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October & November, 2020

SEPTEMBER ANNUAL & GENERAL MEETING

Pre-Pandemic Audited Financial Statement Approved and Need for Greater Diversity on Coop Board Discussed at Annual and General Meetings

By Leila Darabi

A Zoom webinar held on September 29, 2020, served as both the Annual and monthly General Meeting of the Park Slope Food Coop. Both meetings featured elections—of a board member and of the Coop officers, respectively—and the use of new online voting tools. This was the first-ever virtual Annual Meeting and fifth virtual General Meeting. At its peak, around 250 members logged on, including presenters.

The meetings took place on the evening of the first U.S. Presidential debates, making it a painfully long night for anyone who tuned into both events.

Outdated Financials

The Annual Meeting, held first, featured a lengthy and dry presentation from Cornick, Garber & Sandler, LLP, the firm engaged by the Coop to audit its financial statements. A representative of the firm walked through a 21-page report made available to those attending the meeting. The report covered the fiscal years ending February 2, 2020 and stated that at the end of that period, the Coop had around \$3.9 million in cash and around \$4.9 in total assets.

As it predated the COVID-19 pandemic and its financial effects on the Coop, the auditor's report generated little discussion and members present quickly voted to approve the report (159 yes votes, 0 no votes). For more current reports on Coop finances, refer to the *Gazette's* August conversation with Treasurer Joe Holtz and reporting on the August General Meeting.

Diversity and Representation

Members also voted in Bill Penner for a new three-year term as a member of the board of directors. Penner, who has served on the board for 13 years, ran unopposed for the only open seat. During the discussion period, two members raised the question of diversity on the board and asked if the Coop could do more to raise awareness around opportunities to serve.

A member identified on Zoom as M. Rothzeit said "Thirteen years is a long run...not a diss on you, but I don't think the awareness is there or we would have had more candidates." Penner won with 1315 votes yes, 20 no, and 38 abstentions (including both online votes and those submitted by mail

and in person at the Coop).

Diversity again came up during the General Meeting when members voted to retain the services of Cornick, Garber & Sandler, LLP for another year. Leigh Howard asked the General Coordinators if they had "considered hiring people of color and supporting Black-owned businesses in this way?"

Treasurer Joe Holtz shared a bit of background and history, explaining that 13 years ago five Coop members who were financial professionals and three Coop staff members reviewed potential firms and ultimately selected this firm.

"Thirteen years with the same firm, isn't it normal practice to look for other auditors?" one member asked. Holtz responded that small businesses often use the same firm over time and noted that the original search had consumed significant time and resources, but that the Coop could certainly take on a new search. He suggested that if the Coop did seek a new firm, this time more board members be involved.

Ultimately, members voted to have Cornick, Garber & Sandler, LLP conduct the Fiscal Year 2021 audit for the Coop (117 yes votes, 23 no).

Officer Elections

The General Meeting also featured officer elections for the positions of President, Vice President, Secretary and Treasurer.

With a vote of 135 to 4, members voted to have Imani Q'ryn serve another term as Coop President. In accepting the nomination, Q'ryn, who is the first Black person to serve in this role, shared that she had considered not putting her hat in the ring for another term during these emotionally taxing and turbulent times for the nation, especially for people of color.

"It's been a tough year for the Coop and for the board of directors," she said. "I know that Black lives have always mattered to the Coop and I'm honored to represent the Coop as long as they want me to."

Members also elected Rachel Asher as Vice President (123 yes, 4 no), elected Elizabeth Tobier to Secretary (116 yes, 3 no) after temporarily filling the role when the previous secretary stepped down.

Joe Holtz succeeded as treasurer (97 yes, 20 no), a role that is incorporated into a staff position.

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OCTOBER GM

October Virtual General Meeting: Updates the Coop's Financial Health and A Controversial Proposal from General Coordinator Joe Holtz

By Jess Powers

On Tuesday evening, October 27, the Coop held its General Meeting over Zoom. The agenda covered the current financial state of the Coop during the pandemic, committee elections, and proposals regarding member well-being and Coop survival issues. Just under 200 people attended the virtual meeting, which was chaired by Josef Szende.

\$2.3 Million in Losses This Year Compared to a \$242,000 Gain Last Year

Joe Holtz began with the treasurer report. He compared this year with last year—looking at a 36-week period from 2020, comparing it to a 36-week period in 2019. He also compared a 36-week period this year to a separate 32-week period also in 2020. His goal was to how our finances have changed in the most recent four weeks.

