

# The Chronicle

October/November 2006

**COME OUT TO THE AGM AND  
MAKE YOUR VOICE HEARD!**



**MEET OUR NEW GROCERY MANAGER  
A FAREWELL FROM OUR OUTGOING PRESIDENT  
BOARD ANNOUNCES NEW FINANCING PLAN FOR KARMA  
RECIPES AND MORE!**

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### *The Chronicle*

The Members' Newsletter of Karma Co-op  
October/November 2006

*The Chronicle* is published by members of Karma Co-op  
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# REPORT FROM THE PRESIDENT

*Geoff's farewell*

by GEOFF WEBB

This is my last report as president of the board, and as such I hope you will allow me the opportunity to reflect over the past year. It's been a very difficult and turbulent year for our board of directors, and I respect and congratulate each and every one of them for their accomplishments over the past year. Through any and all philosophical differences, I know that we were all working for the betterment of Karma.

This past year your board consisted of me, John Deluca-Howard (vice president), Rolf Struthers (treasurer), Suzanne Molina (secretary), Micki Honkanen, Deborah Cherry (secretary pro-temp), Amy Stein, Nina Bregman, Jason Diceman, and Mohsen Ahmed, and for a brief period Elaine Smookler.

As of this writing, John Deluca-Howard, Amy Stein, Nina Bregman, Jason Diceman, and I will be finishing our terms on the board. I want to thank them all for their contributions to the co-op. Rolf Struthers, Suzanne Molina, Micki Honkanen, and Mohsen Ahmed will continue on into the second year of their two-year terms. I wish them all the best of luck on next year's board, and I hope they continue the good work they started this year with the same amount of energy and enthusiasm.

I didn't forget Deborah Cherry — she will be completing her one-year term, and it remains to be seen if she will be running again in the upcoming AGM on October 23.

At the end of last year's AGM, the 2006 board of directors was given a mandate to perform three basic but fundamental tasks for our co-op. You will recall that last year's AGM had the highest member turnout of any AGM in the past decade of Karma's history. 135 members came out and voted for a mandate that included the following:

- The removal of policy governance as a method of board governance
- A return to membership-driven social structures at Karma
- Addressing the building assessment report (first mentioned at the AGM last year)

So how did we do?

First of all, shortly after the November board orientation, the Karma board of directors reinstated the committees to full membership control and ensured that no committee member reported to staff. While respecting and appreciating the valuable contribution of our staff, this decision embraced the philosophy that Karma is wholly owned and governed by its members. Thus, one of Karma's most integral policy-making groups (the committees) will continue to be managed by members.

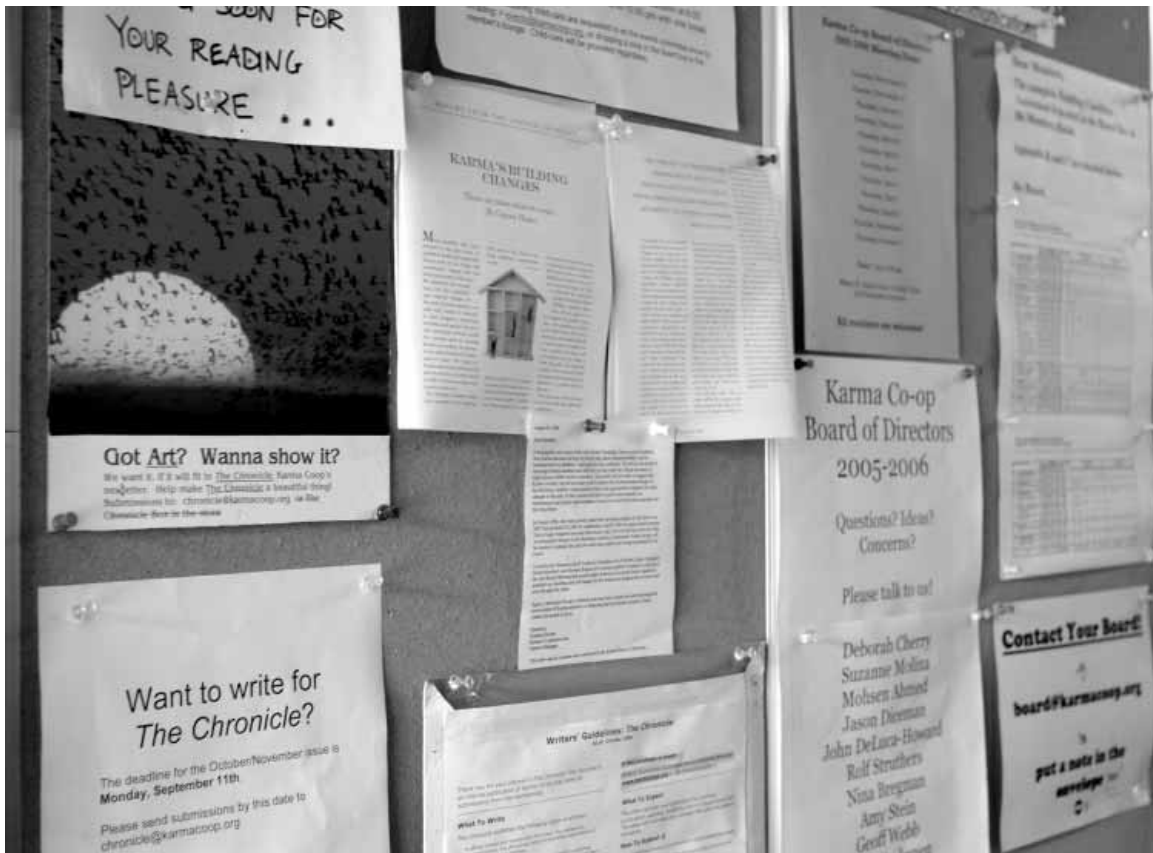
In addition, we have added committees to focus on work the board of directors was not able to address. Peopling these committees is still in progress, but I expect to see them up and running over the next couple of years. It has long been the tradition at Karma that member-owners have the final decision-making authority about their co-op. It's one of the most endearing and revolutionary aspects of Karma, and one that I greatly admire.

