step back and let another leader come up in the ranks. Shannon Grimes, who joined the board in 2016, served as secretary until recently taking the role of President. She is a rising star in the food world and hopefully in the co-op world! She has helped us already in her short tenure as President: gently and warmly reminding us of our duties and holding us to the commitment we bring to the table.

The responsibility and value of the presidency was not immediately apparent to me in the early years. I believed the role of president was to oversee the meetings, support the General Manager in any way possible, speak at the annual meeting of owners, and perhaps address any internal struggle the board was having. I now realize being in a position of leadership allows the leader and the group to grow in very deliberate ways. In what manner you lead, you are to be followed. Holding people accountable only works if you are also accountable. Asking people to step up and give as much as they can only works if you are also showing up to give. There are elements to leadership that can only be developed while on the job, and there have been plenty of learning opportunities along the way for me!

In what manner you lead, you are to be followed. Holding people accountable only works if you are also accountable. Asking people to step up and give as much as they can only works if you are also showing up to give.



Shannon Grimes and Alessandra Martinelli

Upon deciding to step down, my immediate reaction was regret and then relief. I felt I was not doing the best job I could be doing as President, but I wanted to be able to hold myself to the commitment I made. Then I realized by acknowledging the need for new leadership, I would be modeling the leadership I would hope to see in others. Transitions are times of growth, transformation, and patience. While the

growing pains of having a board of directors who are moving and evolving in their roles can feel unsettling, the outcome is a benefit to the entire board and the coop as a whole. A new set of eyes on old processes helps to streamline them. By allowing the time and space for questions to be asked, we gain a greater insight into the who, what, where, when, and why of the board.

Thank you Belfast Co-op owners for your continued support of your Board of Directors and for the support that you gave to me during my tenure as President. It was an honor and a pleasure to serve you. I look forward to continuing to participate in this governing body and I am excited to see how the Board will evolve under the new President's leadership.

-Alessandra

**DO YOU LOVE THE CO-OP?
WE ARE LOOKING FOR
MORE BOARD MEMBERS
TO JOIN OUR TEAM
AND HELP SUPPORT
THE CO-OP'S FUTURE**
CONTACT: BOARD@BELFAST.COOP



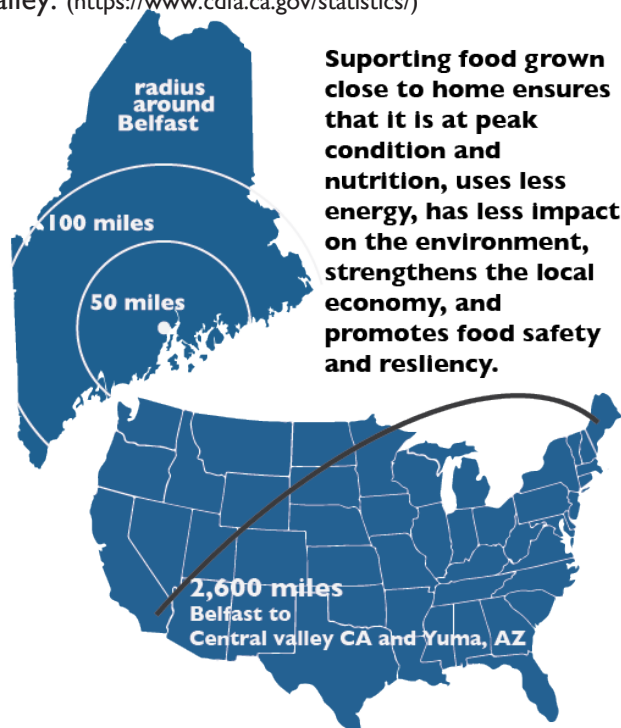
**OUR BOARD OF DIRECTORS
WILL BE HOSTING A
DISCUSSION ABOUT OUR
CO-OP'S EXPANSION
WEDNESDAY JANUARY 23
6-8 PM BELFAST FREE
LIBRARY**

THE MANY BENEFITS OF SUPPORTING LOCAL FOOD

We love all the amazing locally grown and produced food in Maine and are thankful for the farmers and all their hard work and dedication. There are many reasons we love our local food!

