

Alfalfa House

COMMUNITY FOOD COOPERATIVE LIMITED NEWSLETTER

Annual General Meeting

6.30PM FOR 7PM

Tuesday November 22, 2005

Addison Road Community Centre

HUT 21, 142 Addison Road, Marrickville

(look for the chalk signs on the road inside the centre)

Bus Route 428 via King Street Newtown, Enmore Road, Addison Road

Agenda

1. Attendance recording and apologies
2. Appointment of facilitator, minute taker
3. Office Coordinators' reports
4. Directors' report
5. Finance report
6. Other reports
7. Proposals to change the Rules of the Cooperative SEE PAGES 5-6
8. Election of Returning Officer
9. Call for nominations for the seven-member Management Committee
10. Confirmation of the Auditor
11. General business

All members welcome to attend, speak and vote.

The year to October 2005

■ The shop

■ Over the past year, more support staff have been employed to help manage the growth in sales, particularly on the weekend.

■ In June, we extended trading hours to 7pm on Fridays.

■ We began revamping the till area in June with consultations with staff, a CAD designer, and our cabinetmaker. The new purpose-built design will incorporate much-improved ergonomics and a second Point-of-Sale register. There will also be the option of printing receipts.

■ New signage on western window went up in July.

■ Infrastructure

■ The storeroom airconditioner broke down in October 2004 and with the state of our finances at the time we decided to live without it and managed to survive the heat of the summer by storing more sensitive stock in the shop and ordering even more frequently. Eventually, we bought a second storeroom fridge in July but don't plan to replace the airconditioner anytime soon.

■ The finance computer's hard drive was replaced in March, and we received a donated Mac. In September, we replaced all the PCs with Macs. The till is now faster to operate as a result.

■ The co-op's OH+S risk assessment plan was updated in May. Some items in the co-op were moved to comply. Work practices, especially the lifting of heavy stock, were also

improved. More improvements to the storeroom were undertaken in October along with how we order: we're still buying in bulk, but favouring smaller quantities for slower moving goods, eg, 10kg bags rather than 25kg bags.



■ The backyard

We changed the way we manage waste to significantly reduce the build-up of cardboard, polyboxes, waxed board etc. in the backyard. Some cardboard is being used in the shop as carry boxes, the remainder delivered to Rockdale Transfer Station as needed by a member at no cost, apart from petrol money. Most polyboxes are now returned to suppliers, with the broken/damaged ones going to Lidcombe for recycling.

■ Services

■ In March, the co-op joined the Sydney Credit Union. We're saving thousands in fees and charges annually, the service is better – they were great in the changeover. And, after all, a credit union, which is member-owned, is closer to what a co-op is all about.

■ We also returned to Telstra for our phone service since it offered a substantial line rental discount for not-for-profits.

■ Membership

The new members' info sheet and application form went onto our website as a downloadable PDF in May. We continue to join around 50 new members a month.

When's a good time to volunteer?

The obvious answer is anytime. The co-op can always do with more bods around the place. There's always plenty to do. But the most important times are Monday, Wednesday, Friday mornings to help with shop setup and to get the fruit+veg into the shop. Anytime from 10am is good. Thursday and Friday are the co-op's biggest general grocery delivery days. Anytime on those days, especially Thursday, would also be good. Call Stevie, Gavin or Elise to book in. Remember, volunteers receive the 25% Extra Discount when shopping.

From the perspective of the co-op's Stock Coordinator (Groceries), spring brings not only a change of season, but I notice shoppers moving away from buying ingredients to make that hearty stew or soup and looking out for more and more of those juicy summer fruits, juices, salads and garden seeds. Shoppers have already started seeking refuge from the warm days in the coolness of the co-op.

Over the past few months, you may have noticed the co-op sometimes looking as crowded as Paddys markets, with the occasional 'challenge' of those queues of passionate shoppers! Well, sales have grown enormously over the past year (see the sales figures on page 4). At the same time, behind the scenes you may have seen the towering boxes of delicious organic food in our storeroom as well as crazy staff changes and substitutions as our committed staff struggle to maintain the boom with a calm demeanour. All of this reflects the popularity of organic food and the community-based system we represent.