Second, in reinstating committees that had become

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working groups, the board chose to return to membership-driven social structures in place of policy governance. Our goal was to bring back the concept of involved member ownership. With this in mind, we chose to do away with communication constructs that limit dialogue and lack context.

How do we communicate? Well, we do it the way that Karma has always done it: through *The Chronicle*, through the events we attend, through committees, through board meetings, and, most importantly, when we meet each other in the store and chat. This interaction creates and sustains community, and in my mind this is what really



makes Karma stand out. I've never made a lifelong friend shopping at Loblaws, but I certainly have made some at Karma.

Third, our building needs help, as it's beginning to show the ravages of time. As member-owners of this co-op it's our responsibility to ensure that our staff have a safe place to work in and that our fellow members have a safe place to shop. In this issue you'll also find an article by Howard Kaplan that outlines the steps this board has taken to ensure that we are financially able to meet our building needs over the next 10 years. It's a bold plan. The board agonized painfully over how to resolve these problems and together has come up with a solution that is consistent with the Mission Statement, values, history and culture of Karma Co-op.

For the future, I want to encourage members to become as involved in our co-op as they can. My time on the board has been a great experience and has taught me much about this wonderful movement called Karma

Co-op, as well as a lot about myself. It is your co-op and it will continue to flourish with your involvement.

As I finish my term as president I want to thank all those members that I've spoken to while shopping at the co-op, attending meetings, and being out at events, as well as those who took the time to write to *The Chronicle* about board-related issues. I look forward to seeing everyone at 6 pm on October 23 at the Walmer Centre Theatre for the 2006 AGM.

Remember: co-operation is revolution.

# REPORT FROM THE GROCERY MANAGER

*Lisa's labour of love*

by LISA MCLEAN

Hello to all Karma members, old and new. This is my first article for *The Chronicle* and my first official communication in the role of grocery manager. I'd like to be accessible to the membership, so I'll introduce myself and my role. I've been a Karma member since 1997 and employed here since 2002. In March 2006, I took on the position of grocery manager, which had been vacated by my friend and mentor James van Bolhuis. He left me some very big shoes to fill, but I'm up to the challenge. I would like to thank all the staff for the support they have shown me during this transition, and for working harder than ever to keep the store in shape! Karma is truly blessed with a strong team!

As the grocery manager, I'm responsible for purchasing products that do not fall under produce or health and beauty. This includes packaged foods and beverages, bread, bulk, frozen, dairy, meat, and even household cleaners. My job is to bring in what the membership wants, within the guidelines of Karma's Product Policy. That is, I try to please most of the members most of the time — although I can't please all of the members all of the time! I'm always interested in hearing feedback and suggestions, so please direct these to me. You can reach me via e-mail to request a product or make an inquiry. However, be aware that Karma has to be selective about which products can be afforded shelf space. I can't necessarily honour all requests, but your comments are always helpful to me, as they can indicate trends in what the membership desires. Another way to communicate product requests to the purchasers (Sara Pulins and Michael Armstrong, as well as me) is through the special order system. If you're not sure how to use the special order system, please ask any staff member — we'd be glad to show you!

I intend to use this space in *The Chronicle* to communicate with Karmians about products, suppliers, and related issues. I think this is an appropriate venue to address frequently asked questions. For example, many members have expressed distress at the absence of Fantastic Foods bulk instant black beans and refried beans. I'm sorry to

report that all Fantastic products have been discontinued in Canada. It appears that they have withdrawn from the Canadian market, as some other large American manufacturers have done. Until I can find a similar product in bulk form, try the packaged instant refried beans made by Taste Adventure.

Members have also questioned the absence of certain key frozen meat products, such as Rowe Farm patties, sausages, and chicken broth. I want everyone to know that these popular products have not been discontinued. They are temporarily out of stock because they could not be delivered in a frozen state. Rowe Farm began shipping their frozen products by refrigerated truck, which was not cold enough. I made the decision to refuse delivery of partially thawed meat. Rowe Farm's staff assures me that they are actively seeking a solution to this logistical problem! I know that many Karma members are eagerly awaiting the return of frozen Rowe products, but in the meantime try Circle Sun beef patties, Hallelujah pork sausages, and Imagine or Pacific chicken broth. The staff can help you locate these alternatives.