The Coop's \$5.3 million in gross margin compares to \$6.9 million last year and \$7.7 million in expenses compared to \$6.8 million in expenses last year. This profit and loss statement (although, he pointed out, cooperatives don't call it that) translates to \$2.3 million in losses compared to a \$242,000 gain last year.

Voluntary increases in member investments contributed an additional \$752,000 in revenue and a \$1.5 million Paycheck Protection Program or 'PPP' loan from the federal government was obtained. Sales and gross margin are starting to go up despite operating losses during the pandemic.

Holtz: Existing Members Need to "Use the Coop More."

In response to a member question, Holtz pointed out that accepting new members at this time is "tricky" since member workslots are not required. It's a strange "cultural introduction to the Coop," he maintained. He believes that existing members need to "use the Coop more."

Ann Herpel continued the General Coordinator Reports by discussing member labor. The workshift requirement is still suspended, but there are new opportunities for those who are interested in accumulating or banking future time off program (FTOP) shifts. There are early (5:30 a.m.) receiving shifts that are in need of support as well as walking shifts available from 9 a.m. through the 7 p.m. shifts, due to member demand. Some Sunday night inventory and deep cleaning shifts are now available.

In order to sign up for FTOP shifts, you must have a member services account, which is accessible at the top right of the Coop website. There are two agreements to sign and a daily COVID health check-in to complete before coming to work.

Herpel also expressed concern that members are clinging to their impressions of the Coop at the start of the pandemic, as having long lines, and avoiding shopping as a result. She urged people to share their experiences with friends and contacts who are also members to encourage them to shop there. She said that the best way to check entry status (which hasn't "had long lines for quite a while") is to refer to website announcements, Twitter, or Instagram. Members who don't have those social media accounts can still view the content in the feeds on the main Coop website.

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October GM

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General Coordinator Joe Szladek said the increase in the grocery markup went into effect on October 13, an important part of the financial strategy of the Coop. Sales increased by \$22,000 in a week and more data will be available soon. He also thanked the temporary staff team that is helping to change over 5,000 product labels.

With the Coop closed this year on Thanksgiving Day, shoppers were encouraged to begin purchasing what they need for the holiday early. General Coordinator Elinoar Astrinsky marveled at the abundance and variety of the fall produce. Chinese broccoli is in stock, there are 22 different varieties of mushrooms, 23 types of apples, including new heirloom varieties, pears, and winter squashes.

She also acknowledged that the 9/11 statue in front of the firehouse was removed due to damage caused by vermin. It was taken away during

an emotional evening ceremony on October 5.

The annual Agenda Committee and Dispute Resolution Committee elections were held using the Simply-Voting system. Cynthia Payne and Michael Katzenellenbogen were both re-elected by an overwhelming majority to the agenda committee. Similarly, Helen Koh, Daniel Weiss, Karen Kramer, and Michael Szeto were also re-elected by a clear majority to the Dispute Resolution Committee.

Long-term member Marion Yuen sought support for “an audit of member well-being to be undertaken with the immediate formation of a voluntary team.” She said that an audit will demonstrate who has moved out of the city, who is grieving, and who is struggling to cover rent, food, and other necessities. People who are interested in connecting on this subject are encouraged to contact her at myuen@pipeline.com with the subject line: PSFC Audit. No immediate action was taken on the issue because it was only a discussion item.

Coop Survival

Next up, there was by a discussion item from Joe Holtz on “General Meeting Involvement in Coop Survival Issues.” According to the agenda item, the original proposal had four parts and the meeting was extended to accommodate responses to the proposal. The first part of that original plan asks that in response to a public health emergency where decisions regarding member labor or shopping hours need to be made quickly, that the General Coordinators will ask for an emergency General Meeting to be held virtually within three to seven days. The second part seeks to re-instate member labor no later than March 22, 2021. The third part seeks support for being a “good employer that pays fair wages with excellent employee benefits” while facing a 23% payroll expense during the pandemic. And finally, the fourth part resolves that on or before April 1, 2021, the Coop will “[re-establish] pre-COVID

pandemic shopping hours of 100 weekly hours but also [add] 9 more weekly hours.” The presented agenda item was slightly different.

Ken Garson, a former Coop board member, expressed support, recognizing that the General Coordinators had to make decisions during the pandemic but that this proposal is an attempt to “go back and make sure the GM gets a say in making or ratifying [changes].” Overall, he thought, “the gist seems positive.”

