

**THE ISLA VISTA FOOD COOPERATIVE**  
**Board of Directors Meeting Minutes**  
**Wednesday October 19, 2022 at 6:30pm**  
Held online via Zoom

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Directors present: Cody Nunn (CN), Raphael Chinchilla (RC), Lisa Oglesby (LO)

Directors absent: Jillian Tempesta, Julia Barbosa

Staff present: Hernan Cornejo (General Manager, GM)

Owners present: Matt Richards, Kent McClard

*Meeting begin 6:35pm.*

With only 3 Directors in attendance, this meeting does not reach quorum to do Board business.

*Official meeting adjourned at 6:36pm.*

The October Board of Directors Meeting will proceed as an information only meeting.

1) Approval of Agenda for October 19, 2022:  
Not approved.

2) Owner Input & Announcements:  
MR: Has meeting planned with GM on 10/21 to discuss ongoing concerns regarding his relationship with staff moving forward.

3) Recording of 3 Email Motions:  
Tabled for next meeting.

3) Approval of September 21, 2022 Board meeting minutes:  
Tabled for next meeting.

4) Board Calendar & Reporting:  
a) Finance Committee/Treasurer's Report:

RC provided written report for Board packet.

Finance Committee waiting on final FY22 numbers, preliminary number indicated we did better than previous year. September under projections due to later UCSB start and repairs.

b) Owner Engagement Committee Report:

JT provided written report in packet.

Annual Meeting planning is on track. RSVP link is live and will be supported by in store signage, social media, and Board tabling.

c) IVFC Bylaws Committee Report:

Committee work on final draft still ongoing, on track for getting draft to the Board at December Board meeting.

d) Action Without Meeting Policy:

LO prompted Board discussion of policy to support bylaws section 8.14 *Action Without Meeting*.

RC made the following suggestions for Action Without Meeting Policy:

- Motions should be made in an open meeting whenever possible, reserve email motions for emergencies.
- Email motions should be responded to within 72 hours, otherwise the votes for directors who have not responded should be “abstain.”
- The time frame for email motions can be shorter (than 72 hours) if the remaining votes will not change the outcome.

7) Upcoming Meetings:

a) Bylaws Committee meeting: 10/25 at 6:30pm

c) Finance Committee meeting: 10/28 at 4:30pm

c) Owner Engagement Committee meeting: 11/2 at 6:30pm

d) November Board of Directors meeting: 11/16 at 6:30pm

e) Annual Owner Meeting: 11/6 at 5pm

*GM arrives 7:19pm*

6) GM Reporting:

GM provided written report in packet.

#### Overview:

NCG is increasing the basics program by 5.6% next month and they are delaying the price increase (which reduces our margins temporarily). Customer count has been going up the last 2 weeks, should keep increasing until holidays.

FYE22 is projecting about \$60k in operational profit. We are going through accounting issues that will reflect improvements when they are sorted. B2B and Deli purchase are showing as inventories. Reporting on FYE financial will be delayed while this is sorted out. GM is modifying the policies moving forward to be in line with GAAP, also having CPA and Bookkeeper audit our accounting together to review and address problems from how things were done in the past. Purchasers and receivers will be trained on updated procedures and policies.

ERC funds have been placed in a savings account. Improvements in equipment in the previous months are all complete. We are in a position to be resilient in times of uncertainty.

#### Staffing:

35 total employees (18 full time, 17 part time). Lost 3 and gained 3 staff, so total remains the same overall. Looking to hire 1 cashier to full opening.

#### Departmental Highlights:

Grab & Go is growing and consistently meeting the target. Hoping to break even and maybe make a small profit with the addition of catering.

#### Marketing & Outreach:

New website up! Marketing is being trained by Turenchalk about the domain redirect so any traffic to old site gets rerouted to new site.

#### Maintenance & Repairs:

New walk-in condenser installed, should increase the life of the unit by 3-5 years and be more energy efficient. GM will get LO the final invoice for walk-in repair for final Board approval of expense.

Financial Updates:

Sales increased 5% over previous year but margin down by 4% because of increased cost of goods. We need 15% increase in sales to compensate for loss in profitability.

Our growth is now closer to the national average from NCG.

Basket size is reducing but staying above the target.

Marketing will need to attract more customers. The goal is a 20% increase in order to secure very good results (about 100 more people per day).

MR: I am pleased to see the new Deli Manager. Are there concerns about IV Market deli becoming a competitor? Will bulk department continue to shrink?

GM: We hope that the bulk department will be able to stay as it is, without further changes. Items were removed for various reasons, mostly due to sales but also availability.

*Information meeting ended, KM and MR leave meeting 8:16pm*

*Board and GM enter Closed Session 8:17pm*

8) Closed Session

*Meeting end 8:36pm*

*Minutes taken by the Board President, Lisa Oglesby*

*Minutes approved by Board motion, November 16, 2022.*