Speaking of meat alternatives, you may have noticed the new, less flashy labels on our certified organic chicken. Karma's organic chicken is now supplied by the Healthy Butcher, a family business in Toronto that also provides us with gourmet organic sausages and hamburgers. Although there were several factors that influenced my decision to switch suppliers, Karmians will be happy to hear that the Healthy Butcher offers us a significantly reduced price for the same chickens. That's right, these are the same birds, originating from Fenwood Farm, an Ancaster farm which has been producing certified organic chicken for about 13 years. The Healthy Butcher will deliver twice a week, so now you can find fresh organic chicken in the meat fridge all week long.

I look forward to serving you! Please feel free to approach me in the store; you can find me here weekdays until about five o'clock. Otherwise, send me an e-mail anytime at [lisa@karmacoop.org](mailto:lisa@karmacoop.org). Look for my column as a regular feature in *The Chronicle*.

# REPORT FROM THE HEALTH AND BEAUTY MANAGER

*Thoughts from Sara*



by SARA PULINS

I thought I'd share with you all a little information about Karma's delightful health and beauty section. Yes, our section isn't huge but we've got some serious quality. Karma's little section of health and beauty products (body care and supplements) is made possible by more than 50 suppliers. What this means is that in the 10 hours I devote to the section each week — including ordering, pricing, and merchandising (as well as looking for special orders) — I definitely don't buy from each company every week. Some suppliers I buy from only once every few months, whereas

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with others it's more like every two weeks. That being said, there are still thousands of products out there that Karma does not stock, but that aren't difficult to special-order if desired.

And what about ordering new products? If I'm asked by two members about a certain product and it seems like a product other members might like, then I will try and stock it — with a few other considerations, such as shelf space, being taken into account. We can always look up a

product in one of many catalogues and see if it is readily available. If not, the more research you can do, the easier it is to see if it's possible to obtain it.

Karma tries to buy not only local produce and grocery items, but also local body-care products. Usually this involves supporting the small businessperson as well. I'm always happy to tell people about our variety of local body care companies, such as Shawla's, Earthly Paradise, Soapworks, Ella's Botanicals and Beaulance, just to name a few. The folks at Shawla's grow the herbs they use in their products themselves, and Colette Murphy, maker of Earthly Paradise products, is also our supplier of seeds and seedlings. Soapworks, our most popular brand of soap, is going to be converting a lot of their tallow-based products to an all-vegetable base starting in October. So when you're thinking of buying locally, think about buying local body care as well. You're most likely getting a fresher product in the bargain.

Look for more detailed information about individual suppliers in the coming months in this column. In the meantime, please do not hesitate to give me any feedback about health and beauty products at Karma.

## Notice to All Karma Members

by DEBORAH CHERRY

The AGM of 2005 claimed the honour of having the largest turnout at an AGM in Karma's recent history. We were galvanized by important issues, the kind that need to be taken on by active and committed members. It was gratifying to see so many of you there last year, and to know that Karma means more to you than just a good place to shop. I hope to see the turnout at the 2006 AGM at the very least match last year's. There is always much work to be done, particularly as we undertake the initial renovation work recommended by our building assessment. Please consider running for election to the board for one of the available positions.

### *Annual General Meeting Announcement*

Date: Monday, October 23

Time: 6-9 pm

Location: The Walmer Centre, which is attached to Walmer Road Baptist Church (188 Lowther Ave.)

Doors open at 5 pm. Delicious eats available at 5:30 pm.

If you would like to volunteer at the AGM, please contact the AGM committee at [d.cherry@sympatico.ca](mailto:d.cherry@sympatico.ca) or [hilary.krupa@gmail.com](mailto:hilary.krupa@gmail.com). Work hours will be credited. We need help with general preparation, kitchen and food management, registration, and on-site logistics.

Anyone wishing to run for a vacant seat on the board should email Deborah Cherry, the Nominations Committee chair, at [d.cherry@sympatico.ca](mailto:d.cherry@sympatico.ca).

There will be more information to follow; look for it in the store.

COME OUT AND VOTE.



### **EARN KARMA WORK CREDITS!**

*The Chronicle* is looking for editorial images for future publications. If you are interested in supplying photos, drawings, paintings or other work that could be used in upcoming editions, we'd love to hear from you.

***Please e-mail***

[chronicleimages@chrisshepherd.net](mailto:chronicleimages@chrisshepherd.net)

for more information.

## NEWS BRIEFS

Compiled by: Canadian Organic Growers

### *FEDERAL GOVERNMENT PLANS SYSTEM TO REGULATE AND CERTIFY ORGANIC FOODS*

Faced with a year-end trade deadline from the European Union, the federal government is moving to regulate and certify organic foods. The Canadian Food Inspection Agency is proposing national regulations that would allow agricultural producers to display a "Canada Organic" label on their food products. Organic foods in Canada are currently certified by a hodgepodge of authorities, many of them accredited by the U.S. Agriculture Dept., which requires certification for organic foods imported from other countries. Only two governments in Canada — Quebec and British Columbia — currently regulate organic produce within their borders.

