

**THE ISLA VISTA FOOD CO-OPERATIVE**  
**Board of Directors Meeting Minutes**

Wednesday August 16, 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), Nadia Abushanab (NA)

Directors absent: Grace Garbasz (GG)

Staff present: Hernan Cornejo (GM), Sadie McDade (SM), Ylianna Castro (YC)

Owners/Community present: Matt Strezpek (MS), Matt Richards (MR), Eric Shug (ES)

*6:35 p.m. – Meeting begins*

1) Approval of Agenda for August 16, 2023 Meeting

***Motion: To approve meeting agenda for June 28, 2023 as presented.***

***NA/JT 5-0-0***

2) Announcements & Owner Input

LO confirmed that the Board would not be enabling any AI settings on Zoom.

It was clarified for MR that it was Taylor Tait, not Tyler Marton, who resigned as Director.

3) Approval of July 19, 2023 Board of Directors Meeting Minutes

***Motion: To approve meeting minutes for July 19, 2023 as presented.***

***LO/TM 5-0-0***

4) Board Calendar & Reporting

a) Board Vacancy Discussion:

The Board discussed how best we might have a full and functioning Board pending the resignation of TT. MR inquired about whether the appointment would go to the person with the next-most votes, as discussed previously. LO responded that responsibility and right to fill vacancies outside an election lies with the Board, and that one option is to appoint ES, who has continued to participate in co-op meetings. JT and NA suggested that the Board email all candidates to see if anyone else is even interested. LO will proceed with that option, and we will resume the conversation in September.

b) Finance Committee/Treasurer's Report:

Finance Committee Chair GG is traveling for the next two months, so LO and TM will share duties. The GM has shared interim financials for July and is working hard to make this year's budget hit all our performance indicators. There is only so much we can do when sales aren't there; we ended up with an operating loss of -\$24,000. Margin minus labor was below target. Summer sales continue to be lower than previous summers, and lower than expected.

c) Owner Engagement Committee Report:

JT presented a calendar of co-op events that will take place in October for National Co-op Month. JT and the Outreach Coordinator requested robust tabling assistance from the Board at the Goleta Lemon Festival in Girsh Park as well as patio tabling throughout the month to enroll new owners and promote the Annual Owner Meeting. Sign-up sheets will follow. The next OEC meeting will discuss a date, agenda and RSVP system for the Annual Owner Meeting.

MS and MR added that they would like to see the bar-height laptop-charging table removed. They believe it might increase the number of people who gather on the patio.

d) GM Evaluation Committee Update:

The Board will meet on August 20 to review survey results and synthesize an evaluation from the GM

e) Board Projects 2023 Check-In:

The OEC will tackle the Co-op History Project with a plan to roll out timeline, methods, and output at the Annual Owner Meeting. The Board will add an executive session for September to work on an update to the Strategic Priorities, which will be brought to the next Board meeting.

f) 2023 Bylaws Revision Update:

LO expects to check in with the attorney next week. More information is forthcoming at the next Board meeting.

g) 8th Co-operative Principle Discussion:

For discussion— “Principle Eight: Diversity, Equity and Inclusion. Co-operatives believe we are stronger when a proactive effort is put forth to engage everyone in governance, management and representation.”

The Board has received background on how co-ops have been considering adding an 8<sup>th</sup> principle, and what wording they are using. The NGC has adopted it but has not provided clarifying language, as they have done with every other principle. We would have to draft our own language. The Board feels that adopting this principle without explanation, formal measurement or evaluation practices would be virtue-signaling.

The IVFC has a Strategic Priority of a Fair and Equitable Workplace. There are already some practices in place that support DEI. However, the Board itself is not diverse. How do we adopt this practice when we do not/cannot measure DEI within governance?

At the end of the discussion, Board consensus was that we would like to lead in the adaptation of this principle. During the next Board meeting, we will work on the wording.

## 5) GM Reporting

### a) Community Partner Program:

The Marketing and Outreach team has seven local businesses who are on board with a potential community partner program, in which owners receive a benefit with partners (i.e. a percentage discount on a service). The IVFC could offer promotions, such as features in the newsletter. The program could include a Partner Passport service wherein owners can get a punch card to turn in when they have visited every local business.

This idea is based on the Mississippi Market Co-op: <https://msmarket.co-op/community-partner-program/>

LO asked if there would be a written agreement prepared. SM replied that Mississippi Market has a form submission where applicants can offer details, upload logos, and a checkbox on agreement language.

If this is approved by the Board, the goal to launch is October 1 with the owner drive as a new incentive. The next step is to draft two emails, one for interested businesses (with the form), and one for potential partners.

TM asked: What if the businesses had a "Part of the IVFC Partner Program" sticker? SM said that she would look into a window sticker.

The Board consensus is that this project should move forward.

***Motion: To add "access to community Partner Benefit Program" to the IVFC Owner benefits list.***

***NA/MA 5-0-0***

*8:30pm – SM, YC, and MS leave meeting*

### b) August GM Report:

General: The GM doesn't think what happened in June-July-August is an anomaly. He thinks it is the new normal for the IVFC. The budget was based on 10+ years of past performance that is no longer an accurate prediction. We significantly reduced operating expenses via payroll. In terms of expenses, we were on budget. Gross profits were 15% below budget. Cash on hand was reduced by \$29,000, which forced us to move money from our savings to the main account to make payroll for the week. The daily transactions are 330/day, 120 transactions lower than we expected and 85-90 transactions lower than what we need to not lose money.

HR/Staffing: The GM reports that the store is maintaining reduced operating hours, and IVFC will be using skeleton crews until the end of August.

Department Highlights: As part of our strategy to attract new members and increase sales, we have developed a pilot website for special orders allowing customers to

order online. The portal includes an online listing of all products and a completely digitized process, removing barriers for placing special orders, which previously needed to be done in-store.

Next, the team is working on an updated Customer Relationship Management system. This new CRM will allow people to apply, pay for, and access their ownership online.

The third project is an online store.

Marketing and Outreach: The GM reported that the OEC report and SM and YC's report on the partnership program fulfilled this section. The GM reiterated the ask for Board support at the Lemon Festival. We should have the new CRM by then, enabling us to register members with a tablet.

Maintenance and Repairs: The floor was steamed and waxed, which should keep it clean for the next six months. The parking lot was repaved. We have ongoing freezer issues. After troubleshooting and parts replacement, it improved 3-4 degrees. While it doesn't compromise the food safety, it does affect how long the food will last when it is purchased. We will eventually need a new compressor, which could be about \$5,000.

MR asked whether the repaving necessitated the removal of pine tree roots. No roots were removed.

Membership: The team is still working on the program that would include points boost for certain tiers of spending. It is a delicate balance to increase sales and give more points to owners without losing money.

Financial Updates: As of 8/14/2023, our balance in the primary accounts (checking + savings) is \$140,629.

#### 7) Upcoming Meetings

- a) Finance Committee meeting: August 25 at 1:30 pm
- b) Owner Engagement Committee meeting: will schedule over email
- c) GM Evaluation Committee meeting: August 20 over Zoom
- d) September Board of Directors meeting: September 20, 2023, at 6:30

*8:47pm – all guests leave meeting, Board and GM enter Closed Session*

#### 8) Closed Session

*Meeting adjourned at 8:53 pm.*

*These meeting minutes have been taken by Jillian Tempesta, Corporate Secretary. Minutes approved by Board motion, September 20, 2023.*