

ASSOCIATED STUDENTS OF CALIFORNIA STATE UNIVERSITY, CHICO
ASSOCIATED STUDENTS BUSINESSES COMMITTEE
MEETING MINUTES

Monday, April 2, 2018

2 p.m.

BMU 205

Members Present: Taylor Rogers, Megan Odom, Dan Herbert, Roman Aguirre, Miguel Maldonado, Ethan Dilley

Members Absent: Stacie Corona and Michelle Korte

Others Present: David Buckley, Jane Raley, (recording), Jamie Clyde, Susan Jennings, Sarah Foisy, Corinne Knapp, Elaine Kramer

- I. **CALL TO ORDER** – The Chair, Rogers, called the meeting to order at 2 p.m.
- II. **AGENDA** – No changes. **Motion to approve the 4/2/18 agenda (Herbert/Aguirre) 5-0-0 MSC.**
- III. **APPROVAL OF MINUTES** – Minutes of the regular meeting of 3/12/18. **Motion to approve the minutes of the 3/12/18 regular meeting, as presented (Aguirre/Odom) 5-0-1 MSC.**
- IV. **ANNOUNCEMENTS** – None
- V. **BUSINESS**
 - A. Information Item: Associated Students Auxiliary Businesses Budget – Dining Services – Clyde explained that the two pieces of Dining are the Retail area and Residential area, and she went over these separately and then as a total area. For Residential, the operating budget is determined based off what our expenditures are plus \$500,000. In Retail, revenue is exactly revenue. She said that for Residential, take all the expenditures, make that the revenue, and then tack on \$500,000 (which is our commission). This looks like we are making more money but we are not. Buckley clarified that we get reimbursed for expenses, which is why it looks like revenue. Clyde next reviewed the AS Dining grand totals for 2017, which includes Residential and Retail as a whole piece. Proposed budget brings us back to what full staff looks like including a Dining Director, minimum wage increases, and benefit increases. Clyde reviewed the budget capital projects from 2017-18 and 2018-19.
 - B. Information Item: 2/28/18 Dining Services Financials – The Executive Summary showed revenue, cost of sales, payroll expenses, other operating expenses, total operating expenses and other income less than budget. Even though revenue is 6.2% less than budget, net income is 147.9% more than budget, bringing more to the bottom line than expected. Kramer reviewed the Retail Financial Summaries, noting that revenue was at \$438,956 (14%) less than budget, net income at \$34,356 (20%) more than budget. She also reviewed the other retail areas. She said that Choose Chico is coming up and will bring in up to 5,000 students and parents. Catering will be doing breakfast for Choose Chico. Knapp went over the Residential Financial Summary, noting revenue at \$53,710 (1.7%) more than budget, net income at \$138,491 (46.6%) more than budget. She said that so far, about 480 Sutter Dining brunch tickets for Choose Chico have been sold.
 - C. Information Item: 2/28/18 Wildcat Store Financials – Jennings said total income for February was \$80,835, which includes \$52,672 commission from Follett. Total expenses at \$85,252. Net decrease was \$4,416. Overall year to date net increase of \$199,045.
 - D. Information Item: 2/28/18 Follett Wildcat Store Financials – Foisy reviewed the sales comparison for February sales for years 2015-16, 2016-17, and 2017-18. She said they saw the same textbook declines in February that they saw in January. Unit sales were down about 24% while sales were down 29% to last year. Continuing strategy to increase adoption compliance. Foisy said today was the Jamboree that the Bookstore, Registrar's Office and Affordable Learning Solutions partnered together on. She will provide results of this event at the next meeting. Clothing improved over last year by 3%, gifts improved over last year by 11%. Foisy said the freezer in the Convenience area is being replaced. She said she will no longer be reporting Clinique after the month of March. Foisy said the home office came up with a plan to make up for decline of sales within clothing and they will be working to make sure that increase in purchases are spread out over the next 12 months appropriately. Buckley asked if Foisy anticipated the drop in course materials, and she said that it was not anticipated.

- VI. DINING SERVICES DIRECTOR'S REPORT** – Clyde reported that Choose Chico will be a huge event. Catering will provide a display of almost 3,000 cupcakes. She noted that Catering has made a number of small menu updates. Clyde said she spoke with the interim Housing Director this morning, and believes contract negotiations will go well. Clyde said she met with representatives from Panda Express and Panera, and gave them a tour of the space. She said she received positive feedback from both, although they have not talked any specific timelines or dollar amounts at this time.
- VII. CHICO STATE WILDCAT STORE DIRECTOR'S REPORT** – Foisy reviewed store renovation updates and noted they will be expanding refrigerated foods and decreasing frozen foods. She said the Clinique removal is complete. She said their shipment of paper straws has arrived. Foisy explained the soft roll out for the new sales system in the Computer Department that is faster, easier to navigate, and students have given positive feedback. Goal is to have this all in place by back-to-school in August.
- VIII. EXECUTIVE DIRECTOR'S REPORT** – Buckley reported that he talked to the Board of Directors and is waiting to hear back from the campus regarding our unfunded liability for CalPERS and also our unfunded liability for our post-retirement health. He said Jennings has been in touch with the actuary doing the study on our post-retirement health plan. Odds are we will be recommending a health plan that will reduce unfunded liability on the health plan. We have received the results of unfunded liability for CalPERS of \$1.8 million dollars. He said we are just waiting for the University on how we would operationally manage it. Jennings said we need their approval. Buckley said assuming this all works out with the Chancellor's Office and campus, the recommendation would be to pay this unfunded liability off; the effect to here would be a reduction in net assets. Buckley said two final forums regarding fee increases are this week and the vote regarding these fees will be held a week after AS Elections. He said the campus is trying to stay out of the election to ensure its fairness. Buckley said they are trying to set up interviews for next week for the Dining Director position.
- IX. VP APPOINTEE'S REPORT** – Aguirre reported that last week BMUC approved the Facility Master Plan. He said the WREC is close to its five millionth customer.
- X. CHAIR'S REPORT** – Rogers said he is working with Buckley on the Dining Director search and will keep everyone at the table informed on this process.
- XI. ANNOUNCEMENTS** – Rogers expressed appreciation for the Pepsi Party.
- XII. PUBLIC OPINION** – Limited to three minutes per speaker, five minutes for entire topic – None.
- XIII. ADJOURNMENT** – The Chair, Rogers, adjourned the meeting at 2:55 p.m.