

# Syracuse Real Food Cooperative, Inc.

## Annual Report

# From the Board

---

Dear Fellow Coop Member:

For the past couple of years a dedicated group of Coop members have worked very hard to put together a new set of Bylaws that will help the Coop and the Board of Directors with greater efficiency. We are pleased to announce their job has been completed. The Board of Directors will be presenting to our membership at the annual meeting these Bylaws.

We would like to take this opportunity to publically thank this committee. The members included Ron Ehrenreich, Mark Fitzgerald, Larry Rutledge, Karl Newton, Thane Joyal and Walley Francis. Input on the final draft was also given by Marilyn Scholl of CDS Consulting Co-op and the Board. All performed yeomen's work in compiling a document that as Ron said "We think this is a set of bylaws that is empowering to the board and respectful of the membership".

The following is a brief overview of the process that was used. The committee met regularly once they were established by a board resolution in early 2010. Their meetings involved intense discussion of each section of the 2009 and preceding bylaws. Meetings were also held with the board to clarify certain items. By March of 2011 the committee had put together a Draft document that they presented to the Board. Due to some shifting of board membership the board did not meet to review the draft until June and July. The board in conjunction with the assistance of legal aid and Marilyn Scholl reviewed the document making some changes. Then in September the board and the committee came together to agree on what would finally be the bylaws we are presenting.

We cannot stress enough the importance of what a set of Bylaws means to this Coop. These are the laws the board uses to carry on our duties to our members and the laws those members must use to see that their rights are protected. We would encourage every member, if able, to attend our annual meeting to give their voice to this process. Attending the meeting is one of the most important obligations a member has to the coop.

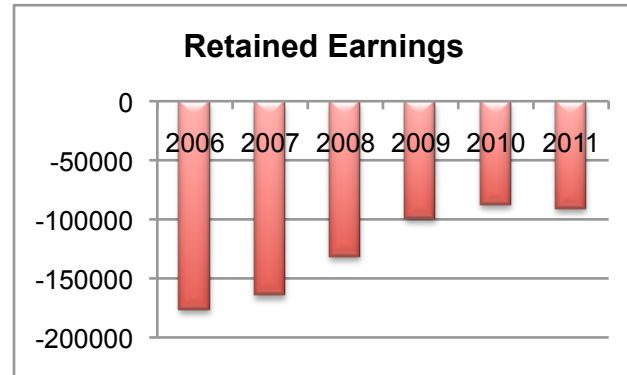
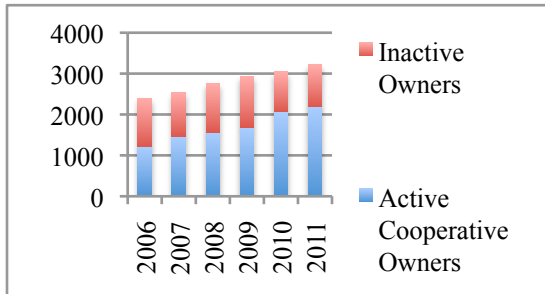
Once again we wish to thank all those involved in this process, specially the Bylaws Committee. We hope to see you all in early December at the annual meeting.

Go Co-op,

The Board of Directors - SRFC

# Store Report

The fiscal year ending July 3<sup>rd</sup>, 2011 was a challenging, and exciting time for our food co-op. Early in the year, we learned that a proposed zoning change to support our move to 2200 east genesee street did not go through, and so, we had to regroup, and figure out what is next for the organization. Early on, we determined that a renewed focus on improving our current store would be a wise investment, as we continue to search for a new property to move into.



Working with our membership, and bringing in managers of other nearby successful cooperatives, we decided on an action plan to implement over the next year:

- A façade redesign, to improve the store's energy efficiency, and provide a more welcoming environment.
- Energy efficiency upgrades for our existing equipment, including:
  - New LED lights in our existing coolers
  - New high efficiency fans in our existing coolers
  - Defrost timers for our existing freezers
  - Energy efficient lights throughout the store, including LED spotlights
  - Expanded fresh produce and deli foods
  - Continued emphasis of bulk foods
  - Reduced emphasis on packaged grocery, allowing us to remove some shelving and widen the aisles for a more welcoming, easier shopping experience
  - Refinished hardwood floors, and a fresh coat of paint to brighten up the store
- Reintroduction of a beer department, possibly the most requested product line of the last decade.