Canada.com, September 1, 2006

### *RISK OF 4,000 EVERYDAY CHEMICALS TO BE STUDIED*

After a massive investigation spanning seven years, federal scientists have determined that a staggering total of about 4,000 chemicals used in Canada pose enough of a risk to human health or wildlife that they need to be subjected to in-depth safety assessments. Staff at Environment Canada and Health Canada [gave] the list of chemicals to their respective ministers, the beginning of what is expected to be the biggest effort ever undertaken in the country to deal with potentially harmful substances used in everything from pop bottles and lip balm to household cleaners and plastic baby bottles. All 4,000 chemicals will be studied, but the ministers will decide which ones pose the greatest threat and should be studied first. They will also decide whether any regulations are needed to control those substances.

*The Globe and Mail*, September 14, 2006

### *MORE ONTARIO DAIRY FARMS GOING ORGANIC*

It's not a stampede yet, but a growing number of consumers are herding toward the organic milk counter at Ontario grocery stores. Reyer and Anna Vandersteeg of Norfolk County are excited to join about 40 other Ontario farmers whose milk is certified to be free of synthetic fertilizers, pesticides, herbicides, fungicides or anti-infection drugs. Cows are fed chemical-free grains. After four years of preparation, the Vandersteegs shipped their first batch last month from their farm

northeast of Simcoe. It looks like any other milk, but tastes better, said Reyer Vandersteeg. For him, producing organic milk is also a way to make a healthier product while escaping the confines of corporate chemicals — a way, he said, to get back to farming the way it was meant to be. The Vandersteeg family ships its milk to an organic co-operative in Guelph called OntarBio Organic Farmers' Co-operative. The milk appears in grocery stores under the brand name Organic Meadows.

*London Free Press*, September 8, 2006

### *ORGANIC FARMERS PUSH FOR "FAIR DEAL"*

Organic grains and foods are gaining popularity in North America, but some farmers are worried that as huge multinationals hop on the organic bandwagon, domestic farmers will be squeezed out. "Wal-Mart's getting into organics and they've announced that the organic food is only going to cost 10 per cent more than the conventional food," said Jason Freeman, who works for Farmer Direct, a Regina-based farm co-operative. "That's not economically sustainable for the local farmer."

Freeman said his group is working to ensure organic farmers in North America earn a living wage. They have created a Web-based system that allows consumers to trace their food back to the farm it's from. They are hoping this will give them an edge over the big organic companies. Freeman is worried that big stores will buy from China and South America, driving down commodity prices and destroying local farmers. So farmers are preparing to fight back. Consumers who buy products with a "Fair Deal" sticker can go to the website, type in the code and see a picture of the farmer, the organic certificate and the history of the farm.

CBC.ca, August 22, 2006

### *UP AGAINST THE WAL-MART*

With Whole Foods continuing to dazzle Wall Street with its growth and Wal-Mart vowing to become the world's number-one organic grocer, now would seem to be a wonderful time to be an organic farmer — particularly one with enough acreage to supply the corporate giants. But a funny thing is happening in the certified-organic fields and orchards of California, home to about 40 per cent of the nation's organic-vegetable acreage: produce is shriveling unpicked on the vine, choked by weeds and neglect.

A labour squeeze has gripped California's farm operators. Simply put, not enough undocumented Mexican workers



are sneaking across an increasingly militarized border, and the ones who do tend to be drawn to higher-paid, less-demanding urban jobs. While the labour shortage affects all of the state's fruit and vegetable farms, organic ones bear the heaviest burden, according to a recent Associated Press report. That's because human hands, often wielding a hoe, must do work that's done on conventional farms by herbicides and other chemical inputs. *Grist Magazine*, August 23, 2006

### *INDIA'S WOMEN FARMERS SHOW WAY TO ORGANIC FUTURE*

Away from media glare, the farmers of Khakrola village in Himachal Pradesh — a mere blip on India's geographic radar — have been working tirelessly to usher in a new green revolution. For the last three years, these agricultural workers, most of them women, have been shunning pesticides and chemical fertilizers to cultivate organic

grains, fruits and vegetables with the help of herbal sprays and vermicompost. As a result of these eco-friendly organic practices, not only have these 150 farmers improved their yield and enhanced its marketability, but all of them — each with a family land holding of between 60 and 100 bighas (1 bigha equals 2,500 square metres) — have also become eligible for OneCert Asia certification on the quality of the organic produce. The Khakrola experiment is part of a 15 million-rupee (\$22,000) model project initiated in 2003 by the M R Morarka Foundation. This Rajasthan-based NGO is working with the Himachal Pradesh State Agricultural Department, which is funding the initiative, to switch the whole state over to organic farming. And the success of the project in Khakrola village — which has a population of 1,200 — now serves as a beacon of hope to other farmers in the state.

PeopleAndPlanet.net, September 7, 2006

# A NEW FINANCIAL OUTLOOK

*The board proposes a financing solution to Karma's maintenance woes*

by HOWARD KAPLAN

As someone who has been working with the board on an important financing proposal, I have written this article to help explain the proposal, which the board recently accepted.

Over the summer, the board has been considering Karma's building condition report. This report recom-

represents spending that is already part of our annual budgets, leaving more than \$160,000 to be financed in new money. Basically, the board was faced with three alternatives: raising the markup, raising some other fee, or rejecting the advice that Karma proceed with these important repairs and upgrades. Board treasurer Rolf



mended an essential program of building and equipment maintenance, one which was originally budgeted at about \$210,000 over the next 10 years. (This report was summarized in the June/July issue of *The Chronicle*.) About one-quarter of that total expense

Struthers wrote about this in the June/July issue of *The Chronicle*, proposing a \$20 annual surcharge devised by the Finance Committee. It was clear that the proposal required some clarifications and amendments before it could gain the support of the board, and no formal

vote was taken.

