

CALIFORNIA EXPOSITION & STATE FAIR

Minutes of the Board of Directors Regular Meeting

Held Pursuant to Due Notice
Friday, May 29, 2015

California Exposition & State Fair
Administration Building Boardroom
1600 Exposition Boulevard
Sacramento, CA 95815

Directors Present

Director David Mallel, Chair
Director Patrick O'Brien, Vice Chair
Director Rima Barkett
Director Sonney Chong
Director Corny Gallagher
Director Rex Hime
Director Hallie Ochoa
Director Mark Nelson
Director Willie Pelote

Directors Absent

None

Staff Present

Rick Pickering, Chief Executive Officer (CEO)
Sonya Logman, External Affairs Director
Carrie Wright, Programs Director
Marcia Shell, Assistant General Manager, Operations (AGM)
Samantha Brown, Financial Officer (FO)
Robert Craft, Chief of Police
Paul Gillingham, Maintenance Operations
Jennifer Castleberry, Marketing Director
Jay Carlson, AG Programs Manager
Jennifer Koga, Accounting Officer/Supervisor
Jan Risso, Contracts Manager
Zane Glaser, Finance Department
Lara Popyack, Media Director
Maricela Ramirez, Marketing Department
Don Callison, Programs Department
Randy Brink, Cal Expo Volunteer

Others Present

*May not include all others present in the room or arriving late.

Mona Foster
Rory Kaufman, Cultural Advisory Council
Amber Williams, Glass Agency
Brantley Payne, Glass Agency

CALL TO ORDER

The meeting was called to order by Chair Mallel at 1:04 p.m.

Chair Mallel dispensed with reading the Mission Statement, Policy Statement and Public Comment Statement, and referred all present to the Statements listed in the Agenda.

1. PLEDGE OF ALLEGIANCE

Chair Mallel lead the Board, Staff and Guests in the Pledge of Allegiance.

2. ROLL CALL

Roll call was taken by CEO Pickering and a full quorum was present.

CEO Pickering congratulated Director Chong, Director Gallagher and Director Nelson for having been reappointed to the California Exposition & State Fair Board of Directors.

Motion:

It was moved by Director Hime and seconded by Director Gallagher to excuse the absence of Vice Chair O'Brien. **All in favor, motion carried.**

3. INTRODUCTION OF GUESTS & STAFF

Introduction of Guests and Staff were made around the room.

5. PRESENTATION

a. Presentation by the Board to Rory Kaufman as Outgoing Chair of the Cultural Advisory Council (CAC)

Chair Mallel asked CAC liaison Sonny Chong to present the Golden Bear to outgoing CAC Chair Rory Kaufman. Mr Kaufman thanked the Board and Staff, with a special thanks to Chief Craft for his dedication providing fair and equitable safety and law enforcement practices for all ethnicities and cultures.

6. MINUTES OF MEETINGS

- a. Approve Board Committees Meeting of January 30, 2015, as presented
- b. Accept Cultural Advisory Council Meeting Minutes of March 19, 2015, as presented
- c. Accept Agricultural Advisory Council Meeting Minutes of February 17, 2015, as presented
- d. Accept Agricultural Advisory Council Livestock & Animal Care Committee Meeting Minutes of May 15, 2014, as presented

- e. Accept Agricultural Advisory Council Livestock & Animal Care Committee Meeting Minutes of April 8, 2013, as presented

Motion:

It was moved by Director Hime and seconded by Director Chong to accept the Minutes of Meetings 6a through 6e. **All in favor, motion carried unanimously.**

7. COMMITTEES AND STAFF REPORTS

a. Annual State Fair Committee Report-Director Chong

Committee Chair Chong asked various Staff Members to provide key updates.

- Program Director Wright reported that they were on track for a successful event. She reported that they were on track for a successful event. She referred to the Annual State Fair Committee report for further updates.
- Marketing Director Castleberry reported out, she previewed a draft version of the State Fair TV commercial in conjunction with Amber Williams, CEO Glass Agency. She presented copies of our ads in Sactown, Best of City issue, and the Sacramento News and Review, summer issue. She referred to the Annual State Fair Committee report for further updates.
- Expo Events Director Shell reported that food vendors are booked. Commercial vendors are being finalized and her department is ready for a successful 2015 State Fair.
- External Affairs Director Logman reported that an “at-a-glance” calendar is available for the board to help plan and prioritize attendance for many hundreds of events held during the fair. She referred to the Annual State Fair Committee report for further updates.
- CEO Pickering reported:
 - The 2015 Horse Racing license was officially approved. Discussion of 2016 calendar continues
 - The Animal Care Committee met and reviewed protocol and procedures. There were no recommended changes. Several animal advocates attended and voiced support for several programs at the State Fair. It was noted that Eric Mills told the Committee that the California State Fair is now the most humane Fair in America.
 - The U.S. Postal Service 1st Day Issuance of the Summer Harvest stamp is scheduled for July 11 at the State Fair. This is quite an honor.
 - Several Professional Soccer matches and two International Rugby matches will take place during the State Fair.
 - From a law enforcement point of view, we have been working closely to coordinate with allied agencies in preparation for the State Fair, taking into account incidents that have occurred nationally in recent months.