We feel this plan will help us to maximize the utility of our current location, and will help us to remain relevant in the face of new competition from Tops, Natur-Tyme's planned expansion, and continued competition with Wegmans.

One important milestone for the co-op was the final payment on our member loans that financed equipment purchases in 2006.

# Candidate Statements

---

Thane Joyal

1. Why do you want to serve on the Board of Directors?

I want to serve on the Board of Directors because I believe that the Syracuse Real Food Co-op makes our community stronger, and makes the lives of our owners better. I think that cooperation is an important skill to cultivate and develop, both as individuals and as communities. I hope to lend my energy and curiosity to helping the co-op stay relevant in a changing world. I think that boards of retail food cooperatives, perhaps more than any other organization, have the ability to think deeply and see clearly so that they can create an organization that is resilient and life-sustaining. I would like to be part of that effort here in Syracuse.

2. What are important elements that sustain the Co-op's competitive edge in good times or in a challenging economy?

I think retail food co-ops need excellent management and excellent governance to be successful in meeting owners' needs in the future. The Co-op needs to help its members to understand the challenges posed by this economy too, so that we can all face the difficulties and opportunities constructively.

3. What unique skill or perspective will you bring to the board?

Well, I bring a commitment to cooperation that has grown from my first membership in the P'Nuts Food Co-op at the University of Maine in 1983. I've been on the board of this co-op in the past and learned a great deal about governance from that experience. In addition to my work as an environmental attorney I also work now consulting with food cooperative boards across the country. Seeing what other co-ops can accomplish and the challenges that they overcome is an inspiration I would try to share with this board, if elected.



Amanda Wada

1. Why do you want to serve on the Board of Directors?

I would like to serve on the board of directors to continue to serve the owners of the Syracuse Real Food Cooperative.

2. What are important elements that sustain the Co-op's competitive edge in good times or in a challenging economy?

I understand the importance of communication for a thriving cooperative market. My 2 1/2 years of personal interactions, e-mail discussions, and general communication with owners via my experience as marketing and owner services coordinator helped me to develop an understanding of the needs of the owners of the cooperative.

3. What unique skill or perspective will you bring to the board?

Our cooperative market is owned by the thousands of individuals who are committed to improving their community. The health of the Co-op is reliant upon a well-informed ownership who understands the role that the Co-op plays in benefiting that community.

**Syracuse Real Food Cooperative Inc**  
**Balance Sheet**  
As of July 3, 2011

Draft

	<u>Total</u>	
	As of Jul 3, 2011	As of Jun 27, 2010 (PP)
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Bank Accounts</b>		
1000 Cash	21,770.02	25,804.60
<b>Total Bank Accounts</b>	<b>\$ 21,770.02</b>	<b>\$ 25,804.60</b>
<b>Accounts Receivable</b>		
1050 AR	0.00	758.23
1100 Accounts Receivable	3,928.19	6,904.46
<b>Total Accounts Receivable</b>	<b>\$ 3,928.19</b>	<b>\$ 7,662.69</b>
<b>Other Current Assets</b>		
1150 Coupons	408.29	2,132.36
120 Inv	89,735.14	79,052.51
1200 Inventory (deleted)	0.00	0.00
1300 Trade Notes	0.00	0.00
1325 Deferred tax asset- current portion	5,850.00	5,850.00
1350 Prepaid Expenses	0.00	0.00
1498 Undeposited Funds	0.00	0.00
<b>Total Other Current Assets</b>	<b>\$ 95,993.43</b>	<b>\$ 87,034.87</b>
<b>Total Current Assets</b>	<b>\$ 121,691.64</b>	<b>\$ 120,502.16</b>
<b>Fixed Assets</b>		
1400 Building	28,429.38	28,429.38
1405 Acc. Dep. - Building	-19618.00	-19228.00
1410 Furniture, Fixtures & Equipment	100,750.08	101,349.93
1415 Acc. Depreciation - FFE	-65761.46	-60599.46
1420 FFE for Store Reset	5,689.30	5,689.30
1430 Expansion Project	29,251.67	31,731.27
1600 Land	600.00	600.00
<b>Total Fixed Assets</b>	<b>\$ 79,340.97</b>	<b>\$ 87,972.42</b>
<b>Other Assets</b>		
1700 Other Assets	14,018.49	13,185.45
1800.99 Deferred Tax Asset	9,399.00	9,399.00
<b>Total Other Assets</b>	<b>\$ 23,417.49</b>	<b>\$ 22,584.45</b>
<b>TOTAL ASSETS</b>	<b>\$ 224,450.10</b>	<b>\$ 231,059.03</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>		
2001 Accounts Payable - Vendors	55,780.76	62,079.96
2002 Bill Lombard Fund	0.00	0.00
2003 Raise the Roof Fund	0.00	0.00
<b>Total Accounts Payable</b>	<b>\$ 55,780.76</b>	<b>\$ 62,079.96</b>
<b>Other Current Liabilities</b>		

