



Zoom IFM Board Meeting, January 26, 2021 at 9:00 a.m.

Board Officers

Phil Alonso, Executive Director
Naomi Cabral, Development Director
Venus Paxton, Program Manager
Bob Thurman, President
Rick Kahil, Vice President
Sandy Hakala, Treasurer
Robert Emmett, Assistant Treasurer - **Absent**
Laura Perry, Assistant Treasurer
Maxine Palmer, Secretary

Guests

Todd Parker
Father Seth Kellerman, Emmanuel Episcopal
Pastor Bill Wong, Peace Lutheran
Pastor Suzanne Calhoun, Sierra Pines Methodist
Rev. Kevin Tarsa, Unitarian Universalist
Michele Gaudinier, Human Resources Volunteer
Doug Fleming, NCFB President

Board Members

Tim Gizzi, Calvary Bible
Janet Kelley, Christian Science Church - **Absent**
Carol Fegte, Emmanuel Episcopal
Carol Fegte, Trinity Episcopal of Nevada City
Gaye Rogers, Grace Lutheran
Kari Gaul, Grass Valley United Methodist
Eleanor Kenitzer, N.C. United Methodist
Jim Schroeder, Peace Lutheran
Diane Chang, Seventh Day Adventist
_____, Sierra Center for Spiritual Living - **Absent**
Joan Denzler, Sierra Pines Methodist
Dr. Denise Loberg, Sierra Presbyterian
Jeff Hebert, St. Canice
Nancy Koring (Jeff Hebert), St. Patrick's
Judi Wade, Twin Cities
Anne Lyon, Unitarian Universalist
_____, First Baptist Church - **Absent**

It was confirmed we had a quorum.

Reverend Kevin Tarsa led the group in prayer.

Jeff Hebert asked if it is possible for donors to donate the Stimulus Program debit cards currently being received in the mail. Phil, Bob, and Sandy will check to see how this can be done.

Doug Fleming - Nevada County Food Bank President

- Doug was invited by Bob Thurman to begin a dialogue for a strategic alliance between our two organizations.
- Both IFM and the Food Bank of Nevada County experienced record donations in 2020 along with more clients in need of food. Doug is concerned there may be donor fatigue this year.
- FBNC receives about 50% of its food from the USDA and this contract dictates they share this food with other local food distributors. Other than this function as a "food bank", FBNC and IFM share the same vision and mission.
- FBNC is currently experiencing a disruption in its food supply line and has had to consolidate distribution points and cut back food distribution from 4 to 2 times per month.
- Doug hopes that IFM and FBNC can increase the impact of the food we distribute if we work together.

2020 Year-end Review

Challenges & Summary Accomplishments

- Due to COVID-19, food distribution had to modify to a complete drive-thru model. A new client check-in volunteer team was formed and kiosks were purchased to keep them dry, warm, and safe. A new Program Manager, Venus Paxton, was hired to focus on operations.
- IFM had to deal with disruptions in our food supply pipelines of non-perishable food items. More locally produced food was purchased than ever before.

- About 60% of our volunteers were lost due to COVID concerns. New volunteers from the community were recruited and some who initially stayed away have returned. Recruitment efforts continue.
- Three fundraising events shifted from in-person to virtual but still made money—thanks mainly to sponsors.
- Revenue and client demand were uncertainties. Even though client demand and expenses were up, revenue from individual donations, grants, two estate gifts and stock donations was pushed significantly higher in 2020. Maturing partnerships with United Way (FAS and HS Food Pantry), as well as new partnerships with GCSS, Hospitality House, and the Toy Run Event increased the number of families served by IFM. Rick Kahil commended Phil's efforts to reach out and form partnerships.

Distribution Facts

- In 2019, IFM served 8,069 unique individuals and distributed 104,335 bags of food. In 2020, unique individuals served jumped to 11,261 with 145,000 bags of food distributed.
- There are 13,500 food insecure individuals in Western Nevada County. In 2019, IFM reached 60.1% of these food insecure individuals. In 2020, IFM increased its reach to 83.4% of the food insecure individuals.
- Rick Kahil also shared that clients have been allowed during Oct., Nov., Dec., and Jan. to come in 3 times a month in stead of 2, they were allowed to choose staples every week instead of once a month, and we have improved the quality of the food given.