As I was present at the board meetings when this proposal was discussed, I was able to offer some comments based on Karma's past history in handling similar problems. I then accepted the board's invitation to be part of a subcommittee to work through some of the problems and present a revised proposal. Rolf Struthers, Geoff Webb, Micki Honkanen and I met once and were able to incorporate many of the original proposal's ideas into a package that was then accepted by the board at its meeting on September 7.

In brief, this is what the board decided:

- Karma intends to proceed with renovations along the lines recommended in the report, although future boards will need to specifically authorize each stage of the work, based in part on what is learned from the completion of previous stages.
- The existing \$18 annual fee for membership services will be retained, but it will be called the "membership services portion" of a larger fee.
- An additional \$18 "building and capital portion" of the fee will be added, bringing the total annual membership fee to \$36.
- Any working members in good standing (that is, not behind in their work) can work one extra two-hour shift to pay half of the total annual fee.
- The membership services portion will be collected in June as before, while the building and capital portion will be collected in December.
- To maximize the flexibility by which members can pay this \$36 fee, the general manager will devise a cash-desk system for paying in two semi-annual portions as described above, in quarterly or smaller portions or all at once at the beginning of the year, whichever each member prefers.
- Since the work required over the next two years will cost more than those years' proceeds from the building and capital portion, the board will also try to borrow \$50,000 in individual loans ranging from \$500 to \$5,000 from those Karma members who can afford to lend the money. These voluntary loans will pay interest at the same rate that members could get for term deposits at a credit union.

Some of the details of this financing proposal are similar to the way Karma financed building renovations when we bought our property in 1978. Other details represent a change in the way Karma talks about its finances, although in reality the change has been happening for some time.

Since I was part of the group that designed Karma's current fee and loan structures around 1980, as well as part of the group that proposed the current changes, I offered to explain these changes to the membership, putting them into their historical context. That is why I (rather than a member of the board) am providing this report to you. You will note as you read that I write favourably about these changes; that should not surprise you, as I had a hand in helping to shape them.

In one important way, this proposal has no recent precedent. Karma has undertaken necessary, sometimes expensive repairs and upgrades to its building and equipment ever since moving into its current location. However, it has generally done these on a just-in-time basis, deferring everything as long as possible and often taking risks with the physical store's continuing viability. In accepting this 10-year plan and making a commitment to paying for it, Karma is taking responsibility for its premises in a way

***"KARMA IS GOING TO STOP ACTING AS  
IF THE ONLY PROPER WAY TO RAISE  
MONEY FOR ITS OPERATING COSTS IS  
[VIA PRODUCT] MARKUP."***

that is rare for recent Karma boards to do. (In my view, the previous year's board also recognized the seriousness of the building's problems, although members were most aware of that board's discussions of a different strategy — relocating the store — to cope with many of the same problems.)

Taking responsibility for our premises does not mean that the question of relocating or expanding is permanently off the table. However, as summarized by Amy Stein during the September meeting, it does mean that the board recognizes that no move will be made over the next two years, since the repairs will be positioned as the priorities. As well, most of the proposed work is useful to any subsequent owner, even if Karma does move, because it improves the structural integrity of the building and grounds. The largest item that might not be of interest to another owner is the replacement for the walk-in cooler; however, the new cooler will be of modular construction and could function in either the current building or any

future location.

When Karma bought 739 Palmerston in 1978, it made a down payment on the property but took out a mortgage for the remainder of the purchase price. However, in addition to the cost of the building there was a major cost for renovations. To cover this additional cost, the board organized a system in which members could voluntarily loan money to Karma at interest levels similar to those earned on a term deposit — although the loans were not secured by the store in the same way that Karma provided the lender security for its mortgage. The loans were officially called “building loans,” but most of the time these large, voluntary loans were known as “big-bucks loans” to distinguish them from the smaller loans that were required as a condition of membership.



The big-bucks loans were carefully designed so that members making such loans would not gain any special personal benefits as lenders. Like all members, the lenders would benefit more generally from the financial stability and the improved building that the loans helped to pay for. The interest rate payable on the loans was the same rate recommended by Credit Union Central for member credit unions to pay on three-year term deposits. Thus while lenders would gain no additional benefits for themselves as compared to making a routine investment, they collectively would be helping Karma to save money in interest costs (over what Karma would need to pay if it borrowed the same money as a second mortgage). Karma would, of course, incur administrative costs associated with maintaining loan records, but it was felt that overall Karma would benefit from this series of loans.

The big-bucks loans were originally supposed to be short-term loans with the principal repayable in fifths over a period of five years while interest was concurrently being paid. The board of 1979 considered two options for how best to finance the first repayment. One option was to increase the membership fee, an option that is very similar to what the board of 2006 recently chose to do. The other option was to leave the membership fee at an amount that covered only membership services: those things essen-

tial to Karma's nature as a co-operative such as running orientation sessions, holding general meetings, printing a newsletter, and so on. Meanwhile, the markup would pay for costs typical to running a grocery store, chief among those rent or mortgage payments, utility payments, and staff wages. One major argument for the second proposal was that Karma wanted to demonstrate that co-operatives were a viable alternative to commercial businesses. The board felt that such a demonstration would be more effective if the prices charged for goods (including the markup) fully covered the store's costs, without the support of any subsidy paid for by membership fees.

