

**AZTEC SHOPS, Ltd.**  
**Minutes of the Board of Directors**  
**November 2, 2018**  
**Special Board Meeting**

Members present:, Joey Lucero, Dr. Seth Mallios, Tom McCarron, Tyler Morgan, Tomisin Osinfolarin, Eric Rivera, Brittany Santos-Derieg, Chris Thomas and Carl Winston

Members absent: Bill Earley and Xavier Leasau-Aguilar

Others present: Lisa Albers, Gayle Fernandez, Jahan Jamshidi, Jennifer Lakin, Donna Martens (Aztec Shops Associate Director of Financial Services) and Todd Summer

**I. Call to Order**

Seth Mallios, Chair, called the meeting to order at 12:12 p.m.

**II. Approval of the minutes of the Board of Directors Meeting of September 21, 2018**

Tom McCarron moved to approve the minutes of the Board of Directors Meeting of September 21, 2018. Joey Lucero seconded the motion. Motion carried 8-0-0. (Brittany Santos-Derieg was not present during the vote.)

**III. Public Comment**

Seth Mallios opened the meeting for public comment. There was no public comment at the meeting.

**IV. Investment Policy with Todd Au from Graystone/Morgan Stanley**

Todd Au presented a proposed change to Aztec Sops investment policy, highlighting a move of some funds from an operating funds category to a reserve fund category. This move entails investing in stocks, bonds and other investments. Aztec Shops would still maintain sufficient funding for daily operations (the operating fund) that would leave funds in cash, money markets, CD's and similar instruments. Mr. Au also presented details of the proposed Reserve fund highlighting potential asset allocations and discussing volatility and risk.

**V. Managing CalPERS Unfunded Accrued Liability (ULA)**

Lisa Albers, Controller/Director of Financial Services introduced Donna Martens, Aztec Shops Associate Director of Financial Services, to the Board. Lisa presented information for managing CalPERS Unfunded Accrued Liability. She explained the benefits of participating in CalPERS 15-Year Soft Fresh Start program for Accelerated Discretionary Payments. The voluntary program would provide Aztec Shops with the opportunity to pay down the CAMPERS Unfunded Accrued Liability which would yield a net savings of approximately \$2,400,000 over a period of 15

years. Carl Winston moved to approve participating in CaIPERS 15-Year Soft Fresh Start Program for Accelerated Discretionary Payments. Tomi Osinfolaris seconded the motion. Motion carried 80-0. (Chris Thomas was not present during the vote.)

**VI. Investment Policy**

The board decided to table the vote on the investment policy until the December board meeting.

**VII. Motion to Move into Closed Session**

Chris Thomas motioned to move into Closed Session. Joey Lucero seconded the motion. Motion was approved 9-0-0.

**VIII. Motion to Move into Open Session**

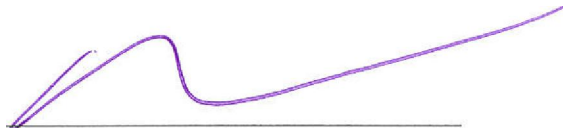
Joey Lucero motioned to move into Open Session. Tom McCarron seconded. Motion was approved 9-0-0.

**IX. Policy Item**

Tom McCarron motioned to support management in its request for clarification on the Wage & Benefit Policy and to allow management discretion to create policy on employee classifications. Tyler Morgan seconded the motion. Motion was approved 9-0-0.

**X. Adjournment**

Chris Thomas motioned to adjourn the meeting at 1:25 p.m. Carl Winston seconded the motion. Motion carried 9-0-0.



Todd Summer  
Chief Executive Officer