

**THE ISLA VISTA FOOD COOPERATIVE**  
**Board of Directors Meeting Minutes**  
**Wednesday November 15, 2023 at 6:30pm**  
Held online via Zoom

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Directors Present: Lisa Oglesby (LO), Jillian Tempesta (JT), Megan Ashley (MA), Tyler Marton (TM), Grace Garbacz (GG), Eric Shug (ES)  
Staff Present: Hernan Cornejo (GM)  
Owners/Community Present: none

*Meeting begins at 6:35 pm*

1) Approval of November 15, 2023 Meeting agenda

***Motion: To approve November 15, 2023 meeting agenda as presented.***  
***GG/JT 6-0-0***

2) Announcements & Owner Input

LO is volunteering to table at the Turkey Trot on Saturday. Everyone is welcome to stop by.

3) Approval of meeting minutes

a) October 18, 2023 Board of Directors Meeting

***Motion: To approve meeting minutes for October 18, 2023, as presented.***  
***LO/MA 6-0-0***

b) 2023 Annual Owner Meeting

***Motion: To approve 2023 Annual Owner Meeting Synopsis and Minutes as amended.***  
***ES/MA 5-0-1 (JT)***

4) Board Calendar & Reporting

a) Resignation of Director

***Motion: To accept the resignation of Director Nadia Lee Abushanab effective 10/26/23.***  
***LO/MA 6-0-0***

b) Finance Committee/Treasurer's Report

This month is our lowest value cash flow month we've had since December 2021. October is usually a month where we build cash, so this is alarming. Trends are out the window. The next Finance Committee meeting will explore budgeting going forward. There followed a discussion about bringing more shoppers into the store, like adding breakfast burritos or overnight oats in concert with earlier hours.

c) Owner Engagement Committee Report

The OEC did quite a bit of Board tabling throughout October in support of the Owner Drive, which in total netted 250 new members. While we didn't meet the owner drive goal, we had good patio conversations that allotted more space for insightful conversations. As we move forward with the OEC, it will need to be in support of the Election Committee. It's also a good place for the IVFC history document to live. We will need to talk about how this project is structured. Ideas included automation via social media callouts, a voicemail, a Google form. There is potential for a spring event, Storycorps style, for recording oral histories.

d) 2023 Annual Owner Meeting reflections

Directors felt like the audience was engaged and curious. There was a discussion about how to involve owners in a fruitful way. Right now, there aren't many easy ways to get involved short of becoming a Director. One idea is publicizing the OEC to owners on Instagram. Another idea is a happy hour (e.g. 15% off coffee drinks in the morning). There is a prevalent myth that the IVFC is expensive; our marketing and communications should focus on busting that.

e) 2023 Bylaws Revision Update

Previous meeting with Therese Tuttle was cancelled due to a death in a family. LO is waiting on word for when it will be rescheduled, will report back at next meeting.

f) Strategic Priorities

Discussion of sunsetting the "2020: Meeting The Moment" addition to the Strategic Priorities that was added during the pandemic. General agreement that it was appropriate but to keep the added language that fleshed out the Grow The Visibility of Our Values" priority.

***Motion: To approve the Strategic Priorities as amended.***

***GG/LO 6-0-0***

g) 2024 Board of Directors Election

MA and TM are two Directors who will definitely serve on this committee due to election cycles. Information on the committee is included in the packet. TM has volunteered to chair the committee.

5) GM Reporting

**General Overview**

October sales were \$313,000, 20% below our budget. Net losses for the period were - \$20,809, a result LOWER than 2022 (-\$14,977) but significantly higher than the projected \$8,000 positive revenue in the budget. Net losses for the period were -\$20,809, a result lower than 2022 (-\$14,977) due to active accounts receivables.

November sales remain lower than 2022. We keep reducing expenses as much as we can. Paychex filed for \$122,000 in unclaimed ERTC for 2021, which will arrive in monthly credits for 18-19 months that will help improve our operational results by reducing our employee tax expenses to zero for the period, an estimated \$6,500-6,750 in savings per months.

A 2023 CalRecycle mandate requires that IVFC receive recycling items and refund CRV to be reimbursed by the government. The IVFC has received a \$500 fine for not complying (posting notice that we are a recycling center) and could be fined up to \$4,000. This new mandate is not sustainable for the co-op, financially or in terms of personnel, because it requires staff be available to handle whatever amount of recycling come to the store at any time, some potentially quite large. The co-op has created a collective of IV businesses affected and sent letters to state senators in protest. Monique Limon and Gregg Hart, as well as the IVCSA, are actively advocating for the co-op. They are lobbying with CalRecycle to get a waiver for small businesses in IV like the co-op.

**HR/Staffing**

Managers and employees are taking unpaid time out or reduction in hours to help the co-op through slow sales through the end of the year. GM installed a PTO blackout until Jan 5th, 2024, to avoid increase in payroll expenses during the year-end slow down period. There is

some frustration among the team as their efforts are not translating in more customers or sales. The GM suggested that personal notes to these employees from the Board would be appreciated.

Workers are galvanized to help the co-op. The Board will brainstorm employee appreciation ideas.

### **Marketing and Outreach**

Owner's Drive Month was able to capture over 215 new members, although, discounting net member losses for the month, we are still 146 members short from same time last year.

### **Membership**

We are in equity compliance for membership. We are preparing legal publications that will run, once a week for four weeks, which will allow us to move abandoned equity as unallocated equity. By December, we would have extinguished liabilities for over \$390K and freeing that burden for the future.

Fewer than half of the owners are buying at the co-op on a monthly basis. The GM and the Board debated the merits of a rule that asked owners to purchase something at the IVFC once a year. This rule would not be enforced.

Ed St. George offered six one-hour parking spaces nearby for our customers. We will take advantage of these to hopefully attract more people who drive in from outside IV Market.

### **Maintenance and Repairs**

No major issues in the past 30 days.

### **Financial Updates**

As of 11/14/2023, our balance in the primary accounts (checking and savings) is \$53,714. As GG reported, our cash flow is at its lowest since December 2021.

#### 6) Upcoming Meetings

- a) Finance Committee meeting: TBD
- b) Owner Engagement Committee meeting: 11/28 at 12:30 on the IVFC patio
- c) Election Committee meeting: 12/4 at 7 pm via Zoom
- d) December Board of Directors meeting: December 13th at 6:30pm

*8:59 pm – Board and GM enter Closed Session*

#### 7) Closed Session

*Meeting ends at 9:07pm*

*Minutes taken by Corporate Secretary Jillian Tempesta.  
Minutes approved by Board motion, December 13, 2023.*