

ASSOCIATED STUDENTS BUSINESSES COMMITTEE

This meeting was facilitated both in-person and via an online Zoom format, consistent with the Governor's Executive Order N-1-22, suspending certain open meeting law restrictions.

Monday, April 11, 2022

2 p.m.

BMU 205

Members Present: Austin Lopic, Michelle Korte, Stacie Corona, Anita Barker, Dominic Patrone, Jessica Nigel

Members Absent: Megan Odom

Others Present: Jamie Clyde, Karen Bang, (recording), Tom Rider, Katrina Robertson, Lauren Lathrop, Corinne Knapp, Mario Mena Zavala, Alejandro Marquez

- I. **CALL TO ORDER** – The Chair, Lopic, called the meeting to order at 2:05 p.m.
- II. **MECHOOPDA LAND RECOGNITION:** The meeting began with the reading of the Mechoopda Land Recognition Statement.
- III. **AGENDA – Motion to approve the 4/11/22 agenda (Corona/Barker) 6/0/0 MSC.**
- IV. **APPROVAL OF MINUTES:** None
- V. **ANNOUNCEMENTS** – Lopic said Happy Monday and interesting weather we're having this week! Barker said Athletics had their first food truck experience Friday at their baseball game and she looks forward to future opportunities. Lopic said Choose Chico was this weekend and 2,090 attended. Rider said they were very busy at Sutter Dining, including dinner. Clyde said the event was high energy and that it felt like the first truly normal event since COVID.
- VI. **BUSINESS**
 - A. **Information Item: Associated Students Auxiliary Businesses Budget – Dining Services (including Capital Expenditures), estimated results 2021-22 and proposed budget 2022-23** – Rider first reviewed Dining Overall – Revised 2021-22. He said income is 30% more than expected. Regarding Proposed 2022-23, he said he built in expectations that campus would be down to about 13,500 students and he used it as a percentage of what total enrollment was in 2018-19 as that was the last year of full on-campus. He said he's pessimistic in his analysis, assuming that not every class will be fully in-person, so added in a 15% assumption that some classes will remain hybrid or stay on line. Rider said there is a 36% reduction from 2018-19 and he applied 36% except for the Marketplace and Catering. He explained that at this point they're not sure what they'll be doing with the Marketplace area and that it may be closed during construction if outsourced. Otherwise, something more traditional will be done with the location. He said he's optimistic regarding Catering. Rider noted that the campus and community couldn't make reservations with us due to social distancing requirements, which had a big impact on our income. He said he's not sure yet what Summer Orientation will look like and Corona said it will be both in-person and virtual. Rider reviewed various events that they hope will return both from the community and on campus. For 2022-23, Rider said he's expecting total income at approximately \$8 million and reviewed both Residential Dining and Retail Dining with the committee. He noted that Steve's Pizza is not built into this and they're not counting on that income at this point. Clyde said they could revise the 2022-23 budget in the spring of 2023 if contracted out. Net Asset Reserves and Capital Expenditures were next reviewed and the cost to remodel the Marketplace/Catering kitchen area was discussed. Korte questioned the Steve's Pizza Remodel Contribution and Clyde said if we outsource, every person they've talked to has asked us to make some kind of contribution to their construction. Also, it would be a way for us to maintain our operation separately. Clyde explained that the Catering kitchen feeds all the other Dining Services areas in the BMU, not just Catering, and that it's our retail food hub.

