

CALIFORNIA EXPOSITION & STATE FAIR
FINANCE COMMITTEE

Committee Meeting Minutes
Friday, April 24, 2020
10:30 a.m.

MINUTES

Committee Members Present:

Vice Chair Rex Hime
Director David Mallel

Staff Present:

Chief Executive Officer (CEO)

Rick Pickering

Chief Deputy General Manager (CDGM)

Tom Martinez

Deputy General Manager-Administration

Samantha Brown

Deputy General Manager-Business Development (DGM)

Margaret Mohr

Assistant General Manager Expo Events

Marcia Shell

Programs Manager

Rachelle Weir

Ag Programs Manager

Jay Carlson

Recording Secretary

Sue O'Brien

Vice Chair Hime called the Finance Committee Meeting to order at 10:34 a.m. Roll call was taken and a quorum was present. Vice Chair Hime dispensed with the reading of the Mission Statement and Public Comment Statement.

FINANCIAL REPORTS

a. 2019 Financial Statement

Deputy General Manger Brown reviewed the 2019 Financial Statements. Revenue totals were up some due to Papa Murphy Park additional profit split above minimum guarantee, miscellaneous income from a property insurance claim, income from a radio communication grant, Deferred Maintenance projects being completed and the 2019 GASB 68 & 75 entries that have not been recorded as these amounts are finalized during the financial audit. Also there were 13 vacant positions last year. We were able to keep our Operating Expenses are in line with last year. As a reminder the Operating Profit will be adjusted due to GASB 68 & 75 being posted when the audit is done. The biggest contributing factor for the profit last year was because of the lack of full time staff and cutting a majority of our spending.

MOTION:

Director Mallel recommends to the full Board of Directors approval of the 2019 Financial Statements. Motion was seconded by Vice Chair Hime. **All in favor, motion passes unanimously.**

- b. Aged Accounts Receivable Report
- c. Request for Relief of Accountability

Deputy General Manager Brown reviewed the Request of Relief of Accountability report with the committee.

MOTION:

Director Mallel moved to accept the request for relief of accountability. Vice Chair Hime seconded the motion. **All in favor, motion passes unanimously.**

NEW BUSINESS

- a. AB 1499 Executive Order N-40-20

- o Approval of Board Resolution for New Fair Fund Allocation
- o Approval of Memorandum of Understanding (MOU) for New Fair Fund Allocation
- o Approval of Required Employee Work Conditions Policy for New Fair Fund Allocation

Deputy General Manager Brown reported that AB 1499 was an Assembly bill that was passed in October 2017. It allowed for ¾ of 1% of sales tax generated on fair grounds to go back to fair grounds. This bill had specific requirements for fairgrounds to be eligible to receive AB 1499 funds. Such as relinquishing your FLSA exception of seasonal employees, paying all bargained positions minimum wage plus 30% and require all long term ground leases with companies that have 50 full time employees or more at Cal Expo to contractually agree to these same terms for their employees and allow CDFA to audit their financial records for compliance. The Governor’s Executive Order on March 4, 2020, allows CDFA to distribute AB 1499 funds to all fairs including those fairs that cannot currently meet the 30% over minimum wage.

MOTION:

Director Mallel moved to have this item heard at the Board Meeting with the full Board. Vice Chair Hime seconded this motion. **All in favor, motion passes unanimously.**

ADJOURNMENT

Director Mallel moved for adjournment. Vice Chair Hime seconded the motion. **All in favor, motion passes unanimously.**

The Finance Committee meeting adjourned at 11:04 a.m.