

AZTEC SHOPS, Ltd.
Minutes of the Meeting of the
Board of Directors
February 26, 2016

Members present: Bill Earley, Anthony Lee, Dr. Seth Mallios, Tom McCarron, Tyler Morgan, Kyle Murphy, Eric Rivera, Okaro Shinn and Carl Winston

Members Absent: Megan Collins, Andrew Meadows and Blaire Ward

Others present: Donna Tusack, Lisa Albers, Jahan Jamshidi, Jennifer Lakin, Paul Melchior, Todd Summer, R.D. Williams and Gayle Fernandez

I. Call to Order

Kyle Murphy, Chair, called the meeting to order at 12:20 p.m.

II. Approval of the December 11, 2015, Board Meeting Minutes

Kyle Murphy asked for approval of the minutes of the December 11, 2015, Board meeting. Okaro Shinn moved to approve the minutes of the December 11, 2015, Board meeting. Tom McCarron seconded the motion. Motion was approved 9-0-0.

III. Public Comment

Kyle Murphy opened the meeting for public comment. There was no public comment at the meeting.

IV. Conflict of Interest

Donna Tusack explained that, in accordance with the Aztec Shops Conflict of Interest Policy, the Board is required to report any conflicts of interest for Aztec Shops employees and members of the Board of Directors. An annual memorandum to the Vice President of Business and Financial Affairs from Donna Tusack confirmed that for the calendar year ended December 31, 2015, Aztec Shops had no incidents of conflict of interest reported to Aztec Shops management.

V. Management Discussion A.

Introduction: Jennifer Lakin

Donna Tusack introduced Jennifer Lakin, the new Aztec Shops Director of Management Services, to the Board of Directors. Jennifer replaced Martha Speck who retired in February 2016. Jennifer described her 15-plus years of professional experience, most recently with Petco Park and prior to that based out of the San Diego airport for HMSHost, as Human Resources Manager overseeing San Diego and San Jose airports.

B. Financial Update

Lisa Albers, Director of Financial Services/Controller, reported on the Statement of Financial Position (Balance Sheet) as of February 7, 2016 and the Statement of Activities which reported year-to-date activity through Period 8. A detailed discussion took place and all questions were answered. Moving on to the management discussion, Lisa Albers reported that the overall corporate results are tracking slightly ahead of budget. Corporate Administration is tracking 1.1% favorable to budget through Period 8 and there were no unusual items to report.

C. Campus Stores Update

Todd Summer, Campus Stores Director, summarized the Campus Stores financial report through Period 8 (ending February 7, 2016). Net from Operations was behind budget, primarily in in course materials as publishers expand direct-to-consumer sales and marketing efforts. The Immediate Access program, launched two classes, resulted in initial positive results. Softness in technology sales parallels Apple's own results for the past quarter.

D. Dining Update

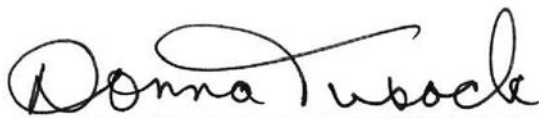
Paul Melchior, SDSU Dining Director, summarized the SDSU Dining financial report through Period 8 (ending February 7, 2016). The Margin was 0.2% below budget due to the business mix but experienced an increase by 2.9% in sales over last year. Credit and Revenue was favorable by \$218,000 due to strong vendor sales in Quick Serve Restaurants, Farmer's Market and Concessions. Net from Operations was also favorable to budget.

E. Business Development and Housing Update

R.D. Williams, Director of Business Development and Contract Housing, reported that financial results are tracking ahead of budget with net from operations ahead of budget by \$210,893. Strong occupancy at Fraternity Row and Albert's College Apartments continues to increase revenue over budget. The depreciation expense recorded year-to-date is \$1,628,732. The College Square project is 99% complete and under budget.

VI. Adjournment

Okaro Shinn moved to adjourn the meeting at 1:00 p.m. Anthony Meadows seconded the motion. Motion was approved. 9-0-0



Donna Tusack
Chief Executive Office