The board then established the principle that the membership fee was to cover membership services, while all operational costs were to be covered by the markup. It's

important to note that membership services were specifically designated as the only expenses the revenue from the annual membership fee could be put toward. No board was allowed, for example, to use the fee to make up for a shortfall in general revenue. Membership services were in this way protected.

The board's decision in 1979 was made at a time when the grocery industry was rather different than it is now. Back then, there was less competition for the whole-foods and health-foods customer, and raising the markup to meet our operating costs had only a minimal effect on sales. This situation has now changed as members have more alternatives to shopping at Karma. The board and the general manager are concerned that if the markup is raised any more it will have a serious effect on sales, as members compare the cost of shopping at Karma to that of alternative stores. On the other hand, asking members to pay more in an increased annual fee will protect sales of particularly price-sensitive items.

This appears to be the only financially viable way to raise additional money, and the principle of staying viable is more important than the principle of showing the world that all of the operating costs are part of the markup.

From another perspective, however, the board's changes to the membership fee are nothing new. In 1979, all

members were working members, and there were already hidden subsidies not reflected in the shelf prices and the markup. No one tried to assign a dollar value to members' work, but its value was real, and it kept shelf prices lower than they would otherwise have been. Since that time, however, we have moved to a mixed system, where some members make their contribution by working, some make theirs by paying higher prices (in the form of a percentage surcharge), and some make theirs by paying a fixed monthly fee to cover some operating costs. All three of these methods keep the shelf prices lower than Karma's true operating costs would otherwise require. So what the board is doing by adopting a larger annual fee is similar to what it already did when it adopted an option of a monthly fee in lieu of working: the board is sharing Karma's operating costs between fixed fees and the percentage markup on sales. However, the board is retaining the idea that the membership fee covers specific categories of expenses, just as the fixed monthly fee in lieu of working specifically covers replacement staff expenses.

Starting now, the board is protecting half of the enlarged annual membership fee as dedicated to building and maintenance expenses — it cannot be used to make up for other shortfalls. (In addition, some portion of the markup will continue to cover building and maintenance expenses, such as the approximately \$5,000 per year we now spend on refrigeration maintenance. This portion is not new spending, although it was mentioned in the building

permission to defer interest and principal payments for the year to allow reinvesting of both, with repayment of the principal promised to resume in the following year. The lenders accepted this request. Later, the board decided that it was actually to the benefit of the membership to delay repayment of the principal indefinitely. As long as payment of principal was deferred, Karma would need to collect a smaller amount each year in markup to pay only interest, compared to the larger amount needed to both repay principal and pay interest.

Karma couldn't do the same with its mortgage, as the lender required the principal to be repaid on schedule. The majority of Karma's big-bucks loan lenders were content to leave their remaining principal as a more or less permanent investment, and lenders who wanted their money back were repaid in full. This situation continued until a few years back, when, faced with a surplus, the board felt that the interest payments on the big-bucks loans had become an unnecessary expense. Karma terminated the program and fully repaid the remaining principal.

Karma is currently proposing to raise funds in a manner similar to the big-bucks loans. These loans will pay annual interest at the end of each fiscal year, May 31, and, upon the lender's request, will repay half of the principal on the date of each loan's fourth and fifth interest payments. This means that during the first few years when renovation expenses are highest, Karma will not need to repay any



condition report's recommendations.)

Returning to Karma history, sometime during the five-year term of the big-bucks loans Karma had a bad year, and repaying that year's fifth of the original loan principal looked to be difficult. Therefore, Karma asked the lenders'

of the \$50,000 principal, only the interest on it. Later on, as renovation expenses have turned into annual maintenance, funds will be available to repay principal. However, Karma may again decide that deferring repayment and continuing to pay interest is the better strategy. This deci-

sion need not be made now — it can be deferred for a few years. When the formal language of the loan certificates is written, it will make clear that the board will encourage but not require the lender to leave the principal intact instead of taking repayment in the fourth and fifth years.

However, if Karma's situation changes, future boards may decide not to accept reinvestment and to gradually let the loan pool diminish to nothing. I consider it more likely that future boards will seek new loans as members accept repayment of old ones, to keep the total loan pool at \$50,000. In fact, when Karma applies to the government for formal approval of this loan scheme, it may ask for authorization of a \$100,000 maximum, although the board will not go beyond the initial \$50,000 at this time.

Karma will use everyone's \$18 building and capital portion of the membership fee to pay the lenders, as well as to directly pay for workers and materials. The loans will not eliminate or reduce the need to collect this portion, but they will allow Karma to proceed with work faster than the \$18 collections would otherwise allow. The board's resolution states: "The funds raised by these loans may be used only for the same purposes as the funds raised by the Building and Capital Portion, and payment of the interest and principal on these loans is to be considered an authorized use of funds raised by the Building and Capital Portion." In other words, the loans and the new portion of the fee are both protected for the same uses.