2000 Accounts Payable - Vendors (deleted)	0.00	0.00
2010 Sales Tax Payable	698.90	2,504.36
2020 Coop Cash	0.00	0.00
2021 Gift Certificates	30.69	1,467.43
2035 Payroll Taxes Payable	0.00	0.00
2041 Health Insurance Payable	0.00	0.00
2045 Accrued Property Taxes	0.00	0.00
2046 Federal Income Tax Payable	0.00	-6.82
2050 Line of Credit [Loan # 43]	0.00	0.00
2060 Other Current Liabilities	0.00	0.00
2100 Accrued Payroll	6,093.97	5,274.35
2101 Payroll Clearing	0.00	0.00
<b>Total Other Current Liabilities</b>	<b>\$ 6,823.56</b>	<b>\$ 9,239.32</b>
<b>Total Current Liabilities</b>	<b>\$ 62,604.32</b>	<b>\$ 71,319.28</b>
<b>Long Term Liabilities</b>		
2200 Long Term Debt	0.00	3,043.71
2220 Mortgages [Loan # 39]	18,226.14	20,903.91
<b>Total Long Term Liabilities</b>	<b>\$ 18,226.14</b>	<b>\$ 23,947.62</b>
<b>Total Liabilities</b>	<b>\$ 80,830.46</b>	<b>\$ 95,266.90</b>
<b>Equity</b>		
3000 Capital	233,809.70	222,401.42
3001 Requests for capital refund	800.00	900.00
3005 Opening Bal Equity	0.00	0.00
3010 Retained Earnings	-94290.64	-98407.48
Net Income	3,300.58	10,898.19
<b>Total Equity</b>	<b>\$ 143,619.64</b>	<b>\$ 135,792.13</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 224,450.10</b>	<b>\$ 231,059.03</b>

Saturday, Dec 03, 2011 07:47:31 PM GMT-5 - Accrual Basis

**Syracuse Real Food Cooperative Inc**  
**Profit & Loss**  
 June 28, 2010 - July 3, 2011

Draft

	<b>Total</b>
<b>Income</b>	
400 Sales	1,514,020.09
<b>Total Income</b>	<b>\$ 1,514,020.09</b>
<b>Cost of Goods Sold</b>	
510 COGS	950,339.41
<b>Total Cost of Goods Sold</b>	<b>\$ 950,339.41</b>
<b>Gross Profit</b>	<b>\$ 563,680.68</b>
<b>Expenses</b>	
600 Personnel Expense	373,300.39
7000 Occupancy Expense	35,744.71
7100 Depreciation & Amortization	7,614.56
7200 Operations Expense	56,395.86
7201 Facility Services	8,538.04
7300 Administrative Expense	25,736.25
7400 Governance	20,614.95
7600 Marketing & Promotions	38,023.36
7900 Interest Expense	69.99
9997 Discounts suspense	922.72
9998 Suspense	1,027.00
<b>Total Expenses</b>	<b>\$ 567,987.83</b>
<b>Net Operating Income</b>	<b>\$ (4,307.15)</b>
<b>Other Income</b>	
8000.00 Other Income	7,330.85
<b>Total Other Income</b>	<b>\$ 7,330.85</b>
<b>Other Expenses</b>	
8100 Other Expenses	6,504.47
<b>Total Other Expenses</b>	<b>\$ 6,504.47</b>
<b>Net Other Income</b>	<b>\$ 826.38</b>
<b>Net Income</b>	<b>\$ (3,480.77)</b>