Finance Committee Meeting  
Tuesday, December 13, 2022  
Via Zoom

Ly Chau  
Michael Goldman  
Sylvia Piao  
Jason Porth  
Kal Salama

Guests:  
Mitch Hughes / Beacon Pointe

UCorp Staff:  
Maggie Woo  
Rosa Barragan  
Chris Farmer  
Andrew Lok  
Anthony Victoria

Meeting called to order at 11:02a by Kal  
- agenda reviewed & approved unanimously  
- minutes for November 15, 2022, reviewed; Michael/Ly motioned and seconded & passed unanimously

Investment Portfolio Update/Review by Mitch  
- as of November 30, 2022  
  o market has done well  
    • due to seemingly lower inflation  
    • federal reserve not as aggressive with market responding well  
  o good time for domestic equities/international equities  
  o committee’s decision to reduce duration re: fixed income, was met with good results

Michael asked why CPI is blank  
Mitch responded that typically the report provides CPI on a quarterly basis

  o portfolio almost at $30 million in November 30, 2022  
  o total composite has outperformed in the fiscal year-to-date and since 2017  
    • discussed fiscal year-to-date performance compared to allocation index  
    • looks good at 2.3% though trails index
- Boston Common equity manager appears to be weakest, however, no moves are advised at this point
- Bloomberg’s fixed income 1-3 years, is very good year-to-date
- Recommendation made to move proceeds from Seg Bryant from short-term to intermediate term

Kal asked what is needed from the committee to proceed with the recommendation
Michael asked about SB
Mitch responded that SB allows UCorp to “own” securities & its easy to manage/move around
  - with no objections to recommendation, it is okay to proceed
  - alternatives discussed
    - Kimpact and Kairos continue to do well; they remain a good investment
      - Beacon Pointe happy with positions maintained in these real estate funds

Kal reiterated that the $29 million portfolio amount will change once outstanding earnings catch-up and are reported

Jason introduced topic regarding vendor revenues that are impacting our retail operations

Operations report by Chris
- comparative summary shared re: Fall 2021, Spring 2022 & Fall 2022
  - illustrated expected population compared to rent costs levels, as well as costs if closed
  - approximately half of our vendors are currently paying about 40% rent
  - 17% decrease in enrollment is also impactful
  - expecting Spring 2023 population at 75% & proposing 30% rent for open vendors & 10% rent for closed vendors
  - Lobby Shop, seemingly doing better -- maybe due to Grab-and-Go model

Jason shared that he is at a loss about resident students being maxed-out with food vendors not doing better - do they not have additional dollars to spend?
Michael asked about UCorp’s activities and operations
Chris clarified Lobby Shops are currently at 60% of pre-pandemic levels
Michael also noted increase in costs, wages, supplies etc...
Jason asked for Andrew’s perspective as he is out in the trenches
Andrew stated UCorp’s general disappointment with campus population levels and that is the biggest challenge in trying to achieve a balance through Spring 2023 and possible recalibration for future
Kal asked if vendors participated in Door-Dash type of operations
Chris mentioned that two vendors remained open during pandemic, servicing those few campus staff that were on campus, but there were really no Door-Dash type of activities pursued; maybe a good idea to bring this suggestion to their attention during this current situation. Michael commented Spring 2023 plan is generous and beneficial to our vendors; could this possibly extend through Summer and Fall 2023, to ensure retention of vendors even if there is a possible unexpected population resurgence. Chris reiterated that this is a balancing act; discussions are continuing with our vendors, in hopes of locking-in leases with flexibilities on both sides; vendor retention is the goal, however, we are continuing to explore other/new opportunities and/or alternatives. Jason/Chris both reiterated that non-food vendors to continue to pay full rent and discussed the presented worksheet with: [1] Fall rents for both open & closed vendors; [2] Spring proposed rent for both open & closed vendors; and [3] the resulting significant decrease from the original FY 2023 budget. Kal commented that the expected performance regarding investments should help mitigate the decrease in these revenues, and again strongly recommended consideration be given to pursuing a Door-Dash business model. Chris agreed & said this will be discussed with vendors, as well as mentioning past business models that had been attempted. Jason stated the possibility of alternatively offering a percentage-based rent, but added that this is a very work-intense approach. Kal mentioned to consider basing this off of revenues rather than profit. Ly asked about climate/performance of similar vendors on other campuses. Chris acknowledged Ly’s comment and recognized that some campuses have successfully fully repopulated. Kal asked if BOD will be informed of this discussion. Jason stated BOD will be informed, including overall concern of possible financial impact to UCorp.

Kal adjourned at 12:03pm.