Rider next reviewed the Wildcat Store budget, noting the 2021-22 estimated results budget and the 2022-23 approved budget reflect (\$196,528) and (\$270,730) in net loss. Regarding Commission Income, he said the

2021-22 estimated results include a \$404,676 reduction in commission income from Follett. Based on an estimate of projected sales for 2022-23, the Follett commission income is estimated to increase to \$477,828. Robertson provided an overview regarding Corporate Services Fund Highlights as well as Area Reimbursements. For 2022-23 Proposed Area Reimbursements, she noted that the approved 2022-23 budget is expected to increase approximately 5% due to the estimated cost impact of inflation and wage increases. Clyde said wage increases are placed in the budget but it doesn't guarantee that they will be happening. She said staffing at end of the year can look low; they then restore the budget back to the ideal staffing capacity. For 2022-23 she said they're budgeting for more career and student staff than there are for this year as we're expanding services, but still less than staff was at in 2018. Rider said currently they have 282 student staff in Dining Services, which is down 100 or so from years past. Robertson said for Corporate Services, insurance is increasing significantly for 2022-23. Clyde also noted that there were hundreds of unemployment claims, which is one piece of the insurance. She explained that a lot of insurance companies are leaving California so rates are getting even worse, and insurance continues to increase due to being in a fire area. Discussion was held regarding the budget and Lopic said it's scheduled to be approved at next week's ASBC meeting. Clyde said once budgets have been approved for their areas by the Associated Students Businesses Committee, Associated Students Facilities Committee and the Government Affairs Committee, then all of the budgets will be presented to the Board for their approval.

- VII. AUXILIARY BUSINESSES DIRECTOR REPORT** – Rider said March numbers for Ozzi containers are at 17,828 containers since September. He said that means that almost 18,000 paper clam shells are not being sent to our landfills. Rider said a proposal for a similar Ozzi system to be used in other areas on campus has been submitted to the Sustainability Fund Allocation Committee for approval.
- VIII. CHICO STATE WILDCAT STORE DIRECTOR REPORT** – Lathrop said Choose Chico on Saturday was wild this past weekend and the store was continually full. She said she had no numbers to compare it to for the last two years; however, in 2019 they sold over \$71,000, in 2018 they sold \$59,000 and in 2022 sold \$65,137. She said the cold weather helped as a lot of hoodies were purchased. In addition, they sold out of Claritin and Benadryl due to the cold and very windy weather. • Lathrop said the course materials adoptions deadline was Friday, April 8 and as of this morning, they are currently at 29% adoptions out of all their sections (approximately 3,500 sections). Last year at this time they were only at 13%. She said beginning today they started target emailing over 500 instructors who are assigned courses who hadn't yet responded. She said they've received over 100 adoptions since this morning and are hoping to have much more progress by registration. • Lathrop said that last week they realized they don't have enough alumni products so they received approval from Follett to have a local vendor they've used previously print some of the new styles, which will provide a fast turnaround. She said Grad t-shirts will begin being sold on Tuesday, April 19.
- IX. VP APPOINTEES' REPORT** – Patrone said he had nothing to report this week.
- X. EXECUTIVE DIRECTOR REPORT** – Clyde said Choose Chico was held on Saturday and that it was a great event. Barker said the format has changed and it flows much better by allowing people time to look around by themselves and less overlapping of various events. Rider said Jeff Logsdon from Admissions was great to work with for this event. Clyde said she has seen this event over the years through different eyes; first as the Union Director, looking at it from a building perspective, then as Dining Director, looking at it from a food perspective, and now as Executive Director. She noted that bringing her son to this event also provided a different perspective and that she noticed how many things were available for kids to do and that it appears that they've geared this to be a family friendly event.
- XI. CHAIRS REPORT** – Lopic said he has completed three rounds of interviews with Tesla and will find out by next week regarding a fourth round. He said he also has first round interviews with two other companies.
- XII. MINDFUL MINUTE** – Skipped
- XIII. ANNOUNCEMENTS** – Corona thanked for the food that was provided today. She asked about election results and Lopic said they had no candidates that were eligible for his position so it's currently open for applications. He said the position will be appointed.
- XIV. PUBLIC OPINION** – Limited to three minutes per speaker, five minutes for entire topic – None
- XV. ADJOURNMENT** – The Chair, Lopic, adjourned the meeting at 3:23 p.m.