Buying locally produced food is good for our environment. Fewer fossil fuels are required to transport our local food from farm to table- which reduces the carbon footprint of that food. Did you know a typical food item travels an average of 1,500 miles before it reaches your table (helpguide.org) and that this journey uses 11% of the total energy required for US food production? (Pirog et al., 2001) Compare that with the 5.5 mile journey of Bahner Farm salad greens.

Smaller, diversified farms are also gentler on the land: practices like composting, crop-rotation, permaculture, and no-till planting increase resistance to pests and build healthy, nutrient-dense soil for growing healthy, nutrient-dense food. Plus we know our farmers and farm workers and are even their neighbors. In contrast, pesticide use on industrial farms in California's Central Valley is creating air and health problems for California residents and agricultural water use is drying up the San Joaquin River. Our nation continues to demand over one third of it's vegetables and over two thirds of its fruit and nuts from large commercial farms in the Central Valley. (<https://www.cdфа.ca.gov/statistics/>)



Long periods of drought are becoming more and more common in California and out west. The large scale production required to feed so much of our country demands huge amounts of the limited water supply. Remember the recent romaine scare that left our produce department half empty and without salad greens for over a week? These e. coli and other disease outbreaks, the result of using contaminated water to irrigate vegetables, are becoming more frequent in conventional industrial farming.

Similarly, wildfires and blizzards can interrupt food production and shipment unexpectedly and have wide ranging consequences. These factors and more highlight why local food is so important. We need to decrease our dependence on food from away and increase our demands for what is local and sustainable. As a bonus, buying local means we aren't prey to the supply and demand price shifts of the national economy when events like a romaine scare occur. (Did you know other types of lettuce suffered 119% to 168% price increases, according to CNBC?)

"In addition to providing fresh local produce [local farms] serve as air filters, help recycle wastes, absorb rainfall, present pleasing green spaces, alleviate loss of land development, provide food security, reduce fossil fuel consumption, provide jobs, educate kids, and revitalize communities" (Kingsolver, et al., 2007). In other words, local food is great for us and our environment! By supporting local farmers, specifically those using sustainable and environmentally regenerative practices, we are protecting local farmland and insuring the health of our local environment (Klavinski, 2013). You can help in this movement by supporting more local products when you shop at your Belfast Co-op, buy from your farmer's markets, trade with a neighbor, or grow your own!

-Rachel Olsen is a member of the Co-op's produce team

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BOARD MEETINGS

January 24
February 28
6pm Social Time, 6:30pm Meeting
Unitarian Universalist
Church of Belfast
37 Miller St.

SAVE THE DATE

Sunday, March 10th
ANNUAL MEETING
2pm United Farmers Market
Belfast

STAFF PICK



CARISA
MARKETING MANAGER

Really, you love a deodorant? It's true, I do! I'm picking **Booda Butter deodorant** - naked coconut cream. I recently tried this product to see if we should bring it in and I love it. It comes in a reusable glass jar- no plastic, no product waste! It is made with 5 simple ingredients, has no strong smell, and more importantly, it works!

CO+OP CALENDAR

12/31.....New Year by the Bay
1/01.....New Years Day (store closed)
1/01.....Art in the Cafe: Rolf Olsen
1/02.....NEW SALES CYCLE BEGINS
1/05.....Ask a Naturopath- in store
1/16.....NEW SALES CYCLE BEGINS
1/23.....Co-op class:
Gentle Daily Detoxing
1/23...Owner Forum: Ready Set Grow
1/24.....Co-op Board Meeting, 6pm
at the Unitarian Universalist Church
1/25.....LOVE LOCAL DAY:
The Maine Crisp Company 11:30am
1/30.....NEW SALES CYCLE BEGINS
2/01.....Art in the Cafe:
Meg Harrington and Pat Kaplan
2/01.....Belfast Winter Whoopla
2/09.....Ask a Naturopath- in store
2/13.....NEW SALES CYCLE BEGINS
2/14.....Valentine's Day
2/22.....LOVE LOCAL DAY:
Herbal Revolution 11:30am
2/27.....NEW SALES CYCLE BEGINS
2/27.....Co-op class: TBD
2/28.....Co-op Board Meeting, 6pm
at the Unitarian Universalist Church
3/1-7.....Owner Appreciation Week



Everyone
saves 10% on
all local items
all day!
#lovelocalfood