

**Minutes for the Potsdam Food Co-op Board Meeting**  
**May 16, 2017**  
**6 PM**

- I. Call to Order
  - a. The regular monthly meeting of the Board of Directors of the Potsdam Food Co-op was held on Tuesday, May 16, 2017, above the Carriage House Bakery, the President being in the chair and the Secretary being present.
- II. Attendees
  - a. Voting members in attendance included Laura Cordts, Joseph Andriano, Robin McClellan, Samantha DaGrossa, Tim Messner, Abby Lee, Maggie McKenna, Erica LaFountain, Eric Ochraneck, Kayla French, and Gail Anderson.
  - b. Members not in attendance included Jessica Diagostino.
  - c. The General Manager, Eric Jesner, was present.
  - d. No *adult* guests were in attendance.
- III. Approval of Minutes
  - a. Anything to remove from the consent agenda? No.
  - b. A motion to approve the consent agenda (minutes from the last meeting, and committee reports since the last meeting), was made by Joe and passed with universal consent.
- IV. General Manager's Report was presented by Eric Jesner:
  - a. Sales Report
    - i. Sales up 4.7%. Great news.
    - ii. Credit card sales are up. But saving money on processing with the new system. Could save us \$200 per month.
    - iii. EBT sales up \$700. Swipe fee is now .05 instead of .15 or .20.
    - iv. Sales per member household are up.
  - b. Buildings & Grounds
    - i. Tree removal is done. Should be gone soon.
    - ii. Working on moving parking lot back. Fraternity volunteers didn't follow through.
  - c. Personnel
    - i. Allyssa starting in FE this week
  - d. General
    - i. UNFI show. Eric, Jesse, and Alyssa leaving tomorrow.
    - ii. CDS study update. Eric and others met with Debbie from CDS on Friday. Eric will receive and share her report soon.
  - e. Last quarter overview had us feeling...pretty ok. Pretty close to budget.
- V. Old Business
  - a. None
- VI. New Business (voting items or items requiring board discussion)
  - a. Working owner discounts (Maggie McKenna)
    - i. Proposes additional tiers of working membership. Considerable discussion ensued. Eric contends that creating more tiers of member working status would be a logistical nightmare. Robin further contends that discounts cost the Co-op money. Maggie will take the board input back to the membership committee.
- VII. Open forum/Discussion
  - a. Patronage dividends (Robin McClellan)
    - i. The problem with giving discounts (as opposed to patronage dividends) is that they are given before we know whether the co-op can afford to give the discount. Some years the Co-op really couldn't afford these discounts by a significant margin.
    - ii. Considerations: long term capital funds, outstanding liabilities (shares can be cashed in at any time).
    - iii. We've been paying for things as we go, operating "on a wing and a prayer" with no capital fund built up from profits.
    - iv. Robin will consult an attorney, and hopes to put the process in motion for the membership to vote on it in October.
    - v. Robin just wants to get the process started to ENABLE us to have patronage dividends as an option, even if we don't opt to do it right away. The process takes 1.5-2 years due to the notice and vote needed to change the bylaws, and then the lag before it takes effect.
    - vi. Laura: once you understand the issue, it becomes clear why it's better for the co-op, but what about for the members?

- vii. Tax benefit. If we have another good year, we'll have to pay income taxes on all of it, rather than being able to return a portion of that which came from members back to the membership.
- viii. Eric: we can do both the patronage dividend and a discount. Probably not a good idea to take away the 2% discount at this point. Members may feel they're losing a benefit.
- ix. Need a good track record to sell the option to the membership.
- x. Not all of the declared dividends need to be distributed.
- xi. What is the cost of implementation?
- xii. Develop messaging next. FAQ for example.
- xiii. Robin will draft bylaw change as the board feels this issue is worthwhile. The board can vote in August or at a special meeting in early September.
- xiv. Newsletter article should be ready to include in the fall newsletter.

VIII. Adjournment

- a. Robin moved that the meeting be adjourned, seconded by Abby, and this was agreed upon at 7:49 PM.

Respectfully Submitted,  
Erica LaFountain  
Secretary, Potsdam Food Co-op