

ASC EXECUTIVE COMMITTEE

Minutes – Regular Meeting

ASC Executive Conference Room 102

1121 N State College Blvd, Fullerton CA 92831-3014

May 24, 2018 • 4:00 pm

Present: Amir Dabirian, Bob Hall, Theresa Harvey, Danny Kim (via phone), Chuck Kissel, Tariq Marji, Sean Walker.

Staff: Kim Ball, Rosario Borromeo, Sydney Dawes, Cindy Dowling, Ann Ehl, Mike Marcinkevicz.

Absent: Rosalina Davis.

I. CALL TO ORDER

Chair Bob Hall called the meeting to order at 4:06 pm. Quorum was present.

II. APPROVAL OF MINUTES

Mr. Marji moved, Ms. Harvey seconded and motion carried to approve the minutes of the January 24, 2018 ASC Executive Committee meeting.

III. PUBLIC COMMENT

There was no public comment.

IV. OFFICERS REPORTS

A. TREASURER

Tariq Marji reported that the corporation's revenues totaled \$63.1M and expenses totaled \$61.6M, with a net total surplus of \$1.5M for the month ending April 2018. Investment activities generated \$716K in net unrealized gains. General Fund (Administration, Sponsored Programs), Auxiliary Enterprises and Building Fund combined activities generated a net income of \$396K; other activities generated a net surplus of \$449K. Administrative operations have a deficit of (\$1.0M) which generated budget variance of \$362K.

Sales for both Titan Shops and Campus Dining were down. Titan Shops had sales of \$12.6M, down 5% from the previous year; Campus Dining was down 2% from the previous year with sales of \$6.2M. Titan Shops had an unfavorable budget variance of 8% when a correction was made to reclassify transactions from capital payments to contract expenses.

Mr. Marji noted the corporate tax returns which was included in the packet. It was presented to the CPAs and will be filed on the due date. Additionally, we will be proposing an additional capital outlay of \$2.3M in next year's budget to cover the seismic work on the staircase at Titan Hall.

B. EXECUTIVE DIRECTOR

Chuck Kissel reported that sales during commencement were \$190K for ASC. There was some discussion on Titan Hall regarding delays, costs and occupancy. ASC anticipates the building to be ready for occupancy by January. The campus has a must-take lease arrangement with ASC for College Park, Banting and Titan Hall. The Irvine Company has asked to meet with ASC to discuss the Banting property.

V. DISCUSSION

A. NUTWOOD CAFE

The discussion regarding Nutwood Café is to seek a consensus on the direction to take for this space. Located on the first floor of College Park, Nutwood Cafe competes with The Habit, Which Wich, Flame Broiler, Pizza Press, Wingstop, Café Rio and Coffee Bean just steps away. Minimum wage and staffing requirements make it difficult to be profitable. Nutwood Café has averaged an annual loss of \$50K for the past 10 years.

After considerable research, the following three scenarios are presented for consideration. First, keep Nutwood Café as-is with an understanding that it will operate at an annual loss of approximately \$46K. Second, repurpose the space as a full service vending kiosk (partnering with Avanti Markets), with a guaranteed income of \$6K per year. Third, reopen the space as a convenience store similar to the Briefstop (located in Langsdorf Hall) or EmporiYum (located in TSU) with an estimated annual net income range between \$5K and \$40K. After discussion, consensus of the Executive Committee is option two (partner with Avanti Markets).

B. UNIVERSITY GABLES WAITLIST PRIORITY

ASC manages the purchase of a home at University Gables (UG) by maintaining a waitlist. Currently, the waitlist holds National Hire faculty status (Tier 1, Category C) for a period of one year then moving to Tier 2, Category B. There have been situations where faculty have not had the opportunity to purchase a home within the first 12 months or international faculty need 12 months to build credit in the United States to be eligible for a mortgage loan. After some discussion, the Executive Committee supports that National Hire faculty priority remain in Tier 1, Category C.

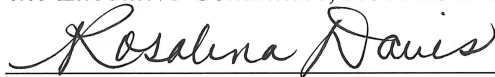
VI. REMINDERS

- Budget Workshop: Thu 05/24/18, Immediately Following
- Board of Directors: Thu 06/21/18, 5:45pm
- Executive Committee: Thu 08/23/18, 4:00pm

VII. ADJOURNMENT

Mr. Hall adjourned the meeting at 5:00 p.m.

Approved by the Executive Committee, November 15, 2018.



Rosalina Davis, Secretary