Elise (fruit & veg) and I and the others who've been acting as stock coordinators in August and September have generally maintained stock levels across the huge range of regular popular wholefoods through this challenging period. The fruit & veg is looking better than ever, delicious fresh breads and freshly-milled grains and cereals all stocked and ready and – when you add the member discount – generally cheaper than at other organic shops. New products are continually added as long as they meet the co-op's ethics - i.e., if they are wholefoods, organic, minimally processed and packaged and ethically and reasonably locally produced. Your suggestions and feedback are always welcome – we rely on your views. It's best



to write down the product, its producer or distributor and contact details from the packet of the product you'd like the co-op to stock and put your note in our 'suggestions box' near the nut butter making machines.

Remember too that we are a community-run (not private, for profit) store, so it's not always possible for us to compete with the 'megastore' organic shops. Sometimes these stores can buy by the pallet-load and then put a small markup on the product. Most stores loss-lead with some line or lines (for instance, bread or longlife milks such as Bonsoy). Alfalfa House tends not to do this, but aims to keep its markups generally near or below industry standards and then discount off those prices – 10 or 25%, depending on your discount.

Alfalfa House (and its cousin co-ops) walk that fine line between a desire for strong sales (and hence viability) and an ability to supply high quality produce whilst maintaining its roots as a small-scale community-based cooperative. There are benefits in the 'small is beautiful' approach – look out for them and you will be well rewarded!

By the way, there's another Annual General Meeting very soon and timely to urge all co-op members to think of ways they can contribute to the operation of the co-op. Perhaps voicing their opinions at the AGM is one of them . . .

■ At the time of going to print, the Annual Report 2004-5 wasn't ready but will be tabled by the Treasurer at the AGM. He will report on the Profit+Loss Statement and the Balance Sheet. In the meantime, here are some pieces of financial information you may find useful.

■ **Monthly net profits (+)/losses (-)**

July 04	-\$850
August 04	-\$4342
September 04	+\$362
October 04	+\$1068
November 04	-\$4911
December 04	-\$2202
January 05	-\$3163
February 05	-\$1518
March 05	+\$1472
April 05	+\$4018
May 05	+\$6182
June 05	+\$5501

\$15,000+ loss at the end of February 2005 – we managed to turn the tide and thanks to some tight budgeting, some excellent sales results and a lot of hard work and generosity, we've ended up with a small annual surplus of \$1617. It is doubly pleasing because the co-op had been relying on Work-for-the-Dole subsidies for the past five years, but that ended in Sep. 04, when federal government rules changed.

■ **Sales figures**

July 04	up 55.1% on Jul 03
August 04	up 41.7% on Aug 03
September 04	up 54.3% on Sep 03
October 04	up 43.4% on Oct 03
November 04	up 41.9% on Nov 03
December 04	up 54.4% on Dec 03
January 05	up 56.4% on Jan 04
February 05	up 42.2% on Feb 04
March 05	up 38.4% on Mar 04
April 05	up 49.9% on Apr 04
May 05	up 54.8% on May 04
June 05	up 55.9% on Jun 04.

After a pretty bad start to the 2004-5 financial year – running a cumulative loss of

Second National Food Co-ops Conference, North Stradbroke Island, Queensland July 8-11, 2005

What a difference two years makes

Gavin Farley and I represented Alfalfa House at the conference and reported on the phenomenal growth the co-op has enjoyed in the past two years and how the co-op went from the edge of bankruptcy (Feb 2003) to viability without outside subsidy (by the end of June 2005). At the time of the previous conference (June 2003), AH had just begun to undertake a long process of fundamental reform but were still far from viable. This conference AH was able to report on those reforms and share the consequent success. It was also a chance for us to help other co-ops, some of whom are struggling, just as we had been helped by the Blue Mountains Co-op in particular in 2003.

Apart from a whole day for each co-op to report on its history, structure and current challenges, there were sessions on helping struggling co-ops; new products; ways to further reduce packaging; visual identity/branding; membership continuity; store layouts; cafés; fundraising; ideas that have worked, plus info sharing on volunteers,

Point-of-Sale systems, software, utility services, ordering systems, markups; a national network (e-list); reciprocal discounts; and how to set up a co-op.