General Coordinator Ann Herpel and several of the coordinators strongly disagreed with Joe Holtz’s agenda item. She explained that typically, a proposal such as this is arrived at collaboratively and with consensus. This version of the proposal wasn’t discussed by the General Coordinators and Joe Holtz was urged by his General Coordinator colleagues not to submit it at this time, she continued. He submitted it as an individual, not in his capacity as a General Coor-

dinator, Herpel pointed out. There was a good amount of debate over the issue, pro and con.

Coop staffer Gillian Chi expressed genuine concern about unilaterally turning over this power to the membership rather than her direct employers. She said that she relies on the General Coordinators as employers to “keep me safe and protect my rights.” She continued by saying that with roughly 150 people in attendance, she feared a “handful of well-meaning but possibly uninformed people voting on my exposure to this pandemic and [that of] my colleagues.” She concluded by asking: “Why are you proposing this? We don’t feel that we got a good answer, a fair answer.”

No vote was held on the discussion item. The minutes of the previous meeting were accepted and the board of directors accepted the advice of members about the elections and the meeting ended. ■

STATEMENT ON THE COOPERATIVE IDENTITY

DEFINITION

A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.

VALUES

Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

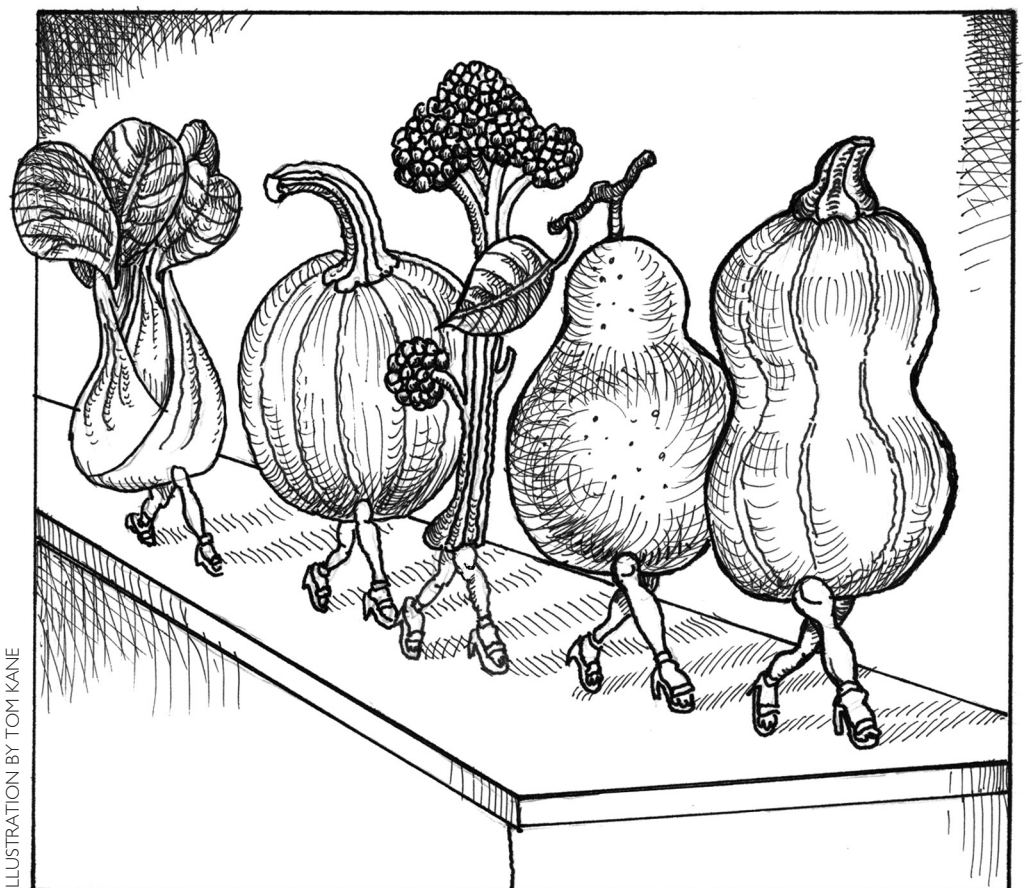
PRINCIPLES

The cooperative principles are guidelines by which cooperatives put their values into practice. The International Cooperative Alliance adopted the revised Statement on the Cooperative Identity in 1995.

