

**46th District Agricultural Association
SOUTHERN CALIFORNIA FAIR
www.socalfair.com**

**BOARD OF DIRECTORS MEETING MINUTES
September 23rd, 2020 • 4:00 P.M
18700 Lake Perris Dr.**

Perris CA 92571

**August board meeting will be held in the Boardroom located in the administration building
You can also attend the meeting via teleconference by using the below Zoom meeting
information.**

<https://us02web.zoom.us/j/86841482199>

Meeting ID: 868 4148 2199

**One tap mobile
+1669-900-6833**

Directors

Nick Bruno-President, Marisa Yeager-Vice President, Ron Magnusson, Jaime Hurtado, Gene Skala, Brad Scott, Tricia Almiron, Cindy Palumbo

Mission Statement

“The Mission of The Southern California Fair & Event Center Is to Provide & Promote Agricultural Activities, Entertainment, Education, Recreation and Service Opportunities for All People in Riverside County”

Public Participation

Members of the public are encouraged to provide comment to the Board and may suggest items to be placed on the agenda for discussion at the next Board meeting. While the Board values the participation of the public, the Board president reserves the right to limit the time for public comment to a maximum of three (3) minutes per speaker in order to proceed with the agenda. Public comment must be related to fair authority and jurisdiction and their placement on the agenda is within the discretion of the Board.

All meeting notices, agendas and materials considered by the Board during the meeting will be available to the public during the meeting and also on the Southern California Fair website at:

<https://www.socalfair.com/>

Americans With Disabilities Act

All Board meetings must be accessible to the physically disabled. Any person needing a disability-related accommodation or modification in order to attend or participate in any Board or Committee meetings or other Southern California Fair activities may request assistance by contacting Carl Wuersch at (951) 657-4221.

Call to order:

All matters noticed on this agenda, in any category, may be considered for action listed. Any item not noticed may not be considered. Items listed on this Agenda may be considered in any order at the discretion of the chairperson.

President Bruno called the meeting to order at 4:05

1) Pledge of Allegiance:

Attendees of this 46th District Agricultural Association Board meeting will be asked to join the Board President in reciting the Pledge of Allegiance if they wish to do so.

2) Roll Call:

The Board of Directors of the 46th District Agricultural Association are asked to introduce themselves to all in attendance.

Present in the Conference room: President Nick Bruno, Director Ron Magnuson, Director Gene Skala, Director Brad Scott

Present in Teleconference: Vice President Marisa Yeager, Director Cindy Palumbo, Director Tricia Almiron and Director Jaime Hurtado

3) Absent Directors:

4) Introduction of Audience and Guests:

Audience and guests are requested to introduce themselves to the Board of Directors and other guests under this agenda item.

Present in the Conference room: CEO Carl Wuersch, Dave DiMond, Shari DiMond, Aaron Cook Sarah Pelle, and Don Kazarian

Present in Teleconference: Kelly Secord, Lauren Oostdam, Charlynn, Tracy Putnam, Garry Lesh, Chris Castaing, and Christina Rapert

5) Matters of Public Comment:

Persons in attendance may request to speak on any item not on the agenda or request item to be placed on agenda at next meeting. Speakers presenting matters to the Board will be limited to three (3) minutes.

Aaron Cook: August 1st, 2019 I started renting a piece of land on the Fairgrounds. I took an empty piece of land and made 3 motocross tracks on it. We see hundreds of customers a day. We built a well that is now owned by the Fairgrounds. We have been model tenants. I have been made aware of the project for DWR but when I was told about the project I was told that the land they would be occupying would not affect me but now I have come to find out that all the land that I have invested in and rent will be used by the DWR project if the project is approved by the Board. I appreciate our partnership and I would like to continue the partnership. So, I ask that a decision be made at a later time so that it can be discussed about the impact it would have on the track.

Don Kazarian: What I understood was that DWR was going to purchase the land that is across from the Fairgrounds.

Sarah Pelle: This is not public comment this is an item on the agenda so these comments should be held until we get to that item on the agenda.