Final Unaudited 2020 Profit and Loss and Balance Sheet

- **Revenue** was 254% of budget with \$886k in additional revenue due to individual contributions being higher by \$383k, \$265k from an estate, and \$21k in stock donations. Fundraising was \$294k favorable, largely due to the Matching Campaign. Grants were \$189k over budget and business donations were \$20k over budget (Grocery Outlet and Safeway).
- **Expenses** were \$65k unfavorable, or 12% more than budget due to increased food costs of \$47K (partner programs, holiday turkeys, increased food to clients) and increased staff expense of \$12k (new Program Manager). Operating expenses were \$6k over budget.
- **Balance Sheet** shows total current assets are \$1,113,098.00. IFM's ending cash position is \$1,064,000 with about \$398k in brokerage accounts. An investment policy/strategy is needed.
- Jim Schroeder said of this budget report, "That's amazing."

Grant Summary

- Total amount received from grants in 2020 was \$268,900.
- Grants included EFSP37/EFSP CARES (\$79,200), Albertsons Nourishing Neighbors/Safeway Albertsons Gift Card Grants (\$91,200), Nevada County Relief Fund (\$30,000), Grocery Outlet Independence from Hunger (\$13,500) and all other grants (\$55,000).

2020 Accomplishments

People

- Hired new Program Manager, Venus Paxton, replaced Treasurer John Brusher with Sandy Hakala, and replaced Assistant Treasurer Karen Holt with Laura Perry.
- Recruited 50+ new volunteers.

Partnering

- IFM partnered with United Way, Gold Country Senior Services, Placer Food Bank, Food Bank of Nevada County, Sierra Harvest, Hospitality House, Grass Valley Ladies Relief, grocery stores and high schools.
- IFM worked with local farms and helped support 8 nonprofits.

Operations

- COVID protocols were developed and implemented and we adjusted to a completely drive thru distribution.
- More pallet storage was found, the lights in Suite A were upgraded, and 1/3 of the roof was resealed.
- The number of clients was increased and client registrations requirements were eased (no Social Security numbers).

Stewardship

- 2019 audit was successfully completed with no issues found.
- IFM was re-approved for GuideStar Platinum status.
- A healthy reserve was maintained and IFM is 100% tax compliant.

2021 Plan and Budget

Vision and Mission

- IFM's vision is a community where no one should feel the hurt of hunger.
- Interfaith Food Ministry's mission is to feed the hungry and work to reduce food insecurity in Nevada County. We help to sustain health, human dignity, and the opportunity for individuals to realize their full potential.

2021 Strategic Goals

- **Zero Hunger** - Extend IFM's reach to serve 100% of the food insecure people in Western Nevada County. IFM has a goal of serving 11,000 unique individuals in 2021, or 80% of the 13,500 food insecure—no increase over 2020. IFM will begin new programs with The Friendship Club, Domestic Violence shelters, and Hospitality House to provide food to them and their clients.
- **Hunger To Health—20/25** - Support community-wide goal to reduce food insecurity, increase consumption of nutritious food, and reduce food waste. Increase dollars spent on locally-sourced nutritious purchased food from 10% (2020) to 15% (2021). Provide education to clients about healthy eating through monthly newsletters, new program with the Friendship Club, and expand garden program to two new locations. Implement client surveys, establish method for measuring zero waste goal, and increase number of completed CalFresh applications by 5% (62 in 2020 to 65 in 2021).
- **People and Organizational Development** - Improve food distribution efficiency in drive thru model with adjustments to the parking lot. Increase food storage space. Find new ways to boost volunteer morale and create new opportunities for volunteers. Establish a volunteer team for facility maintenance. Update and implement new 2021 COVID requirements. Create succession plans for DD, ED, Client Area Manager (Connie), and Food Buyer (Ray). Establish Facilities/Maintenance team and work to establish teams of volunteers to support various fundraising activities, events, grants, marketing, food drives, and donor management/acknowledgement. Update and develop, as needed, all HR policies and procedures with help from our new volunteer HR Manager, Michele Gaudinier.
- **Revenue and Expense** - Increase number of donors from 1631 to 1791 (10%). Diversify revenue sources by increasing grants from 18% to 25% of total revenue. Begin building foundation for Planned Giving Program in 2021 with a goal for full launch in early 2022. Maintain relationship with Placer Food Bank and Raleys to save dollars while also continuing to find new sources of food. Develop new and creative ways to promote IFM to educate the community about food insecurity. Update website, continue Facebook work, expand Instagram, have regular submissions (monthly) to The Union, LWW Independent, and other print media. Promote all our programs through client/volunteer newsletters, social media, and joint messaging in coordination with partners. Update donor acknowledgment process, provide quarterly reports to Board, recruit volunteer teams to make calls and write letters, update accounts for donors' special communication requests and establish a new program for encouraging business contributions. Establish Planned Giving, Stocks, Estate donation processes and include these on IFM website. Phil will maintain prominent role in writing and implementing grants, Naomi will take lead on marketing efforts, and Venus will assist with implementation. Increase sponsorships for virtual fundraising efforts (Hunger Run and Benefit Concert) and consider an alternate event for Paulette's (which is closing).
- **Partnerships and Collaboration** - Mature existing partnership and collaborations (United Way, Sierra Harvest, Placer Food Bank, Hospitality House, FBNC, and GCSS) and develop new partnerships with The Friendship Club, Domestic Violence groups, and schools. Be cautious about developing too many new initiatives.