As the board considered this proposal (in addition to some earlier versions of it), it had to decide whether it was fair to charge each member the same increased fee, or whether some other definition of "fair" was more appropriate. Karma has some members with very comfortable incomes, while other members are struggling to make ends meet. Any increased costs of membership will have a greater impact on low-income members than on high-income members — unless Karma attempts to define and implement some kind of internal luxury tax.

Historically, Karma has adopted only a limited range of exemptions for members in special circumstances, and all of those exemptions (such as ones for age or new maternity) concerned the monthly work commitment. There have never been similar exemptions or reductions for the annual fee, the membership loan, or the markup. On the other hand, Karma has always tried to allow flexibility in the ways that members can meet their common obligations: the mandatory loan can be paid in installments, the membership fee is not due immediately upon June 1, and there are shopping lists and IOUs to help members over small, temporary cash flow problems. The new portion of the membership fee will be similarly collected in a flexible

manner as described earlier in this article.

In summary, Karma is going to stop acting as if the only proper way to raise money for its operating costs is through the markup. Building renovations and maintenance are also part of our operating costs, a part that we've often shortchanged because it was too hard to raise the money for it via the markup. Instead, Karma is recognizing that it is already collecting some operating costs through fixed fees, and it is creating a new fixed fee for a protected purpose: to ensure that the renovation and maintenance work is properly funded. Although the fee is fixed, the method of paying it will be as flexible as the cash desk can handle. In addition, Karma will achieve flexibility in the timing of the work by borrowing \$50,000 from those members who can collectively lend that much money.

# MORNINGS WITH MONIQUE

*An easy-peasy granola recipe*

by MIKA COLLINS



## Ingredients:

4 c. rolled oats  
1/2 – 1 c. cooked quinoa  
1 c. alternative rolled grain such as kamut flakes  
1/2 c. graham cracker crumbs  
1/2 c. wheat germ or oat bran  
1/2 c. pumpkin seeds or flaxseeds  
1/2 c. sesame seeds  
1 c. unsweetened coconut  
1 c. sliced almonds or other nuts  
1/2 c. sunflower or other vegetable oil  
1/2 c. honey  
1/4 c. maple syrup

## After cooking add:

1/4 c. dried apricots  
1/4 c. dried cranberries or other dried fruit

1. Heat oven to 325 degrees F.
2. Mix all ingredients together and lay out on two baking sheets, spreading the granola about 1 1/2 inches thick.
3. Cook for 10 minutes, then stir up granola and continue cooking.
4. Cook for an additional 20–25 minutes, until golden brown.
5. Remove from oven and stir up granola once more, then allow it to cool.
6. Once cool, mix in dried fruit to taste.
7. Serve with milk or yogurt and fresh fruit.

Note: Extra granola can be frozen. Honey/maple syrup amount can be halved for a less sweet taste.

# SPILLING THE BEANS

*Delicious and wholesome bean recipes*

by KIRSTEN BÉDARD



When I was growing up, canned chickpeas and kidney beans were staple products in our house. They'd find themselves in chilies, on salads, or refried in tacos. Brown beans filled the cupboards and were a lunch favourite on whole wheat toast. At the Royal Winter Fair, I'd search eagerly for the maple syrup baked beans booth...cheap thrills in life. As a young adult, I abandoned the simple bean for more exciting (and expensive) thrills. I have recently rediscovered the wonder of the magic bean, and I feel compelled to share the joy. We all know beans are good for us, but do we appreciate them as much as we should?

Over the past year I've started experimenting with dried beans like mung beans, black-eyed peas, and black turtle beans. There always seems to be a big bowl of soaking beans on the counter and jars full of cooked ones in the fridge. Sure, canned beans are quicker, but dried beans are cheaper and have less (that is, no) packaging. Talk about feeding more with less. For all of us trying to live simply, sustainably, and consciously, the hearty bean is the way to go.

A few weeks ago, I came across a Jerk Black Bean recipe. I spent \$1.61 at Karma on my bag-o-beans, soaked them, boiled them, and tossed them with green onions and jerk spices. That night, they fed my family of five over pasta and tomato sauce. The next day, we wrapped them in rotis with avocado for dinner, and still there was enough for two more lunches. Did I mention

the beans cost \$1.61? Last week, a \$2 bag of chickpeas went into the pot and emerged as chana masala. This feast fed dozens, and there is still enough in the freezer to feed a dozen more. There's such joy found in feeding so many on so little, isn't there?

Not only are beans easy on the pocketbook, they're

***"I HAVE RECENTLY REDISCOVERED  
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super-nutritious, too. They are a great source of soluble fibre, which is good for lowering cholesterol, regulating blood sugar, and helping with another kind of regularity, of course. Beans are high in potassium, folic acid, magnesium, zinc, and iron. Combined with a grain, beans make a complete protein. A little less meat never did any harm, either. For economic, environmental, and health reasons, there really is something magic about beans.

Here are two easy recipes, and if anyone has their own favourites, spill 'em...



## JERK BLACK BEANS

### Ingredients:

- 1 tbsp. olive oil
- 1 1/2 tsp. thyme
- 1 tsp. allspice
- 1/4 tsp. cinnamon
- 1/4 tsp. nutmeg
- 1/4 tsp. cayenne
- 1 bunch green onions, chopped
- 2 c. boiled black beans (soak overnight, rinse, then boil 30–40 minutes)
- 1/2 c. water

1. Heat oil in a pan, then add spices and cook till aromatic.
  2. Stir in green onions, beans, and water. Bring to a boil.
  3. Turn heat down to a simmer, cover, and cook for 10–15 minutes.
- Yummy! Serve with brown rice or quinoa.