They are as follows:

1. Voluntary and Open Membership
2. Democratic Member Control
3. Member Economic Participation
4. Autonomy and Independence
5. Education, Training and Information
6. Cooperation Among Cooperatives
7. Concern for Community

REFERENCE: ICA.COOP



September GM

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A Note on Online Voting

Throughout the night, the meeting committee did a valiant job of moving through the agenda, keeping time, instructing members on how to participate in question and discussion periods and on how to vote live in the board and officer elections.

Voting took place over the site SimplyVoting.com, a link and password to which was sent to members who registered for the meeting. For the *Gazette* reporter covering the meeting, this email got caught by a spam filter and did not arrive until the next day after voting had closed. This is likely because the subject line for the email read "Audited Financial Statement" and came from the generic email address "vote@simplyvoting.com." No members raised concerns during the meeting, an indication that this problem was not widespread.

For future votes, members who wish to protect against this problem can add the email address to their known email contacts and the Coop can avoid using financial phrases in email subject lines to avoid spam filters. ■

PSFC NOVEMBER–DECEMBER 2020 GENERAL MEETING

Tuesday, December 1, 7:00 p.m.

- Meeting presented on Zoom. You must register for the General Meeting to receive the Zoom invite: <https://www.foodcoop.com/gmsignup> and to be able to vote at the General Meeting.
- You must be a Park Slope Food Coop member to attend.

I. Meeting Warm-up and Chair Committee Introduction (7:00–7:15)

II. Open Forum (7:15–7:25)

Members will have up to one minute to briefly present general and specific questions regarding the operation of the Coop. Appropriate staff or committee members may respond and a brief follow-up may be taken.

III. Treasurer Report (7:25–7:35)

IV. General Coordinator Reports (7:35–7:45)

V. AGENDA (7:45–9:15)

Item 1: Renewal of Fair Food Program (30 minutes)

Proposal: The Labor Committee requests the GM's approval to:

- Consider and approve this proposal in one meeting, based on the July 2019 GM decision to require only a review in 2020 to renew the Coop's collaboration
 - Renew the Coop's collaboration with the Fair Food Program
 - Authorize the GCs to continue the program based on favorable annual reviews and regular reports to the GM, but not requiring another formal annual GM vote
- submitted by Eric Frumin, PSFC Labor Committee*

Item 2: Audit of Member-Owner Status and Well-being (40 minutes)

Proposal: An audit of member-owner status & well-being should be started immediately by a member-volunteer-labor team with pertinent skills and staff support.

—submitted by Marion Yuen

Explanation:

PSFC is a member-owned and operated food store. Through labor, financial investment and shopping, member-owners have built PSFC into an established business and a community institution. During the pandemic, many member-owners have not been able to access good food at low prices at PSFC and member-owner participation has otherwise become minimal.

This proposal intends twin results: a) provide a human connection inquiring about fellow members' status & well-being, and b) gather information in order to better service our member-owners.

Utilizing the system of work squads, squad leaders/volunteers will telephone all members in the same squad. Retired, non-working members and those unattached to a squad will be contacted by volunteers. Like the census, we will do our best to reach everyone.

Using a guided script with a small number of questions to facilitate short open conversation, the callers will collect information on members' general status, whether they have shopped or been unable to shop, and what would facilitate their greater access to good food at low prices as well as the supportive community at PSFC.

First and foremost, this audit is a cooperative activity engaging member-owners at a time of uncertainty and change. The compiled results will provide information for strengthening our community and support business planning as a store.

- Member labor: Up to 12 FTOP credits per member-owner; voluntary labor welcome.
- The first step is to constitute a project team of squad leaders and interested members.
- Critically, the team should include a mix of members with lived PSFC experience, passion and certain specific expertise needed for the project.
 - This team will establish the project design, develop a telephone conversation script, liaise with the staff, coordinate project execution, and guide navigation through inevitable unknowns.
 - Staff time: Estimated 10 hours over the life of the project.
 - Timeline: The project will begin immediately following approval and will last for 6 months.
 - Report: An update & preliminary report will be provided to the GM in 3 months, with a final report in 6 months.

Item 3: Having Term Limits for the Dispute Resolution Committee (20 minutes)

Discussion: Enact term limits for the Dispute Resolution Committee.

—submitted by Bisi Ideraabdullah

VI. Board of Directors Meeting (9:15)