

CALIFORNIA EXPOSITION & STATE FAIR

Finance & Audit Committee Meeting Minutes
Friday, December 12, 2014
11:00 a.m.

MINUTES

Committee Members Present:	Board Chair Sonney Chong Director David Mallel Director Patrick O'Brien
Committee Members Absent:	Director Corny Gallagher Director Willie Pelote
Staff Present:	
Chief Executive Officer (CEO)	Rick Pickering
External Affairs Director	Sonya Logman
Marketing Director	Jennifer Castleberry
Programs Director	Carrie Wright
Financial Officer (FO)	Samantha Brown
Assistant General Manager, Operations (AGM)	Marcia Shell
Accounting Officer/Supervisor	Jennifer Koga
Recording Secretary	Linda Contreras
Recording Secretary	Coco Wong
Present in the Audience:	Director Rima Barkett Director Mark Nelson

Director Mallel called the meeting to order at 11:01 a.m. and dispensed with reading the Mission Statement and Public Comments Statement.

Director Gallagher and Director Pelote had asked to be excused and a quorum was present.

UNFINISHED BUSINESS

1. Review to Approve Schedule of Allowance for Doubtful Accounts

Director Mallel noted and reviewed the Schedule of Allowance for Doubtful Accounts included in the Board's packet.

FO Brown reported that four fraud checks were referred to the Cal Expo Police Department. Those checks will be "written off" should the Finance Committee recommend and the Board approves to do so.

Motion:

It was moved by Director O'Brien and seconded by Chair Chong to recommend to the Board for Approval the schedule of Allowance for Doubtful Accounts. **All in favor, motion carried unanimously.**

2. Contract/Purchases Requiring Board Approval

Director Mallel noted and reviewed the Contract/Purchases Requiring Board Approval included in the Board packet.

General discussion was held regarding the timing of extending contacts such as the agreement with Glass Agency.

Marketing Director Castleberry provided a brief report on the history and the timing of the extension of the agreement with Glass Agency.

FO Brown recommended staff to generate a forward looking report of "soon to be expired" contracts for the Board periodic review.

Motion:

It was moved by Director O'Brien and seconded by Chair Chong to recommend to the Board for Approval of Contract/Purchases Requiring Board Approval. **All in favor, motion carried unanimously.**

3. Review for Approval Proposed 2015 Annual Budget

CEO Pickering presented the Proposed 2015 Annual Budget included in the Board's packet. The 2015 annual budget is based on FO Brown's best estimates, contingent on final year-end financial results from Bonney Field/Global Winter Wonderland.

CEO Pickering noted the Budget was similar to what was proposed at the Board's October Meeting and the November Retreat.

CEO Pickering provided a brief review of proposed changes to food commission rates (increase of 1%) and monorail ticket pricing (increase of \$1.00).

CEO Pickering provided a brief description of the 0.33% parimutuel wagering license fee revenue. He noted that the County of Sacramento and the City of Sacramento have agreed that part of the 0.33% will be used to support the annual 4th of July fireworks show and capital improvements, including improving the horse barn area for housing and other projects.

FO Brown reported there will be increases to health benefits and PERS.

FO Brown noted the importance of the continuing pursuit of increased revenues and decreased expenses.

General discussion was held regarding select line items.

Motion:

It was moved by Chair Chong and seconded by Director O'Brien to recommend to the Board for Approval the Proposed 2015 Annual Budget. **All in favor, motion carried unanimously.**

NEW BUSINESS

1. Bonney Field Financial Statement

Director Mallel noted and reviewed the current and year-end estimated Bonney Field Financial Statement included in the Board packet.

CEO Pickering reported that as a prudent business practice, Ovations Fanfare's parent company (Comcast-Spectacor) will be conducting an audit at Cal Expo.

FO Brown noted that all the Ovations' properties located on the west coast have been selected for a physical audit which is scheduled for December 22 and 23, 2014.

FO Brown noted that Staff will be working closely with this and other audit processes to further enhance our food business relationships.

ADJOURNMENT

The Finance & Audit Committee meeting adjourned at 11:20 a.m.