The conference also combined, as you would expect, some superb organic catering (from Alfalfa's Niku); plenty of informal chatting, much of which followed on from the day sessions; as well as time off to enjoy swims in the deliciously warm winter water of the island. Living and meeting in the same venue, meals being ready when sessions ended, enough time-off to enjoy the environment and each others' company and well-thought out session topics was certainly a winning combination.

The conference decided to meet annually and seek greater representation. Six co-ops attended – Blue Mountains, Green Tucker Forestville, Melbourne Uni, Friends of the Earth Melbourne Food Co-op, Community Foods Cairns and us – as well as number of individuals wanting to set up co-ops.

STEVIE BEE

Proposals to extend the tenure of directors and to elect a member of staff to the board

These proposals are to be presented and voted on at the AGM.

Rule change No. 1

Electing a staff member to the co-op's Management Committee (the board). This proposal seeks to include staff representation on the board. It affects Rules 66 and 67. There are two options.

EXISTING BOARD OF DIRECTORS

66. a. There shall be a board of seven directors each of whom shall be a natural person and at least 18 years old.

b. The business of the co-operative is to be managed by the board of directors, and for that purpose the board may exercise all the powers of the co-operative that are not, by the Act or these rules, required to be exercised by the co-operative in general meeting.

c. The acts of a director are valid despite any defect that may afterwards be discovered in the appointment or qualification of the director.

PROPOSED BOARD OF DIRECTORS

66. a. There shall be a board of seven directors, one of whom shall be an employee. Each director shall be a natural person and at least 18 years old.

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c. The acts of a director are valid despite any defect that may afterwards be discovered in the appointment or qualification of the director.

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67. a. A person is not eligible to be elected as director of the co-operative unless the person is an active member of the co-operative (active member director);

b. An employee of the co-operative may be elected as a director of the co-operative. The employee may be nominated by the directors of the co-operative for election by the members of the co-operative as a director of the co-operative and, if so nominated, to be so elected. The number of employee directors may not exceed one (1).

PROPOSED (OPTION 2)

QUALIFICATIONS OF DIRECTORS

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b. An employee of the co-operative may be elected as a director of the co-operative. The employee may be nominated by the employees of the co-operative and the board of directors may, if they see fit, nominate the employee for election by the members of the co-operative as a director of the co-operative and, if so nominated, to be so elected. The number of employee directors may not exceed one (1).

Rule change No. 2

Extending the tenure of board members. There are two options: one extends the tenure from two to three years; the other removes the limit on tenure altogether.

EXISTING RETIREMENT AND ELECTION OF DIRECTORS

69. (a) A retiring director shall not be eligible for re-election if that person has held the position of director for two consecutive years at the time of the general meeting, unless there remain vacancies on the board after nominations have been called.

(b) A retiring director shall be eligible for re-election, subject to the person holding the qualifications specified in Rule 67.

(c) (i) At an annual general meeting at which a director retires or a casual vacancy occurs the vacated office may be filled by electing a person to it.

(ii) Nominations for candidates to fill the vacant positions shall be sought in such manner as the board determines.

(iii) The election of directors shall be conducted in the following manner:
By a show of hands at the Annual General Meeting.

PROPOSED (OPTION 1) RETIREMENT AND ELECTION OF DIRECTORS

69. (a) A retiring director shall be eligible for re-election, subject to the person holding the qualification specified in Rule 67, except if the retiring director has held the position for three consecutive years at the time of the general meeting, unless there remain vacancies on the board after nominations have been called.

(b) (i) At an annual general meeting at which a director retires or a casual vacancy occurs the vacated office may be filled by electing a person to it.

(ii) Nominations for candidates to fill the vacant positions shall be sought in such manner as the board determines.

(iii) The election of directors shall be conducted in the following manner:
(A) Where the number of candidates exceeds the number of vacancies, the election of directors shall be conducted at the meeting by a show of hands of those members present.
(B) Where the number of candidates equals or is less than the number of vacancies, those persons are declared elected.

