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President's Report: Fiscal Year 2017-2018

For Syracuse Cooperative Market's Board of Directors, FY 2018 was another challenging and exciting year. The Co-op's record-breaking financial performance over the prior few years not only made it possible for our General Manager to make major reinvestments in the Kensington Road store; it allowed the Board and management to visualize a path toward expansion, to proactively explore emerging opportunities, and to begin building the Co-op of our future. In this annual report, the Board is pleased to give our members a closer look at the work we are undertaking.

Board Development

Our Board is composed of nine volunteer directors who serve staggered terms, designed to encourage a mix of experience and fresh perspective. Right now, our "senior" class of Board members is closing in on five years of Board service, while our newest director -- appointed mid-year to fill a vacant seat -- has only been with us for a matter of months. Heading into calendar year 2019 we have three seats on the ballot, each for a three-year term, and we are grateful to have one incumbent and one newcomer seeking election. However, with two directors cycling off and only one new candidate, we are looking at a vacant seat as of 1/1/19. If you or someone you know is a member in good standing who can dedicate time and care to Board service, we encourage you to reach out to the Board or GM.

SCM continues to participate in Cooperative Board Leadership Development (CBLD), a program from CDS Consulting Co-op, which provides education and support to the Board: monthly coaching calls, annual retreats, access to in-person trainings, and a vast online library. These resources help bring expertise, insight, and continuity into cooperative governance, even when we have a rotating roster of directors; and they allow us to learn from the experiences of other co-ops and other boards. Our CBLD membership also gives us access to professionals in specialized areas, like Human Resources and Capitalization Campaigns, to complement the skill sets of our own Board members.

Strategic Planning

In January 2018, the Board and Management Team came together for a leadership retreat facilitated by Rose Marie Klee, our CBLD coach. While we previously had our retreats in late summer or early fall, pushing the schedule into the New Year presented an opportunity to do

onboarding and team-building work with newly seated Board members. We allocated the majority of the day for a deep dive into SCM's "Ends Policy" -- the mission statement-like charge that guides the daily operation and long-term growth of our Co-op. Our goal was to develop a fresh, updated Ends Policy to go hand-in-hand with our new brand identity, which had just been unveiled at the 2017 annual meeting. After an inspiring examination of other food co-op's Ends, an expansive brainstorming session, and a few subsequent wordsmith committee meetings, we landed on our new Ends:

The Syracuse Cooperative Market with proactively work to create:

- *A thriving, food-centric community demonstrating hospitality, kindness, and generosity*
 - *A robust cooperative and local economy*
 - *Access to ethically sourced, socially responsible, healthy food*



Brainstorming our new Ends Policy at the 2018 Board Retreat

In addition to working on the Ends, Board members spent time at the retreat deepening our common understanding of the role of Board members, discussing key concepts and practices of "policy governance," and learning about the major elements of expansion projects. For that final segment, we examined case studies from other food co-ops and discussed team roles, shared expectations, and best practices.

Learning about expansion projects is not just a drill: we're preparing for what now appears to be not merely a possibility, but an eventuality. As discussed in last year's President's Report, SCM has cleared a series of financial hurdles that, until very recently, constrained our ability to raise capital and pursue development of a second, or a larger, store. SCM's talented and

dedicated staff persistently make the most of our tiny shop on Kensington, including much-needed improvements to the fixtures and the building, but the fact is: our long-term financial health requires a larger operation. Co-ops of our size are few and dwindling. SCM's leadership team has kept expansion planning and readiness at the forefront of our minds. We will share any news as future opportunities present themselves.

Policy Governance

The core of our Board's routine work is "policy governance." We set written policies that articulate the vision for our Co-op, define the responsibilities of the Board, and lay out expectations and limitations for the General Manager -- the professional to whom operational matters are delegated. Each policy is monitored at least once per year. Jeremy DeChario, our GM, prepares reports for each board meeting, and by discussing these reports the Board analyzes his job performance and the overall welfare of the business. A compilation of these reports is the basis for our annual GM performance evaluation. Finally, the Board monitors our own compliance through systematic review of governance policies.

As we work through our annual monitoring schedule, the Board determines whether policy revisions or additions are needed. During FY 2018, we found it necessary to add a new policy on Board Endorsements. This policy specifies when and how Syracuse Cooperative Market can endorse a campaign or a cause that we, as an organization, feel strongly about, and that is relevant to our position as a local, cooperative grocery store. Using this new policy as a framework, the Board unanimously approved an endorsement for the New York Health Act.

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 contains time, usually 15 minutes, for a forum when members can ask questions or share feedback. We're especially eager to speak with any members who are interested in serving on the Board. Check out the weekly e-newsletters for board meeting dates, or contact Jen, Board Administrator, at jen@syracuse.coop.

Looking Ahead

The new fiscal year (2018-2019) is now well underway, with the Board continuing to focus on the major issues of member participation, Board development, and planning for our Co-op's future. There is much to be done on each of those fronts, and one particular challenge that lies at the nexus of all three: revising our Cooperative's bylaws. Over the coming months the Board plans to study some potential changes to our bylaws, with the objective of making expansion more feasible by allowing us to raise different types of member capital. We are chartering a [Bylaws Committee](#) to work on this project, and we are calling on members to participate! If you would like to get involved, please contact Meagan, Board President, at megweatherby@gmail.com.

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The Board firmly believes that our Co-op's best days are yet to come. With careful scrutiny, judicious optimism, and continually rising expectations, we'll get there. We thank each and every member for their continued support and investment.

2018 Board of Directors: John Craddock (Vice President), Andy Erickson, Debra Lee Gertz, Colleen Gibbons, Abigail Henson (Secretary), Michael Jurbala (Treasurer), Rich Strub, Anthony Terrinoni, Meagan Weatherby (President)