



President's Report: Fiscal Year 2018-2019

FY2019 was a busy and exciting time for the Syracuse Cooperative Market. While our shop on Kensington Road continued to bustle, outperforming expectations thanks to our talented staff and dedicated members, the Board and leadership team fixed their gaze firmly toward the future. What is next for our Co-op? How do we honor our legacy, excel at serving the neighborhood that has sustained us for nearly five decades, and also position the Co-op as a vital part of Syracuse's future? Through this annual report, we invite you to take a closer look at the Board's work over the past year.

Bylaws Revision

Updating the Co-op's bylaws ranked among the Board's top priorities in 2019; it's an essential step we must take in order to set the stage for growth. Bylaws are the set of rules that dictate how an organization is governed, preceded by applicable law (the ultimate arbiter) and supported by policies (which set detailed parameters for operations and governance). They are difficult to change, by design, requiring a high level of member participation.

You may be wondering, *What revisions are we proposing, and why are they so important?* Broadly speaking, the bylaws revisions are designed to streamline, modernize, and clarify our governing rules, as well as provide greater consistency with state law and the Co-op's Articles of Incorporation. The Annual Meeting packet includes a comprehensive list of these changes. **The most pressing revision, however, is allowing the Co-op to issue Investment Shares -- that is, Non Voting Preferred Shares -- in order to prepare for expansion.** This type of share gives members the option of investing additional equity in the Co-op, over and above the standard share that we each kick in when we join the Co-op. Members with Investment Shares don't get any more ownership or voting rights than other members, but they do earn greater dividends. Since the Board reserves the right to approve or deny requests to redeem Investment Shares, members with this class of shares will not be able to disproportionately influence decision-making at the Co-op.

If we gain the ability to raise Investment Shares, the Co-op will be in a much stronger position when the time comes to capitalize an expansion project. In fact, based on our current balance sheet, it is probably not feasible to finance an expansion project without Investment Shares.

So, after chartering a bylaws committee in January 2019, the Board set to work on this critical task. We solicited member involvement and input by issuing an open call for committee members, personally inviting members who were previously involved or interested in bylaws matters, holding a series of committee meetings, and hosting a member



forum in April dedicated to this subject. Our Spring Membership Meeting in May included a presentation about the changes under consideration and their implications for the Co-op's future, followed by in-depth discussion and Q&A. Thanks to the diligence of our committee volunteers and especially our committee chair, Colleen Gibbons, this process culminated in a Board-approved bylaws proposal that has now been submitted to our membership for official approval. Provided that a quorum (100) of members is present at our Annual Meeting on October 20, we will call for a vote on our new and (we think!) improved bylaws.

Expansion Planning

The next item looming large on the Board's agenda was the prospect of expansion. The fact is, co-ops of our size are few and dwindling. Between wage compression, razor thin margins throughout the grocery industry, and the investment required to preserve our aging building on Kensington Road, our long-term financial health requires a larger operation. Plus, we are determined to share our commitment to *great food* and *strong community* with more and more people throughout our cherished city! The Co-op's financial performance over the past several years has made us stronger and more ready for expansion than we have ever been, and we believe it is time to leverage that success into either a larger Westcott location or a second location in another Syracuse neighborhood.

If you've been a Syracuse Cooperative Market member for a while, you know that the expansion conversation is not new. It is a goal that has eluded our grasp for many years, for a variety of reasons ranging from real estate availability in our target market, to the Co-op's financial capacity, and the constraints we face as a very small store in a rather insular community. The economic context here in Syracuse -- marked by segregation and concentrated poverty, but also by concerted efforts to spur reinvestment and community prosperity -- presents a complex, fascinating, and unpredictable set of market conditions.

But in 2019, we edged closer and closer to this goal. Guided by Jeremy, our hardworking and ambitious General Manager, and supported by a cohort of consultants in the national Co-op community, we devoted extensive time and consideration to evaluating specific expansion opportunities. While we are unable to divulge any details as of this report publication, we ask for our members' ongoing patronage and trust as we prepare ourselves to take advantage when the right opportunity materializes.

Member Engagement

One final theme defined our Board's work in 2019: reimagining the ways that we engage and interact with our members. Beyond the routine types of member participation (economic and governance), we wanted to become more intentional about practicing the first tenet of our Ends statement: fostering a *thriving, food-centric community*. A new committee was formed before the end of the fiscal year to lead this work, and since then Board and staff members have teamed up to organize a series of informal member get-togethers like bike



rides, coffee dates and dog park meetups. If you haven't heard about these events, we encourage you to follow Syracuse Cooperative Market on Facebook and Instagram and subscribe to our e-newsletter! Ultimately, we hope that bringing people together in these ways will not only infuse more fun into our Co-op's culture, but will also create a sense of belonging that motivates people to show their Co-op love -- by coming out to membership meetings, joining the Board, and buying into a shared vision for the Co-op's future.

Routine Board Work

At the same time as we worked on bylaws, expansion, and member engagement, the Board continued to fulfill our standard duties:

- Systematically monitoring General Manager and Board compliance with the policies of Syracuse Cooperative Market,
- Reviewing financial statements and monthly performance reports,
- Onboarding & training new directors and recruiting board nominees, and
- Participating in the Cooperative Board Leadership Development (CBLD) program with Columinate (formerly known as CDS Consulting Co-op), which provides education and support to the Board in the form of monthly coaching calls, annual retreats, access to in-person trainings, and a vast online library.

Outreach and Input

The board encourages our fellow members to get involved throughout the year. Send us your comments and questions or come to any monthly board meeting. Every single monthly board agenda allocates a block of time for members to ask questions or share feedback. Check out the weekly e-newsletters for board meeting dates, or contact Jen, Board Administrator, at jen@syracuse.coop.

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It's a beautiful time to be part of the Syracuse Cooperative Market. The Board is privileged to work alongside a truly phenomenal staff and to serve a membership that loves their Co-op. With careful scrutiny, judicious optimism, and continually rising expectations, we'll help usher the Syracuse Cooperative Market into its best era yet.

2019 Board of Directors: Rich Barton, John Craddock (Vice President), Andy Erickson, Debra Lee Gertz, Colleen Gibbons, Abigail Henson (Secretary), Michael Jurbala (Treasurer), Alicia Kavon (resigned 9/2019), Meagan Weatherby (President)