(C) If there are insufficient nominations to fill all vacancies, further nominations will be called from the floor.

(D) If, at the end of the meeting, any vacancies remain, such vacancies shall be casual vacancies and shall be filled in accordance with Rule 81.

(E) If there is an equality of votes, the outcome shall be determined by lot, in which case the candidate whose name is first drawn shall be considered to have been elected.

PROPOSED (OPTION 2) RETIREMENT AND ELECTION OF DIRECTORS

delete 69. (a) in existing

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The board gets an overhaul with new sub-committee structure

Between Annual General Meetings (AGM), which are held in spring, decisions are made by the co-op's seven-member board of directors, known as the Management Committee (MC). The committee functions as trustee for the membership, safeguarding the co-op's assets. Apart from ensuring the financial well-being of the co-op and meeting the co-op's legal requirements, the MC determines the overall policy and direction of the co-op. Through contributing their skills, experience and knowledge to the MC and the co-op, directors undertake strategic planning and policy formation.

The MC currently comprises Atalanta Lloyd-Haynes (chair), Bruce Diekman (secretary) Dave Mansfield (treasurer), Louise Larcombe, Nick Penty, Motra Hayward and Jacqueline Jensen.

With Alfalfa's rapid growth, including almost 600 new members in the past year, attention to internal systems and infrastructure is our most pressing focus. In addition, MC liaison with staff has become more consultative providing a more timely and effective flow of communication and greater opportunity for staff input into decision-making processes.

The main vehicle for affecting change in the co-op is through our new sub-committee structure, which is open to all members, staff and directors alike. Members with relevant skills and experience are encouraged to become involved. Through our sub-committees, co-op policy and related management issues are researched and developed. Current and proposed sub-committees, reflect our priorities and needs.

They are:

- Policy & Procedures
- Occupational Health & Safety
- Human Resources
- MC Induction
- Newsletter & Members' Communication, and
- IT support.

The MC meets the second Tuesday of the month at 7pm – call the office for the location. All members are welcome to attend, raise proposals and speak and debate, though only committee members can vote on proposals. Minutes of all MC meetings are kept in the office and accessible for member perusal. At the AGM in November, all MC positions are declared vacant and any Alfalfa member present is entitled to stand for election.

We encourage willing members, keen to offer time and expertise, to consider joining the Management Committee and/or our sub-committees. If you're interested and want to offer your services before the AGM, please contact Nick or Bruce through the office.

Finally, thanks to MC members who for various reasons left us during the year. Special thanks to Lisa Jackson-Pulver, Ken Wilson, Christine Willis and Ken Guntar whose experience, contribution and expertise were greatly appreciated and sorely missed.

Thanks and appreciation too, to finance coordinator Ian Wamijo who leaves us after three dedicated years of service. His contribution was invaluable.

There are two proposals to be put to members at the AGM on November 22. One would extend the tenure of the co-op's directors, the other would allow a member of staff to be elected to the board. Full details of the changes are on pages 5, 6. If you have any questions about the proposed changes, please call Stevie at the co-op on 9519 3374.

THE DISCOUNTS

Basic 10% Extra 25%

All members of the co-op are entitled to receive the Basic Discount every time they shop. There's no fee and no need to work to get this discount. Each time a member does 2 hours' work, they're entitled to one unlimited shop at Extra Discount.

Permanent Extra Discount (unlimited number of shops at 25% discount) is also available for those who can make an ongoing commitment of either 2 hours a week or 4 hours a fortnight. (Any member who doesn't shop at least once a year, must pay an annual fee of \$11 instead in order to remain an active member.)

If undeliverable please return to
113 Enmore Road ENMORE NSW 2042

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**Moved house?
or changed phone numbers?
Let the co-op know as soon as you do.**

You can't put it back

The co-op is committed to keeping the stock as uncontaminated as possible. As such if you put food from the bins or jars into your own bags and you change your mind, you can't put all or even some of that food back into the bins or jars. It's yours to buy. The same goes for the unpackaged bread – use the tongs provided. If you touch the bread with your hands, It's yours to buy.

Don't forget to show your membership card when you shop. It avoids confusion and helps make life easier for the person at the till.