

# MINUTES

## BEACH SHOPS

### FINANCE & INVESTMENT COMMITTEE

**Friday, October 18, 2024 – Corporate Conference Room**

**Members Present:** Scott Apel, Chair Milton Ordoñez  
Andre Achacon

**Absent:** Dr. Beth Lesen

**Staff Present:** Dr. Miles Nevin, Executive Director, Beach Shops and ASI, Inc.  
Andrew Kerr, CFO, Beach Shops and ASI, Inc.  
Tom Collier, Controller, Beach Shops  
Idris Aydin, Director of Finance and Administration, ASI, Inc.

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**A. Call to Order:**

The meeting was called to order at 8:32 a.m. by Chair, Scott Apel

**B. Approval of the Agenda: October 18, 2024**

Motion to accept the Agenda as presented.

M/S Mr. Ordoñez / Mr. Achacon

By acclamation the Agenda for the meeting of October 18, 2024, was hereby approved as presented.

**C. Approval of Minutes: September 13, 2024**

Motion to accept the Minutes as presented.

M/S Mr. Ordoñez / Mr. Achacon

By acclamation the minutes of September 13, 2024, were hereby approved as presented.

**D. Action Items: 1<sup>st</sup> Quarter 2024-2024 Financial Review**

- Dr. Nevin introduced our new Beach Shops and ASI Chief Financial Officer, Mr. Andrew Kerr, to the committee members.
  - Moving forward, Mr. Kerr stated that he would like to begin presenting ratio metrics as a part of our quarterly review such as debt, cash reserve and liquidity ration that could help with identifying potential financial trends or margins and the committee agreed with this recommendation.
- Mr. Kerr then had Mr. Collier present the review of the Beach Shops 1<sup>st</sup> Quarter financial results.
  - Mr. Collier reported that results came in significantly favorable to budget even when compared to last year's results.

- Sales came in 13% favorable to plan primarily from the Bookstore and Beach Convenience Store departments.
- Operating and Administrative expenses along with other operating income all came in favorable to budget as well.
- While capital expenditures were lower for the quarter, there are larger projects in the works like the ADA elevator updates and the upcoming Bookstore retail space remodel for the rest of the year.
  - ❖ The committee decided that they would bring the topic of the Wall StrEAT Café location's structural improvements to the Board for further discussion.
- Investments results were positive this quarter for both Morgan Stanley and BIG.

Motion to accept the 1<sup>st</sup> Quarter 2024-2025 Financial Review

M/S Mr. Ordoñez / Mr. Achacon

By acclamation the 1<sup>st</sup> Quarter 2024-2025 Financial Review was hereby approved to recommend to the Board.

**E. General Information**

- Tax Return 990 and 990T
  - Mr. Kerr discussed that the IRS Form 990 preparation is in the final stages as Aldrich just provided the draft to the Accounting Office for their review.
- Shared Services Update
  - There had been a previous discussion about paying off the Outpost bond debt, however after researching this, Mr. Kerr recommended that we currently put a pause on that decision.
    - The SRB is on year 8 of a 10-year call which would result in a significant penalty for coordinating that pay off now and suggested this would best be brought back to the F&I Committee in 2026.

**F. Adjournment**

- There being no further business, the meeting was adjourned at 9:17 a.m.