

MINUTES

BEACH SHOPS

FINANCE & INVESTMENT COMMITTEE

Friday, April 17, 2026 – 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.
Marianne Russo, Board Administrator, Beach Shops
Laura Butt, Board Administrator, ASI
Andrew Kerr, CFO, Beach Shops and ASI, Inc.
Tom Collier, Controller, Beach Shops
Idris Aydin, Director of Finance and Administration, ASI, Inc.
Kristy Nguyen, Budget & Finance Manager, ASI, Inc.

A. Call to Order:

The meeting was called to order at 8:30 a.m. by Chair, Scott Apel

B. Approval of the Agenda: April 17, 2026

Motion to accept the Agenda as presented.

M/S Mr. Ordoñez / Ms. Nguyen

By acclamation the Agenda for the meeting of April 17, 2026, was hereby approved as presented.

C. Approval of Minutes: January 30, 2026

Motion to accept the Minutes as presented.

M/S Mr. Ordoñez / Ms. Nguyen

By acclamation the minutes of January 30, 2026, were hereby approved as presented.

D. Action Items:

- **3rd Quarter 2025-2026 Financial Review:** Mr. Kerr discussed that the Shops delivered a strong overall financial performance for the quarter, with revenue exceeding both budget and prior year expectations along with the net income finishing above budget, reflecting solid operational and investment results despite several cost pressures.
 - Sales performance has remained strong and continues its positive momentum, while gross margin came under pressure from rising costs, however, there is improvement compared to the prior year which may indicate that these challenges are driven by cost inflation rather than declining demand.

- Certain operating expense categories exceeded expectations, primarily driven by temporary increases in professional services, elevated repairs and maintenance related to aging infrastructure, and higher banking and payment-processing costs
- Overall, we are in a good position moving forward, supported by a solid financial foundation and a continued focus on improving operations, managing costs thoughtfully, enhancing payment efficiencies, and supporting long-term sustainability.

Motion to accept the 3rd Quarter 2025-2026 Financial Review

M/S Ms. Nguyen / Dr. Gray

By acclamation this review was hereby approved to recommend to the Board.

E. General Information

- Budget Planning & Schedule
 - Department budgets have been submitted and are currently being reviewed in detail with our Accounting team, with final refinements expected next week to speak to at next week's Board Meeting and put into polished budget document ready to preview at our May Finance & Investment committee meeting.
- Capital Improvements Review
 - Looking ahead to next fiscal year, capital expenditure planning includes anticipated Bookstore HVAC, mechanical, and roof repairs being built into the capital budget, along with other upcoming infrastructure needs into the overall plan

F. Adjournment

- There being no further business, the meeting was adjourned at 9:08 a.m.