

**THE ISLA VISTA FOOD COOPERATIVE**  
**Board of Directors Meeting Minutes**  
**Wednesday, July 21, 2021 6:30 p.m.**  
Held online via Zoom videoconference

Directors Present: Lisa Oglesby (LO), Kent McClard (KM), Cody Nunn (CN), Jillian Tempesta (JT), Raphael Chinchilla (RC), Janet Stich (JS)

Directors Absent: None

Owners/Community Members Present: Matthew Strepzak (MS), Matt Richards (MR), Kelsey Dowdy, (KD).

Staff Present: None

Meeting Start Time: 6:30 p.m.

1. Approval of Board of Directors Meeting Agenda for July 21, 2021:

JS: Please edit the date of August Board of Directors Meeting to read August 18, 2021 at 6:30 p.m.

LO: Edit the wording of Item 4 on the agenda to read "motions".

***Motion to approve the Board of Directors Meeting Agenda as amended: LO Second: RC  
Passed: 6-0-0***

2. Owner Input and Announcements: MR: Anything that the IVFC can do to keep area in front of co-op/sidewalk/gutter clean would be great. There are businesses in Isla Vista that are a good example of what is possible. Taking care of our property aesthetically would set an example for the community. In addition, I support making the Board meetings more participatory. We could make Board meetings fun. For example, one idea would be to have Board meetings on the patio if possible. This would also be a good example of democracy in action. MR provided his phone number to the Board in case they wanted to contact him in follow up.

MS: I want to followup on an email I sent to Board and to Mark Mulcahy. I shared my concerns about the State and County COVID requirements. Some concerns are shared by Owners. I am following up on the behalf of Owners that don't have internet. LA County now has a mask mandate. Santa Barbara County is suggesting masks. Restrictions are being placed around the world. There may be a concern about the next several months and food access. Does the Board have a response for any further required lockdowns or mask mandates? Regarding disaster preparedness does it include provisions to continue business with the farmer's, power supply, etc.?

LO: Thanks to both for your comments. Regarding keeping the area clean down to the street: I will discuss this with the front-end manager and create a regular loop for checking and cleaning the front. Regarding making Board meetings more participatory and fun: When we are post pandemic, there could possibly be front patio meetings providing we have good light and good weather. The Board can consider this. The regular community spaces and rooms that we have used for meetings in the past may not be available until well into the fall. To MS: I Have responded in draft form to your comprehensive email and I will send this out. Regarding the mandates of local governments, we will comply with them. Currently masks are optional for the vaccinated. We are providing sanitizer and masks, however, we not mandating mask wearing in the store. If a mandate was going to come into effect or cases rise in our county, we will be sure that curbside is up and running. We have basic safety protocols in place for the store. If there were other disasters like being out of power or out of water, we would have to make adaptations. We do have great relationships with the local farmers. If no food was coming in for a short period, we would have plenty of food in the store

for a while. Our solar panels are providing a good deal of, but not all of, our energy. We do rely on the power grid.

MS: I have spoken with Owners regarding the added expense to the delivery/curbside options. If there is another lockdown, will some shoppers be able to afford the food service? If County or State does another mask mandate, I am concerned about that. Business owners are organizing a rally to discuss these things this Saturday at Stearn's Wharf. Regarding disaster preparedness, I was referring to events such as what Texas experienced with the power shut down. If the dollar devalues, do we have an agreement with the farmers to bring produce in? LO: These are great questions. The IVFC will comply with all state and local government mandates, health orders, and ordinances. We support public health and public safety. Curbside does not have a fee for use. It does have a donation button. If a couple of shoppers can't access the internet and want to use the curbside program, one option is to possibly develop a call-in program. In face of a catastrophic dollar devaluation, etc., it is possible we could develop a system with the farmers. In the meantime, in non catastrophic times, we will continue to move forward with good relationships with our farmers. MS: I concur and encourage continued healthy relationships with the farmers.

3. Approval of June 16, 2021 Board Meeting Minutes:

***Motion to approve the June 16, 2021 Board of Directors meeting minutes as presented: JT  
Second: RC Passed: 6-0-0***

4. Recording of Email Motions:

The following motion was approved by the Board of Directors via email voting on June 24, 2021:

***Motion to increase the store discount of the President of the IVFC Board (Lisa Oglesby) and the Treasurer (Kent McClard) to match the current staff discount until a new IVFC General Manager or Interim General Manager has begun their work schedule: RC Second: JT Passed: 4-0-2 (LO/KM abstaining)***

The following motions were approved by the Board of Directors via email voting on June 25, 2021:

***Motion to authorize Board President, Lisa Oglesby, and Board Treasurer, Kent McClard, to apply for a \$100,000 EIDL loan on behalf of the IVFC: LO Second: RC Passed: 6-0-0***

***Motion to authorize Board President, Lisa Oglesby, and Board Treasurer, Kent McClard, to perform operational interim General Manager duties on behalf of the Board of Directors: LO  
Second: RC Passed: 6-0-0***

***Motion to authorize Board President, Lisa Oglesby, and Board Treasurer, Kent McClard, to accept the proposal from Don Moffit for financial services on behalf of the IVFC in an amount not to exceed \$3000: LO Second: RC Passed: 6-0-0***

***Motion to make the threshold for GM expenditures that come to the Board for approval to be amounts over \$3000: LO Second: RC Passed: 6-0-0***

The following motion was approved by the Board of Directors via email voting on July 13, 2021:

***Motion to approve the updated (attached) versions of the Employment Agreement, Item A, Item B, Item C, and job offer letter: LO Second: JS Passed: 6-0-0***

The following motion was approved by the Board of Directors via email voting on July 16, 2021:

***Motion to approve the updated Employment Agreement 2021, Item B 2021, Job Offer 2021 documents (attached to this email): LO Second: RC Passed: 6-0-0***

5. Board Calendar and Reporting

a. Board President Report to Owners: The Board President's "Report to the IVFC Owners, July 2021" is in the Board packet. It will be included in the next e-news as will be posted on the IVFC billboard. LO read the report to the Board and the Community/Owners present and asked if there were any questions. There were not.

b. Finance Committee/Treasurer's Report: Please refer to the written Treasurer's Report and financial reports included in the Board packet.

