

AZTEC SHOPS, Ltd.
Minutes of the Meeting of the
Board of Directors
April 15, 2022

Members present: Agnes Wong Nickerson, Brittany Santos-Derieg, Tyler Morgan, Tom Donnelly, Austin Barber, Luke Wood, Alexia Oduro, Bianca Shaw.

Members absent: Carl Winston (Chair), Ashley Tejada, Edward Pierzak, Leanne Locano

Others present: Todd Summer, Kathy Brown, Heather Hawkins, Paul Melchior, R.D. Williams, Jahan Jamshidi, Jennifer Larkin, Shawki Moore, Nance Lakdawala

I. Call to Order

Agnes Wong Nickerson called the meeting to order at 12:07 p.m.

II. Public Comment

Agnes Wong Nickerson opened the meeting for public comment. Todd Summer said Aztec Shops did not receive any emails requesting internet access for the meeting and there were no public participants on-site. There was no public comment at the meeting.

III. Consent Agenda – Agnes Wong Nickerson said supporting documents are in the board package. Luke Wood moved to approve the consent agenda, Tyler Morgan seconded, and the motion passed with one abstention by Austin Barber (6-0-1, Brittany Santos-Dereig not present for vote). Agnes Wong Nickerson thanked Ed Pierzak and Austin Barber for their ongoing service.

- A. Approval of the December 1, 2021 Board Meeting Minutes
- B. Board Nomination: Ed Pierzak 2nd Term, July 1, 2022 to June 30, 2025
- C. Appoint Austin Barber to Audit Committee
- D. Audit Committee Report and 990 Approval
- E. Retirement Plans Committee Update
- F. Conflict of Interest Report

IV. Farewell to Outgoing Board Member Ashley Tejada – Agnes Wong Nickerson and Todd Summer thanked Ashley Tejada for her service on the board.

V. Welcome Board Member Shawki Moore effective 5/4/22 – Agnes Wong Nickerson welcomed Shawki Moore who said he appreciates the opportunity to become a board member. Shawki stated there is important work going on in Aztec Shops.

VI. Tip Policy – Heather Hawkins presented the tip policy. She said it is necessary to retain and attract students and other workers for stadium and venue employment. Todd Summer also commented the policy gives management the authority to make changes and perhaps expand the policy to other operations on campus. Austin Barber moved, Tom Donnelly seconded, and the motion passed unanimously (7-0-0; Brittany Santos-Dereig not present for vote).

VII. Management Discussion

- A. Balance Sheet – Heather Hawkins spoke about the strong cash position and noted the cash position in June should be \$15 Million.
- B. Consolidated Operating Statement – Todd Summer displayed the rollup of all the divisions. Todd stated the company was still \$2M ahead on net, which was less than what was reported in December. The 2 1/2-week virtual learning due to the Omnicron variant in spring impacted the financials. Equitable access was pushed to the fall.
- C. Campus Stores – Kathy Brown said strong sales have helped to offset losses from the virtual learning period. She anticipates finishing the year ahead of budget. The McGraw-Hill CEO, Simon Allen, visited earlier in the month. Shops invited all student board members to attend a luncheon with him. Ashley Tejada, Alexia Orduro, and Leanne Locano attended. Alexia Oduro commented they added diversity, equity and inclusion into their materials which is greatly appreciated among the students. Kathy Brown stated Aztec Shops will be launching Equitable Access in the fall after three years of planning. The program will be \$22/credit for undergraduate students, who will have an opt-out option. Financial Aid may also be used directly toward the cost of the program. Agnes Wong Nickerson stated this is an important program as students get their materials before classes start and there is reduced pricing. She also stated SDSU is receiving many positive comments from other campuses.
- D. Dining – Paul Melchior introduced Jose Mendoza, Snapdragon Executive Chef, and Enrique Navarro, Snapdragon Executive Sous Chef, who prepared the lunch for the meeting. Dining sales were affected by the virtual learning period at the beginning of the semester but the NCAA tournament at Viejas helped to offset that impact. Paul Melchior then stated Aztec Shops is planning an event where students can donate some of their meal dollars which will go to ECRT. Earlier in the week Dining catered an event at Snapdragon Stadium for the National Association of Athletic Directors. The team received many compliments on the food.
- E. Real Estate – R.D. Williams explained items are tracking well and ahead of budget and he anticipated exceeding the budget at year end. He mentioned new tenant Boba Spot, which serves boba drinks and boba ice cream, located next to 55 Thai. R.D. Williams went on to report that the UPS Store was having a successful first year and that adding them to campus helped to improve the visual appearance of the locations they are in.

VIII. Capital Expenditure Budget Fiscal 2023 – R.D. Williams went into some detail on the \$5.4M capital budget request, noting it might be the largest request in Aztec Shops' history due to the addition of Snapdragon Stadium and some items that were deferred over the last two years. The largest expense is Snapdragon stadium items. Other projects are relocating the IVC bookstore into the library, installing restrooms in The Garden, and some renovation at University Towers (UT). Luke Wood noted he appreciates the changes to IVC. Agnes Wong Nickerson noted that she likes the approach to the UT renovation. Tyler Morgan moved to pass the capital budget, Austin Barber seconded, and the motion passed unanimously (8-0-0).

IX. Proposed Corporate Goals Fiscal 2023 – Todd Summer wished everyone Happy Easter, Happy Pesach, and noted it was Jackie Robinson Day. Todd Summer presented the accomplishments for the current year's goals and the recommended six highest priority goals for next year.

Closed Session

Board members went into closed session for a legal matter and informational items related to the CEO review.

Adjournment

A motion to adjourn was passed unanimously at 1:55pm.

A handwritten signature in black ink, appearing to read 'Todd Summer', written over a horizontal line.

Todd Summer
Chief Executive Officer