

**THE ISLA VISTA FOOD COOPERATIVE**  
**Board of Directors Meeting Minutes**  
**Wednesday, January 20, 2021 at 6:30 p.m.**  
Held Via Videoconference

Directors Present: Lisa Oglesby (LO), Kent McClard (KM), Jillian Tempesta (JT), Jeremy Roark (JR), Lauren Coiro (LC), Janet Stich (JS)

Directors Absent: None

Staff Present: Melissa Cohen (GM)

Owners Present: Mark Vukcevich (MV)

Meeting Start Time: 6:34 p.m.

1. Approval of Board of Directors Meeting Agenda for January 20, 2021:

***Motion to approve the Board of Directors Meeting Agenda for January 20, 2021 as presented: JT  
Second: JS Passed: 5-0-0***

2. Owner Input and Announcements: JS complimented both the content and aesthetics of the recent IVFC electronic news flyers.

6:42 p.m.: JR joins meeting

3. Approval of the December 16, 2020 Board of Directors meeting minutes:

The following amendments to the minutes were approved: In GM Report, under Owner Services, amend the sentence to read: The owner database and filing project is coming up *on our priorities planning* in January”, and, “We need to build a system to maintain paper files, *while also* deciding how tech forward we want to go....” In the GM Report, Community Engagement section, the last sentence will be amended to read, “...be an ally to the *Fund for Santa Barbara.*” In the GM Report, Finance Committee section, second line, “I have *completed* all the required paperwork.” Under Board Calendar, FC/Treasurer’s Report, omit the last two sentences in the fourth paragraph. The remainder of the amendments were minor punctuation changes.

***Motion to approve the Board of Directors meeting minutes of December 16, 2020 as amended:  
JT Second: LO Passed: 5-0-1 Abstain: LC***

4. GM Report: Please refer to the comprehensive, written GM Report in the Board packet.

*Action Items/Goals Reporting:* Please refer to the written GM Report.

*HR/Staffing Updates:* The IVFC worker count is stable.

Cal/OSHA AB685 is now in place. It updates and outlines emergency temporary standards for COVID prevention in the workplace. The OM attended a webinar on this and included a copy of the “Cal/OSHA Standards - What Employers Need to Know” in the Board packet. This outlines the requirements the co-op is responsible for including identifying and mitigating hazards. All employees are required to be trained on the standards. The IVFC has developed an updated COVID prevention program, put it in action, and has completed all-worker training on Zoom. The GM and the on-call team are working with our workers, encouraging them to report, without fear of retaliation, any hazards. At this point, if Cal/OSHA comes for an inspection, we should pass. If we don’t pass, there is time given to correct any identified issues.

CARES Act Follow-up: If a worker is exposed at work and is asymptomatic, we have to pay time off. We can extend paying PTO via the CARES act through March and receive a tax credit, but will have cash liability. There could be a CARES act extension. LO: What would the numbers be in a worse case scenario through March, say three workers are out? GM: Depends on type, eg. PT, FT, Manager. LO: We have access to PPP funds and can cover co-op costs on labor. We're not in a cash shortage because of the PPP forgiveness. This is worth doing through March, understanding that facts on the ground might change. GM: I can write a policy to extend, but may have to shift depending on how the co-op is doing. KM: The only thing that would cause losses that would cancel a program like this is a catastrophe. GM: Appreciate this. It's like the middle ground moment. MV: Catastrophic? LO: For instance, an outbreak of enough workers that the store had to close. The impact on workers at the co-op would be greater than the fiscal impact which would also be bad. This is why we are doing all we can to mitigate risk. GM: I have to think about worse case scenarios as part of my job. The Operations Manager comes to us with experience with Compliance Programs and can do trainings on these. We'll be shoring up the Cal/OSHA Injury, Illness and Prevention Program next.

Insurance Policy Addition: (Considering adding Employment Practices Liability coverage protecting the co-op from worker lawsuits regarding claims alleging discrimination, wrongful termination, harassment). GM: I will have a refreshed quote and more information by the February meeting and will bring to the Board. KM: Did we have this coverage in previous years? GM: It came up in discussion that we should consider this. It's estimated at \$15,000.

We added an umbrella policy for the building. We are building out our policies for the most protection for our workers and the co-op.

Wage scale update: Working on this and will share with the Board when complete.

Added Worker Benefit: We've added a Snack Basket with one to two snacks per shift for all workers on shift.

Co-op Operating Structure: An organizational chart is in the Board packet. This has been shared with the Managers, who approve of the structure.

*Operationally Speaking:* The COVID Prevention Program information has been sent to the Board.

Produce Cooler: Full details are in the GM Report. The new cooler is being stocked tonight. The current bill from Keller for installation plus the structural issue in the beams (water damage) is about \$25,000. The original quote was \$17,000, but we had to add \$3,000 then \$5,000 due to delays. Some of the costs due to the delay may be paid back with the claim against UPS. NCG will also remunerate us for a portion of this. The produce sales in the "farmer's market" display was very robust. Instagram will have a live tour of the new cooler. LO: Do you need additional Board approval of expenses for the cooler? GM: We could wait until we hear from NCG, hopefully in February. LO: Let's look at this in February after we have all details.

Technology Project Updates: All is sweet in the land of technology. We have a great home delivery route to Campus Housing, and some downtown repeat customers. We've added delivery days. Curbside pick up is picking up.

