

MINUTES

BEACH SHOPS

FINANCE & INVESTMENT COMMITTEE

Friday, October 17, 2025 – Corporate Conference Room

Members Present: Scott Apel, Chair Milton Ordoñez
Dr. Virginia Gray Kim Nguyen

Absent: Andre Achacon

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.

A. Call to Order:

The meeting was called to order at 8:59 a.m. by Chair, Scott Apel

B. Approval of the Agenda: October 17, 2025

Motion to accept the Agenda as presented.

M/S Ms. Nguyen / Dr. Gray

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

C. Approval of Minutes: September 12, 2025

Motion to accept the Minutes as presented.

M/S Mr. Ordoñez / Mr. Achacon

By acclamation the minutes of September 12, 2025, were hereby approved as presented.

D. Action Items: 1st Quarter 2025-2026 Financial Review

- Mr. Kerr then had Mr. Collier present the review of the Beach Shops 1st Quarter financial results.
 - ❖ First quarter results were presented inclusive of an overview of revenues vs. expenses, capital expenditures, investment returns, and reserve status; we exceeded budget expectations with strong growth across divisions, primarily due to the Employee Retention Credit and strong investment performance
 - ❖ Sales came favorable to all divisions except for Retail Dining primarily due to the Nugget's early closing at the beginning of the semester.
 - ❖ Operating costs are currently exceeding sales growth, which has impacted margins and has been driven by inflation-related increases in the cost of goods and rising labor expenses

- The Capital Expenditures budget of \$3.16 million has been allocated to strategic initiatives focused on modernization, the adoption of new technologies, and safety enhancements.

Motion to accept the 1st Quarter 2025-2026 Financial Review

M/S Mr. Ordoñez / Dr. Gray

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

E. General Information

- Tax Return 990 and 990T
 - The 990/990T tax return is in its final stages, with increased alignment under the Shared Services model to strengthen cross-organizational leadership and is due by November 15.
- Capital Expenditures
 - We are currently working on the following major projects for this fiscal year.
 - ❖ Updating the HVAC systems in the University Bookstore building
 - ❖ Incrementally upgrading the Bookstore's elevator
 - ❖ The 2nd floor Bookstore refresh to add extra study space
 - ❖ Retail Dining POS system upgrades
- Management Report
 - A consolidated approach to investment management is being explored, with a potential RFP under consideration.
 - ❖ Further discussion may need to be done at either the March Board meeting or the Spring Board Retreat once the Shops have done more research into this process.

F. Adjournment

- There being no further business, the meeting was adjourned at 9:37 a.m.