

# MINUTES

## BEACH SHOPS

### FINANCE & INVESTMENT COMMITTEE

**Friday, January 17 – Corporate Conference Room**

**Members Present:** Milton Ordoñez, Vice-Chair Andre Achacon  
**Absent:** Scott Apel Dr. Beth Lesen  
**Staff Present:** Dr. Miles Nevin, Executive Director, Beach Shops and ASI, Inc.  
Marianne Russo, Board Administrator  
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 8:33 a.m. by Vice-Chair, Milton Ordoñez

**B. Approval of the Agenda: January 17, 2025**

Motion to accept the Agenda as presented.

M/S Mr. Ordoñez / Mr. Achacon

By acclamation the Agenda for the meeting of January 17, 2025, was hereby approved as presented.

**C. Approval of Minutes: October 18, 2024**

Motion to accept the Minutes as presented.

M/S Mr. Ordoñez / Mr. Achacon

By acclamation the minutes of October 18, 2024, were hereby approved as presented.

**D. Action Items:**

- **Review Amended 1<sup>st</sup> Quarter Operating Statement**
  - Mr. Kerr reviewed a new financial document with the committee detailing how there had been a re-statement in the 1<sup>st</sup> Quarter specifically relating to the Residential Dining division that effected the financial statements
    - A Housing payment had been received for additional summer program revenue in November which caused a late reporting variance.
      - ❖ This payment has been evaluated and is significant enough to be accrued and reported in the summer results, particularly considering year-over-year assessments.
- **2<sup>nd</sup> Quarter 2024-2025 Financial Review**

- Mr. Kerr stated that while the Shops came in just below budget for the quarter, we are at a positive \$1.1 million in terms of sales and are favorable to our budgeted cost of goods numbers when reviewing our Year-to-Date financials.
  - Operating expenses are on target with budgeted yearly numbers.
  - G&A expenses were favorable to the budget due to staffing relocations.
  - There were no capital expenditures for the quarter.
  - The only variances to the quarter's budget included the following:
    - ❖ Cost of goods came in against plan affecting the blended gross margin in all departments except for Residential Dining.
    - ❖ Operating expenses were also unfavorable to budget due to maintenance expenses from needed repairs.

Motion to accept the amended 1<sup>st</sup> Quarter Operating Statement and 2nd quarter 2024-2025 financial review

M/S Mr. Ordoñez / Mr. Achacon

By acclamation these reviews were hereby approved to recommend to the Board.

#### **E. General Information**

- Capital Projects Updates
  - We have engaged DCS in preparing a detailed scope for the Bookstore Elevator Project and when considering the process and procedure to move forward with them, the date to get this project started would push it into next year's budget timeframe.
    - Bidding and pricing are still in progress for the Bookstore building's retail space remodel.
  - When reviewing other needed updates, we are in the early stages of doing a thorough review of current POS and transaction technologies in our dining operations which are outdated.
    - This may be transitioned into a Capital Project for next year once we have more details.
- Beach Shops Organization Chart & Leadership Updates
  - At the end of last year, Clint Campbell retired, and Cyndi Farrington assumed his position under the new title of Chief Business Officer.
    - She is working on putting together a new leadership team structure in those retail divisions to which these changes should have a neutral current year budget impact.
- Budget Planning Updates
  - Budget Planning for the next fiscal year is already underway with our budgeting software systems fully integrated for both organizations.

#### **F. Adjournment**

- There being no further business, the meeting was adjourned at 9:09 a.m.