- That a letter had been received from Assembly Member Kevin McCarthy complimenting Cal Expo on its many successes and encourage the utmost care of animals at the State Fair.

b. Exposition Facilities & Operations Committee Report- Director Ochoa

- Exposition Facilities and Operations Committee Staff, Marcia Shell and Sonya Logman provided a PowerPoint presentation showcasing recent rental events, and noted that rental events are doing very well.

c. Finance Committee Report- Director Gallagher

Director Gallagher recapped the 1st Quarter Financial Report noting:

- Significant increase in net profit margin.
- Total revenue is up \$250,000.00.
- Expenses are up slightly, due to reimbursable items.
- Working Capital has increased \$1,000,000.
- OPEB (Other Post Retirement Benefits) liability is up.
- Outstanding Aged Receivables over 90 days is only \$25,000.00

Motion:

It was moved by Director Gallagher and seconded by Director Pelote to accept the 1st Quarter Financial Report. **All in favor, motion carried unanimously.**

d. Horse Racing Committee Staff Report

CEO Pickering provided a brief overview of planning for State Fair's first ever three weeks of Thoroughbred Racing. He noted that the Kirk Bread Memorial would be unveiled and dedicated following the Governor's Cup.

e. Innovation, Education, Agriculture, Food & Technology Staff Report

It was noted that several VIP dinners would be held in the State Fair Farm during the 2015 State Fair, aimed at raising funds to create a new Farm Tours program this Fall & Spring for school children. Board members were encouraged to support this new program.

A general overview was provided regarding the planned Inaugural National Drone Racing Championships that would be held at Bonney Field during the 2015 State Fair. It was noted that Drones have been proven as valuable assets in California crop production, rangeland management, open space patrols, etc...

f. Long Range Planning Committee Report- Director Hime

Director Hime reported that the RFQ had been successfully released to the public. He thanked Director O'Brien and the Executive Staff for their dedicated

work on this document. He further noted Cal Expo's commitment to ongoing water conservation and related public education efforts.

8. FINANCIAL REPORTS

- a. Contracts/Purchases Requiring Board Notification
- b. Profit & Loss Statement
- c. Point Sheet-Profit & Loss Statement
- d. Balance Sheet
- e. Point Sheet-Balance Sheet
- f. Aged Receivable Report
- g. 2014 California Exposition & State Fair Audit Report
- h. Independent Accountant's Report- State Fair Cash Handling

9. APPROVAL OF 2014 ANNUAL INDEPENDENT AUDIT

Director O'Brien reported on the results of the 2014 Annual Audit, noting the positive comments of the independent auditors. Director Gallagher asked that the record reflect that this is the best audit results he's seen in his time on the Board.

Motion:

It was moved by Director O'Brien and seconded by Director Gallagher to accept the 2014 Annual Audit Report. **All in favor, motion carried unanimously.**

10. CORRESPONDENCE

No items for consideration.

11. UNFINISHED BUSINESS

No items for consideration.

12. NEW BUSINESS

a. Review and Approval Scoring Committee's Recommendation of the 2015 "Technology Champion Award" Recipients

- General discussion was held regarding the background and nomination process for the Technology Champion Award. This is the second year of this awards program and it is coordinated by the State's Technology Department.

Motion:

It was moved by Director Gallagher and seconded by Director Ochoa that Mayor Cecilia Aguiar-Curry of Winters will received the Individual Award and that the County of Alameda will receive the Organization Award; both will be honored at the Annual State Fair Gala in June. **All in favor, motion carried unanimously.**

13. MATTERS OF INFORMATION

a. Public Comments

There were none.

b. Manager Comments

CEO Pickering discussed the “training burns” that had been taking place on the American River Parkway in recent weeks.

c. Director Comments

Director Barkett stated that she likes the many new ideas and is complimentary of our first ever Youth Leadership Day. She encouraged all Directors to contribute to the Farm Tours program.

Director Ochoa noted that Fully Belly Farms, is making food donations to support the State Fair and the Farm Dinners. She invited all Directors to come and tour Fully Belly any time.

Director Hime encouraged Directors to buy a table for the State Fair Gala and thanked Staff for the extraordinary amount of accomplishments.

Vice Chair O’Brien encouraged support for the State Fair Gala and wished Director Pelote the best on his retirement from AFSCME.

Director Chong thanked Staff for so much creativity including: baby changing stations, Olive Oil Competition, and Drone Races.

Director Pelote noted that Staff is functioning at a very high level and collaborating together. He believes that our significant financial turnaround is reflective of Staff working together.

Director Gallagher recommends that the Executive Staff ask for help by Board members wherever needed. He noted that water is an extremely important subject for us to be concerned about.

Director Nelson encouraged Board members to bring their friends to the State Fair Gala, noting that the funds go to youth scholarships.

Chair Mallel encouraged Board Members to watch the schedule of events during the State Fair very closely and attend as many functions as possible. He asked that all Board Members contribute to making a purchase at the Sale of Champions this year.

d. Next Board Meeting – Friday, September 25, 2015

e. Other, if any

14. CLOSED SESSION

For purposes of discussing matters of 1) pending litigation, 2) real property negotiation and 3) personnel matters related to the General Manager under Government Code Section §11126. The Board will meet in Closed Session to confer with and/or receive legal advice from counsel or the represented delegate.

- a. **Pending Litigation:** In re Protest of DeBusk, Protest No. 14-001 and In re Protest of Snyder, Protest No. 14-002. The Board will meet in Closed Session to consult with legal counsel. [Gov. Code section 11126€.] DeBusk and Snyder matter

Following Closed Session, the Board Meeting resumed in Open Session.

Motion:

It was moved by Director O'Brien and seconded by Director Pelote to approve the terms of the DeBusk and Snyder agreements. **All in favor, motion carried unanimously.**

15. ADJOURNMENT

Motion:

It was moved by Director Pelote and seconded by Director Hime to adjourn the Board Meeting. **All in favor, motion carried unanimously.**

The Board of Directors meeting was adjourned at 2:35 p.m.