*National Co+op Grocers:* We have enrolled in the NCG coupon program and there will be direct mail of coupons for great things. We're doing all we can to sweeten the loyalty of our Owners. LO: For new owners? GM: For all Owners. LO: Paper? GM: Yes. JR: Are the coupons being mailed out or picked up. GM: The new Owner will get a welcome packet with coupons in it. Other coupons are direct mail. NCG will get the addresses of Owners and NCG will send them out. We'll choose the IV addresses of those who have been shopping. LO: Do Coupons have NCG coop branding or our co-op branding? GM: These are NCG branded. Could customize in the past (flyers), but expensive. I can

check. JR: Do you know what percentage of the coupons are used? I'm thinking environmentally. GM: About a 5% return. NCG does have a commitment to sustainability in their printing and work.

*Owner Services: Database and Filing Project:* We are making progress on this. The GM, POS/Data Manager, and Directors will meet soon to discuss details.

*Total Owner Count and Equity:* Please see the packet for numbers. We signed up 57 new Owners in December.

*We Own It Rewards:* See the snapshot in the Board packet on how we are doing with the Owner Points promotions.

*Financial Updates:* We received full forgiveness on the PPP loan. We're moving forward to see if we are eligible for a second PPP loan.

The 1Q21 supplement came in late. We can discuss this in February. The margin took a little ding, probably because of the bulk department. Prices may need to go up because of the time to package and the price of packaging for bulk items. The margin in terms of sales are on point to get to budgeted at 39. LO: What is the difference in Catapult and what is on the P&L? GM: It's not pricing. We may be seeing shrink inventory or we did not account for cost of goods (containers for bulk, etc.) which dragged the bulk margin down. I will report back to Board. Now we have the technology to isolate margin. The Board continued with a brief discussion of sales/margin.

Moving forward this quarter, we are right now running 25% under last year. Just earlier, we were 29% under. I don't know how to make money unless sales increase. I can send out full sales for first 3 weeks of quarter. The Managers are reviewing proposed projections and labor goals.

*FY21 Business Planning:* Right now we are looking at financials plus the organizational structure. In the Organizational Chart, the OM is placed in an oversight role of other Managers relating to safety and policy issues. They will report to the OM. This was presented to the Managers and was supported.

*The Co-op and the General Manager in the Community:* Please refer to the Board Packet for GM's report.

LO: Can you comment on the Strategic Priorities in the packet? GM: The Outreach Coordinator and I are working on a redesign of the Strategic Priorities trying to get them on one page. It's a challenge because it gets text heavy and unappealing. I wanted to ask if it makes sense to have it double-sided? LO: They are meant to be together, so double-sided is OK, otherwise people are just getting a part of them. GM: Good. We can put it in the Owner packet that way.

7:50: MV leaves meeting

Break: 7:50 - 8:02 p.m.

## 5. Board Calendar

a) Finance Committee/Treasurer's Report: Please refer to the Treasurer Report in the Board packet. KM: There is not much to add to the written report except that the window will open up for a possible second PPP loan. The Finance Committee (FC) is meeting about it. The GM and FC feel we should apply for another loan. Shall we pre-approve the FC to manage this so we can expedite the process when the application date opens? The Board/GM discussed this further with questions answered. The GM will forward the PPP application and information to the FC.

***Motion to authorize the Finance Committee to approve the PPP loan application process on behalf of the Board: JT Second: JR Passed: 6-0-0***

b) GM Evaluation Committee Report: Carolee Colter, the Columinate consultant, has received the information she requested to complete her work. She will be sending the Committee her summary and recommendations soon.

c) Owner Engagement Committee Report: JT: There are no updates other than the Election Committee and the OEC have discussed publicity for the election and the candidates.

d) 2021 Board of Directors Election Committee Report: LO: Over the years, the Board election has been organized by our Election Protocol. The Election Protocol, including proposed changes for this election based on COVID considerations, is in the Board packet. Portions of this will impact the Outreach Coordinator as there would be extra content for social media. We can work with her or can craft on our own. We need to make sure the Outreach Calendar is lined up with the Election Protocol. GM: I can put out the Call for Candidates in February. LO then discussed the Protocol timeline. Discussed ways to vote in addition to online, e.g. phone or request paper ballot. Should we increase the postcard sending due to decrease in other means of promoting the election? If we increase social media, perhaps we could overcome deficit of the other means we will be losing. JT: Last year the GM had the idea of putting cards into checkout bags. We could have time this year for this as well as in curbside and delivery orders. GM: Interesting branding for Owners that they have a voice in Coop. We could make the mailing meaningful. We haven't spent a lot on marketing this year. LO: Happy to invest in why we are a cooperative. If we have the direct mail list with good addresses, this will be a good way. We will have a Candidate Conversion. GM: There could be a way to do an outside ballot box. LO: The proposed election timeline will seat Directors at the May Board meeting, the same as last year. GM: Do you want me to reach out to KCSB so they can do a call for candidates? LO: I can reach out to them. LO: I'll need templates from the GM and feedback after the meeting with the Outreach Coordinator.

***Motion to approve the amendments to the Election Protocol for the 2021 Board Election: JT Second: JS Passed: 5-0-1***

e) IVFC Bylaws: LO: Work is continuing on the bylaws. There is currently no issue to bring to the Board.

f) Owner Records Filing and Policy: GM: Will send out Doodle tomorrow to schedule the first meeting on this.

6. Meeting Scheduling

- a) February Board of Directors Meeting: February 17, 2021
- b) Finance Committee Meeting: tbd
- c) GM Evaluation Committee Meeting: tbd
- d) Election Committee Meeting: tbd

7) Closed Session

***Motion to approve the updated GM job description:LO Second: JT Passed: 6-0-0***

***Motion to approve the updated GM Compensation document (Item B), effective January 1, 2021:  
LO Second: KM Passed: 6-0-0***

Meeting adjourned: 9:13 p.m.

*Minutes taken by Janet Stich, Corporate Secretary  
Minutes unofficial until approved by the Board of Directors  
Meeting held via videoconference due to COVID regulations*