1) 3Q and June, 2021 Reporting: KM: I was aware when I sent out my original report, that the bookkeeper would be providing some updated financial information. In fact, we had an additional \$17,000 in losses for the month. I will check the source of this, as it could be the property tax that we paid in June. The cash on hand didn't really change. There are many factors affecting cash on hand. With cash flow, it's just for that one day. A big factor that makes things wonky is when hours are worked but aren't paid until the following month. The cash flow can be deceptive because of these types of situations. Finances have to be looked at in a holistic way: Cash Statement, Income Statement, P&L. There is, however, no doubt our cash is low. LO: The bank statement reflects "if we paid everything right now". Many accounts payable have a certain flexibility. KM: Our bookkeeper is very good at managing how and when we pay our bills.

KM: LO and I had a meeting with Don Moffit, a Columinate Consultant. It was a good meeting. He is going to provide us with some finance tools which look good. When we get the tools, I'll begin to create a budget. We need a way to control the labor in the store. As there is no budget, there is no mechanism for staff to see how their hours are affecting the bottom line. This situation recurs every June. Hopefully in the future, we'll have a more proactive system so we don't see the same losses.

2) Financial Reporting Policy Update: LO: The updated Financial Reporting Policy is included in the packet. The updates reflect the reports that QuickBooks can give us. When the new GM is in place, we may update the policy again. KM: Many of the changes that need to happen to the reporting policy will be made when we interface with the new GM. We did take out policy items that seemed redundant. This will be an ongoing process. On another note, I did have a positive meeting with the NCB rep last week. This revolved around an error the accounting company made in the statements that I found. After this meeting, I do feel that eventually the NCB will come around to approve a mortgage refinance. We need to continue to build this relationship. RC: The policy looks sound and consistent. It would be helpful to see the previous version of the policy to compare the new version with. KM: Either I or LO will send you an original copy.

***Motion to approve Financial Reporting Policy as presented (7/21/21): LO Second: RC Passed: 6-0--0***

c. Ownership Reporting: LO: The Owner Points program balance still looks favorable. We are holding about \$2,400 in balance points. Over time around \$2,100 worth has expired as they expire after one year. The cashier will usually let an Owner know if their points are about to expire. On page Pg 15 of the Board packet, we see the Owner count is lower than last summer but higher than last month. We should see continued increases in ownership through July with the Owner drive and then again in September/October after the big Owner drive push.

d. GM Search Committee: The Board is in the final phase of the process. After assessing the needs of our cooperative, we are progressing toward a hire. Will blast this out when it occurs.

e. Internal Controls Policies:

1) Check Preparation and Signing Policy: These are internal control policies that the Board hasn't seen before. They were initiated around 2015. When the IGM was hired, we needed to review our Check and Credit Card Policy. Internal control policies set the standards as to how we, as Owners, expect the store to be run. We need a detailed and secure check signing policy for the store and for the signers. There need to be two signers for each check. All check signers get trained on and signed off on the policy. RC: It is a well-written policy.

***Motion to approve the Internal Controls: Isla Vista Food Co-op Check Preparation and Signing policy (7/18/21 draft): RC Second: KM Passed: 6-0-0***

2. Business Credit Card Policy: This policy has more updates because the name on the card has changed from the former GM's to the Board President's. This is the policy we are using for store credit card purchases. We pay the card in full every month. We are transitioning away from the card we have from the former GM which had recurring charges, e.g. monthly fees. This will be moved over to a new credit card that has LO's name on it. KM: Don't see anything in the policy about changing the card when the President no longer holds the office. LO: In our "Start of Term Policy" we assign officers. We need to be aware that this change may be coming down the pike. KM: Is it necessary to get consent to close a previous credit card? LO: I will double check about this. KM: Is it possible for two cards with different names to be issued for the same account? LO: No. In the past, we had IVFC on card. Now we know there are two different types of credit. This one has to be tied to a particular person. RC: Maybe we should take out the word "current" in the sentence reading "The Isla Vista Food Cooperative credit card will be held in the name of the current Board president." Board: Agree.

***Motion to approve Internal Controls: Isla Vista Food Co-Op Business Credit Card Policy (7/18/21 draft) as amended: JT Second: RC Passed: 6-0-0***

f. Board Committees Update: JT: The Owner Engagement Committee will meet in August. I am planning to table tomorrow in support of the Owner drive.

Other Board committees are currently on hold while the Board works on the GM Hire Committee.

6. Meeting Scheduling:

- a. August Board of Directors Meeting: August 18, 2021 at 6:30 p.m.
- b. New Director Training Meeting: tbd

Meeting adjourned: 7:40 p.m.

7. Closed Session

Closed session adjourned:

*Minutes taken by Janet Stich, Corporate Secretary  
Minutes approved by the Board of Directors*