- **Stewardship, Integrity and Transparency** - Maintain GuideStar Platinum status and obtain Charity Navigator listing. Provide public access to all financial records as requested and ensure that all accounting processes, standards, and financial statements are in accordance with GAAP and are submitted on time. Maintain client and volunteer confidentiality.

2021 Operating Plan Assumptions & Budget

- **Revenue** projected as \$685k. Using 2018 as a base plus 10%, individual donations projected to be \$262k. Projected business contributions to be \$29k. Using 2019 as a base, fundraiser revenue projected to be \$204k. Grants budgeted to be \$135k (\$65k are carry-overs and CDBG is not included). Projected partner program fee for service to be \$55k.
- **Food Expense** is projected to increase 2% over actual 2020 expense of \$377k to \$385k or \$55k over the 2020 budget. Purchases of locally grown/produced food will be \$60k. This assumes we continue to receive lower than market pricing from Placer Food Bank.
- **Salary Expense** is projected to increase 20% (\$23k) due to increased minimum compensation requirements and a new program manager.
- **Operating Expense** is expected to increase 19% (\$25k) because of operational efficiency improvements due to COVID and the new drive through model. There is an expectation of resealing the parking lot in 2021. Cash reserves for repairs and improvements are fully funded through 2022.

2021 Grant Outlook

- Grants requested so far for 2021 total \$645,600. They include CDBG (\$465k), California Nonprofits (\$25k), Safeway Nourishing Neighbors Fundraiser for Gift Cards (\$10,200), CSBG (\$50), EFSP-CARES (\$63,400), BriarPatch \$6k), other grants to apply for from United Way, Soroptimist, WestAmerica Bank, Wells Fargo, and Teichert (\$35k).
- The CDBG (\$465k) has already been approved but not received. EFSP-CARES (\$63,400) is a carry-over.

2021 Reserve Strategy and Cash Plan

- Established an investment account at Baird.
- Funded a facilities reserve (\$112k). Sandy reviewed the useful life of everything at IFM and set up a facilities maintenance/reserve strategy that covers the next 20 years.
- With a facilities reserve, we hope to reduce unrestricted liquid cash reserve from 4.5 months to 3 months to fund potential shortfalls in revenue and smooth cash flow as necessary..
- Make recommendations to Board at Annual Meeting for unrestricted cash reserves in excess of 3 months (\$1,064k). Have Board approve use of these available funds (loan payoff \$84,000, 3 months operating reserve \$160k, facilities reserve \$112k, capital projects \$20k, TBD investment/use plan for food insecurity and financial sustainability \$648k).
- Bob and Sandy will meet with Baird regarding a possible investment strategy. It will be presented at the February Board meeting.

A slide was shared with the Board that showed IFM will use 97.3% of its budget on food and the food program in 2021. Phil shared that IFM plans to spend more on food in 2021.

Motion #1 - Jeff Hebert moved to pay the remaining balance (approximately \$84k) of the USDA loan and any associated fees. Kari Gaul seconded the motion. The motion was approved with all in favor.

Motion #2 - Eleanor Kenitzer moved to approve the 2021 Operating Plan and Budget as presented. Joan Denzler seconded the motion. The motion was approved with all in favor.

Motion #3 - Carol Fegte moved to approve the December 2020 Board minutes with two corrections noted by Jim Schroeder. Jeff Hebert seconded the motion. The motion was approved with all in favor.

Next IFM Board meeting will be February 23, 2021, at 9:00 a.m.

Respectfully submitted,
Maxine Palmer
IFM Secretary