## CHANA MASALA

### Ingredients:

50 g (2 oz.) pressed tamarind  
120 ml (1/2 c.) boiling water  
30 ml (2 tbsp.) vegetable oil  
1/2 tsp. cumin seeds  
1 onion, finely chopped  
2 garlic cloves, crushed  
1-inch piece ginger, grated  
1 green chili, finely chopped  
1 tsp. ground cumin  
1 tsp. ground coriander  
1/4 tsp. ground turmeric  
1/2 tsp. salt  
2 tomatoes, peeled and chopped  
4 c. cooked chickpeas  
1/2 tsp. garam masala

1. Break up tamarind and soak in boiling water for 15 minutes. Rub through a sieve into a bowl.

2. Heat oil in a heavy pan. Add cumin seeds for 2 minutes, then add garlic, onion, ginger, and chili. Fry over medium heat for 5 minutes.

3. Stir in ground spices and salt. Fry 3–4 minutes. Add tomatoes and tamarind pulp (from bowl). Mix, bring to a boil, lower heat, and simmer for 5 minutes.

4. Add chickpeas and stir in garam masala. Cover and simmer 15 minutes.

Delicious! Serve with basmati rice or naan bread.

# EVENTS

## WATER CONSERVATION IN THE GARDEN

Wednesday, October 11, 2006, 6-8 pm.

Stormwater management, permeable pavements, downspout disconnection, rain gardens and more.

Organized by the Toronto Green Community. Rec Room (B), North Toronto Memorial Community Centre (at 200 Eglinton Ave. W., a 5-minute walk from Eglinton subway station). RSVP to [nadia@ntgc.ca](mailto:nadia@ntgc.ca) or 416-781-7663.

## FROM FIELD TO TABLE

Hélène St. Jacques examines how food choices affect our health and the environment in the new course, "A User's Guide to the Food Distribution System."

The average person in his or her lifetime will consume 50 tonnes of food and drink 42,000 litres in beverages. Yet how many of us know about the food we eat and how it got to our table? A new course at George Brown College this spring follows the links in the chain from field to table.

Instructor Hélène St. Jacques says as a society we've lost touch with our agricultural roots and it started to happen when we moved from the rural landscape to the cities. "There was a need for convenience food with industrialization," says the Corktown resident. "It was modern, even sexy, to buy fast food."

In this course, St. Jacques looks at the major stakeholders in today's food system, many of which are hidden from the consumer. She'll also look at our love affair with largely imported processed food and the consequences it has had for our health and our environment.

"Our reliance on imported food can carry on, but we have a looming energy crisis," says St. Jacques. "It's a stupid way of living if we cannot feed ourselves."

The awareness between food and sustainability is growing, says St. Jacques, as more consumers are making the connection between their choices at the supermarket and their effects on the environment. To this end, St. Jacques will discuss how urban food needs can be met by linking into local food growers, processors, and alternative distribution systems.

A User's Guide to the Food Distribution System runs Thursday nights from April 6 through to May 11, from 6-8 pm at the St. James campus (200 King Street East). The cost of the course is \$112. Call 416-415-5000, ext. 2092, for more information.



# Mission Statement

*Our aim is to:*

- create a community of actively participating members;
- foster a healthy connection to the food we eat, the people who grow it, and the other organizations who share our beliefs;
- co-operatively educate ourselves on environmental issues; and
- exercise political and economic control over our food;  
*by operating a viable co-operative food store.*

# Contact Your Co-op – and Get Involved!

Food Issues Working Group: [foodissues@karmacoop.org](mailto:foodissues@karmacoop.org)

Events and Promotions Committee: [promotions@karmacoop.org](mailto:promotions@karmacoop.org)

Member Labour Committee: [memberlabour@karmacoop.org](mailto:memberlabour@karmacoop.org)

Web Team: [web@karmacoop.org](mailto:web@karmacoop.org)

Chronicle Committee: [chronicle@karmacoop.org](mailto:chronicle@karmacoop.org)

Board of Directors: [board@karmacoop.org](mailto:board@karmacoop.org)

Member Labour Coordinator: Sara Pulins 416-534-1240 or [mlc@karmacoop.org](mailto:mlc@karmacoop.org)

# Hours of Operation

Monday 11 am – 7 pm

Tuesday 11 am – 9 pm

Wednesday 11 am – 9 pm

Thursday 11 am – 9 pm

Friday 10 am – 9 pm

Saturday 10 am – 6 pm

Sunday 11 am – 5 pm

# Staff List

General Manager: Graeme Hussey

Grocery Manager: Lisa McLean

Produce Manager: Michael Armstrong

Health & Beauty Manager: Sara Pulins

Shift Manager: Greg Miller

Bookkeeper: Denise Stapleton

Membership Secretary: Marilou Lawrence

Member Labour Coordinator: Sara Pulins

Clerks: Christine Delay, Mike Haliechuk, Philipp Harderer, Shannon Waterman