

MINUTES

BEACH SHOPS

BOARD OF DIRECTORS MEETING

Friday, March 13, 2026 – Anna Ngai Alumni Center, D'Reams Boardroom

Members Present:

Scott Apel	Dr. Beth Lesen	Dr. Nancy Dayne	Dr. Virginia Gray
Andre Achacon	Sonny Ciampa	Shelton King, Jr	Kim Nguyen

Absent: Milton Ordoñez James Ahumada

Staff Present:

Dr. Miles Nevin, Executive Director	Idris Aydin, Director of Finance, ASI
Marianne Russo, Board Administrator	Rosa Hernandez, Chief Human Resources Officer
Laura Butt, Gov Affairs Senior Coordinator	Arnecia Bryant, Sr. Dir, Facilities & Sustainability
Andrew Kerr, Chief Financial Officer	Kristy Nguyen, Budget & Finance Manager
Tom Collier, Accounting Manager	

Guest(s): Andy Price – Graystone Consulting/Morgan Stanley
 Matt Moses – Graystone Consulting/Morgan Stanley
 Beach Investment Group (BIG) Class and Dr. Peter Ammermann

A. Call to Order:

The meeting was called to order at 10:05 a.m. by Mr. Scott Apel, Chair.

B. Approval of the Agenda: March 13, 2026

Motion to accept the Agenda as presented.

M/S Dr. Dayne / Dr. Gray

By acclamation the Agenda for the meeting of March 13, 2026, was approved as presented.

C. Approval of Minutes: November 14, 2025

Motion to accept the Minutes as presented

M/S Dr. Dayne / Mr. Ciampa

By acclamation the minutes of November 14, 2025, were approved as presented.

D. Public Comment:

- There was no public comment given.

E. Time Certain Presentations:

- Morgan Stanley Annual Investment review
 - They reported positive results for our Shops portfolio last year, driven by steady consumer spending, strong equity and bond markets, growing investment in AI, and standout gains in real assets like gold and silver that was further helped by a weaker U.S. dollar that boosted global returns, even though most gains came from just a few of the largest companies.

- After last year's strong performance, the strategy for this year will be steadier and more cautious, focusing on being selective and sticking with strong U.S. companies, trimming back on bonds, and keeping the portfolio well-diversified to stay flexible in a slower, more uncertain market.
- Beach Investment Group (BIG) class presentation:
 - The portfolio delivered a 9.15% annual return driven by strong equity performance especially standout gains from Google, TSM, and Costco, while underperforming in a few holdings and fixed income modestly tempered results.
 - When looking to the future, the strategy focuses on a more globally diversified 80/20 allocation with increased international exposure to capture broader growth opportunities, supported by a balanced one-fifth equity style approach designed to strengthen returns while managing risk.

F. Board Chair's Report:

- The Spring Board Retreat has been scheduled for Friday, April 24th, and will be hosted in the Alumni Center again this year.
 - We are currently creating the agenda for this meeting that would include a tour of our Residential and Retail Dining locations.
- Mr. Apel reported that there were some positive developments in the State Budget that will likely balance more favorably than previously expected for the May revision.

G. F & I Committee Report:

- Mr. Kerr reported that the Beach Shops ended our 2nd Quarter only slightly behind plan, with strong revenue growth and solid investment performance helping offset an operating loss driven by ongoing cost pressures.
 - Despite challenges such as operational delays and reduced traffic, continued asset growth and positive net income provided meaningful support to overall results.

Motion to accept the 2nd Quarter 2025-2026 Financial Review as recommended by the F&I Committee

M/S: Mr. Achacon / Mr. King

By acclamation, the 2nd Quarter 2025-2026 Financial Review was hereby approved.

H. Nominating Committee Report

- Dr. Lesen shared that the Nominating Committee met in January and the committee reviewed two upcoming openings, the Faculty Member and Community Member seats, and both current representatives shared that they'd be glad to continue.
 - Dr. Nancy Dayne confirmed that she is interested in a second term as Faculty Member, and Mr. James Ahumada would likewise like to stay on for another term as Community Member.

Motion to approve Dr. Nancy Dayne and Mr. James Ahumada for a 2nd term in their current positions

M/S: Mr. Achacon / Mr. King

By acclamation, these Board member positions were approved as presented.

I. Personnel Committee Report

- Ms. Rosa Hernandez discussed that the Personnel Committee recently met on Friday, February 20th, for the annual review of the Human Resources Policies.
 - The committee reviewed key policy updates that include revised salary grades tied to 2026 minimum wage changes, clarified sick leave language to include mental health, and new Cal/OSHA requirements for broader access to safety materials alongside ongoing summaries of compensation, leave policies, workplace guidelines, and safety procedures.
- Additionally, there was a discussion about Succession Planning for some key positions that will need to be filled when employees retire over the next few years.

Motion to approve the review and updates to the Human Resources Policy

M/S: Mr. Achacon / Mr. King

By acclamation the Human Resources Policy review was hereby approved.

J. Adjournment

There being no further business, the meeting was adjourned at 11:20 AM