

ASSOCIATED STUDENTS BUSINESSES COMMITTEE

This meeting was facilitated both in-person and via an online Zoom format.

Friday, April 12, 2024

10:30 a.m.

BMU 205

Members Present: Johnathan Montes, Jaiden Grivette, Zackary Machado, Stacie Corona, Anita Barker, Michelle Korte, Megan Odom.

Members Absent: Kathleen Mwamtobe

Others Present: Dr. Chela Mendoza Patterson, Katrina Leach, Tom Rider, Steve Novo, Eliza Miller (recording), Kendra Wright, Lexi Extein, Kyle Alsberry, Brooke McCall, Cassie Flannigan.

- I. **CALL TO ORDER** – The Chair, Montes, called the meeting to order at 10:30 a.m.
- II. **MECHOOPDA LAND RECOGNITION:** The meeting began with the reading of the Mechoopda Land Recognition Statement.
- III. **AGENDA** – Approval of the 4/12/24 regular meeting agenda. **Action Requested: Motion to approve the 4/12/24 regular meeting agenda, as presented. (Grivette/Machado) 6/0/0 MSC.**
- IV. **APPROVAL OF MINUTES** – Minutes of the regular meeting of 3/8/24. Korte joined the meeting at 10:32am. **Action Requested: Motion to approve the minutes of the regular meeting of 3/8/24, as presented (Odom/Grivette) 7/0/0 MSC.**
- V. **ANNOUNCEMENTS** – None
- VI. **PUBLIC OPINION** – Limited to items on the agenda, three minutes per speaker, five minutes for the entire topic –None
- VII. **BUSINESS**
 - A. Action Item: Approval of Revised Resolution for Establishing Time and Location for Associated Students Businesses Committee Meetings for the academic year 2023-24. **Action Requested: Motion to approve Revised Resolution for Establishing Time and Location for Associated Students Businesses Committee Meetings for the academic year 2023-24, as presented (Barker/Corona) 7-0-0 MSC.**
 - B. Information Item: Auxiliary Business Budget - Dining Services (Including Capital Expenditures), estimated Results 2023-24, and proposed budget 2024-25.- Rider shared that this proposed budget is based on an enrollment of 13,600. Rider updated the committee on the revised budget for 2023-24. He shared some of the significant factors that were part of the considerations made for next year's budget, including inflation, increased insurance costs, and increased wages due to the rising minimum wage. Rider shared a summary of the revised budget for 2023-24, including the updated estimated operating income revised to \$8,449,184, a reduction of 5.01% from the original 2023-24 budget. Moving on to the details of the proposed budget for 24/25, Rider shared that the estimated total operating income for dining will be \$9,345,071, with \$44,289 expected to remain after expenses and becoming available for the reserves. Rider shared the expectation of a positive impact from the new meal plans' increased availability of flex cash on Dining income going into next year. Montes asked about the substantial increase in other expenses for next year

compared to the current year. Leach clarified that most of this increase is due to corporate services and the fact that we had a few high-level roles not filled during this year that may have resulted in lower-than-average costs in that area. Additionally, Rider added that there are some increases proposed for things like travel that we have not been doing over the last couple of years. Rider reviewed the same year-over-year comparison for specifically residential and retail operations. They are anticipating a half-a million increase in retail, which he referred to the additional influx of flex cash for next year. Rider shared that the dining reserves are looking good. He shared that in previous years, the projections this far out showed us with no reserves, and our current situation is a huge improvement on that situation. Rider shared the capital expenditure projects approved for 2023-24. He shared that dining is no longer looking to purchase a concessions cart. Instead, they have added a cash recycler to assist with the accuracy and efficiency of our cash management processes. Additionally, they are looking to use a 70,000 balance from last year for any overages on the scheduled capital purchases. Proposed capital expenditures for next year are a refrigerator and convection oven for the new dining location in the new Behavioral and Social Sciences building and a standing ordering kiosk for the Marketplace. Rider shared a summary of the Wildcat Store contract situation, sharing that though commission income is down, overall income is looking to move in a positive direction due to utility reimbursements and tax.

- C. Discussion Item: 2/29/24 Dining Services Financials – Rider shared that February was a good month. Overall income was \$819,350 for the month. After expenses, the overall net income for AS Dining in February was (\$26,457). He reviewed breakdowns for each area. Barker asked why Urban Roots seemed to operate so effectively while Marketplace seemed to struggle. Rider clarified that Urban Roots only requires a single operator to run while the marketplace has a large labor force, which is expensive.
- D. Discussion Item: 2/29/24 AS Wildcat Store Financials – Rider shared an update for the Wildcat Store in February. Overall income was \$55,861, with \$32,772 coming from commission. Overall Commission YTD is \$241,060.
- E. Discussion item: 2/29/24 Follett Wildcat Store Financials – Novo shared an update on February financials for Follett. He shared that February was a better month for the bookstore. The store was up 17.1 % overall. He shared that non-emblematic merchandise (like reusable water bottles) was up 132%. He expects the upcoming Apple sale will boost sales even more. They are currently hosting markdown madness clearance to make room for new merchandise. Overall the store was up 12.85%

VIII. AUXILIARY BUSINESSES DIRECTOR REPORT – Rider Shared that Choose Chico was a huge success for Dining. There was a lot of catering and retail service that day. They served 697 5-dollar meals at Éstom Jámani dining on Choose Chico. He added that it was a very positive event and got lots of great feedback on how impressive the event was overall. Rider shared that two days ago, the BOD voted to discontinue negotiations with Chartwells and move forward with a consultant as well as funding some capital improvements for dining using union funds. He shared that, additionally, Chartwells shared a consulting proposal in that meeting. He shared that their proposal appears to be less consultative and more management. He and Leach will analyze the proposal and present it to BOD in the future. He expressed concern that a large organization running Dining will reduce the creative and impactful relationships they have formed in the community. He concluded by sharing that the Gateway Science Museum is hosting a large gala this weekend, and AS Dining has created a custom menu of fun science-themed foods for the event.

IX. CHICO STATE WILDCAT STORE DIRECTOR REPORT – Novo shared that Choose Chico was a huge day for the bookstore. They sold 69k in clothing alone, which is the most clothing sales they have ever seen in one day. The structure of this year's event allowed for steady traffic all day long.

- X. INTERIM EXECUTIVE DIRECTOR REPORT** – Dr. Patterson shared that she had a great experience at Choose Chico. She also addressed the BOD vote and its primary goal of getting the AS out of limbo with the extensive proposal process through Chartwells. Her hope was to give dining and the rest of the operation closure on the original Chartwells contract proposal. She added that we are in the middle of budgets, which is currently the focus, so no major changes are expected in the next few weeks.
- XI. VP APPOINTEES' REPORT** – Machado reported on the previous day's ASFC meeting. They covered the proposed budget. He also updated the committee on the Successful Bike Cart Auction raising \$6,000 for the AO Get Outdoors Fund.
- XII. CHAIR REPORT** – Montes congratulated Grivette on her successful election to the role of VP of Facilities and Services for 24-25. He thanked the committee for their commitment to the committee as we move into weekly meetings for the remainder of the semester.
- XIII. ANNOUNCEMENTS** – None
- XIV. PUBLIC OPINION** – Limited to three minutes per speaker, five minutes for the entire topic – Barker shared that as Director of Athletics, she is very pleased with the opportunity to continue working with the current concessions staff.
- XV. ADJOURNMENT** – The Chair, Montes, adjourned the meeting at 11:30 a.m.