

# MINUTES

## BEACH SHOPS

### FINANCE & INVESTMENT COMMITTEE

**Friday, September 13, 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.  
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 Chair, Scott Apel

**B. Approval of the Agenda: September 13, 2024**

Motion to accept the Agenda as presented.

M/S Mr. Ordoñez / Mr. Apel

By acclamation the Agenda for the meeting of September 13, 2024, was hereby approved as presented.

**C. Approval of Minutes: May 6, 2024**

Motion to accept the Minutes as presented.

M/S Mr. Ordoñez / Mr. Achacon

By acclamation the minutes of May 6, 2024, were hereby approved as presented.

**D. Action Items: 4th Quarter 2023/2024 Year-End Review with results prior to final audit adjustments**

- Mr. Collier discussed the Shops' 4<sup>th</sup> Quarter Year-End review summary with the committee.
  - He reported that the operational results were 16.3% favorable to budget for the 2023-2024 fiscal year ending in a good financial position with only a few key variances.
    - These would include the following:
      - Sales results for the Bookstore, Convenience Stores and Residential Dining were higher than budgeted with Retail Dining sales numbers coming in below expectations.
      - Operating expenses came in exactly as budgeted for the year with operating income beating the budget plan by 20.4% due to vendor commissions.
      - Investment results were positive and total results from Morgan Stanley and BIG (Beach Investment Group) came in at 14.8% and 16.1% respectively.

- Capital expenditures for the year totaled around \$274,400 for the Beach Hut remodel and start-up, upgrade to the Retail Dining POS upgrades and a new Accounting general ledger system.
- The Shops had received the updated CalPERS actuarial report which reflected a \$1 million unfavorable actuarial adjustment.

Motion to accept the 4th Quarter and Full Year 2023-2024 Financial Review.

M/S Mr. Apel / Mr. Ordoñez

By acclamation the 4<sup>th</sup> Quarter and Full Year 2023-2024 Financial Review was hereby approved to recommend to the Board.

**E. General Information**

- Management Report
  - Dr. Nevin discussed the following items:
    - In terms of the Outpost Bond, he wanted to discuss the potential of paying off the this off sooner rather than later.
      - The committee was in favor of seeing more details about what that would like and it was decided to have our new Chief Financial Officer take a deeper look at what that would like once he came on board at the end of September.
    - They were in the process of putting a new RFP together for Custodial Services for Beach Shops along with ASI.
  - 1<sup>st</sup> Quarter Financial Assessment
    - Mr. Collier reported that the Shops started off the fall semester in good shape overall with both the D1TA program and Bookstore sales showing positive results.

**F. Adjournment**

- There being no further business, the meeting was adjourned at 8:57 a.m.