Dave DiMond: I have been here thirty years. Lyndal Graff was a CEO with integrity and the board when he was CEO had integrity too. They were not all about I, I, I. I have all the communications and information about what has been going on. Now I am going to be thrown out after thirty years. I offered to put in an RV park, but I was turned down. Why can't you all come to us who have invested into the Fairgrounds and tell us there is a problem and have us all work together to make it better to work together and have an alliance? So today you are going to Vote me out of my property. I have filed a lawsuit. It's a horrible thing I have to do.

President Magnuson: I understand your frustration and the Board will be talking about it.

6) New Business (all items may be considered for Action):

a) Financial Information:

• Financials

Director Skala: Cash budget is all projected we don't have the new items on it at all. The report is showing that our actual cash report is down around 60 thousand from last year. That is unfortunate but there is nothing we can really do about it until things start to open back up.

President Bruno: Carl do you want to talk about the Livestock financials?

CEO Wuersch: I received an E-mail last week that the JLA committee met last week and they came up with a proposal. I then had a phone call with F& E they basically said that we can't do the auction partially ran through the Barn bash. The auction needs to be ran through an account at the Fair. What they suggested with our finances the way that they are and with not having a Fair this year that Barn bash can go ahead and take the auction this year.

President Bruno: Is there money in the JLA account.

CEO Wuersch: The money that is in the JLA account is for the checks that have not been cashed yet.

President Bruno: In the August meeting it was stated that there was around thirty thousand in the JLA reserve account. Is that available for the auction?

CEO Wuersch: Before I was CEO and while I have been here the Fair has always paid for every expense for livestock and the five percent that should come back to the fair has stayed in the reserve account. I am working with other fairs to see what they do with their Livestock department. Some fairs share the cost 50/50 on some things and 5% on other costs. So, I am working with the financial department to see what would be fare so we can figure out what is really in the JLA reserve.

Director Scott: I think about two years ago we did ask them to raise their fees because we were concerned that costs were not being covered. So, your saying that with the extra fees it hasn't been applied to the costs?

CEO Wuersch: With not doing the accounting in house, CFSA has been applying it to where they think it should be going. So that is why the JLA reserve has so much money in it because it has not been paying the Fair out for the expense of Livestock. So, the Fair has been paying for it all.

Kelly Secord: What is the definition in the States mind of what the Reserve is?

CEO Wuersch: That is what I am trying to find out from them. You have a lot of experience with Livestock what is a Reserve in your experience?

Kelly Secord: In all my years and at all the different Fairs I do I have never heard of a JLA reserve account. I have been at this Fair for about eleven years and at the end of every fair I request a PNL (profit and loss). I believe I only got it from Gail when she was CEO and with that PNL I can see what expenses are correct, what is missing and if something should not be on it. When I turn in bills, I mark on them that they are ok to be paid from the JLA account I also mark the ones that the Fair is responsible for. If any expense affects the sale or is part of the sale, then that money would come out of the JLA account. For example, the Market judges, the scales and so on would be paid from the JLA account. The Fashion judges that would not be paid out of the JLA account because it does not affect the sale of the animal. I know that at the meeting in July it was requested to have a line item detailing what is in the JLA account I don't know if that has been done yet.

Vice President Yeager: From that request Carl has been working on it and what he just shared with us all is what he has uncovered so far. So, he is still working on trying to figure out what is in the JLA account.

Kelly Secord: If I could get a PNL at the end of the fair that could prevent a lot of this. Having the PNL would also help me budget for next year.

Tracy Putnam: Its frustrating to be told that we need to have sponsorships for the kids because the Fair is broke and then when we ask for information because we are part of the committee we are not given any. The information helps us. We need the financial report so that we are informed.

Director Scott: I know that Kelly has been asking for years for a PNL its not just something new that she just asked for.

CEO Wuersch: I don't know if you and I have sat down and you have asked me for the PNL.

Kelly Secord: I asked Alicia a few times for it when you were out of the office and she said that there was not one to give me that we didn't have one.

CEO Wuersch: That is what I am working on now.

Vice President Yeager: Carl what are your next steps to provide Kelly with a PNL?

CEO Wuersch: I have a spread sheet being made that we are working on right now and then I will work with Kelly to find out what is what and then we can have it all sorted out correct and then we can get her a PNL starting next fair.

Vice President Yeager: What about something for this year so that she knows what she has to work with for this auction.

CEO Wuersch: Working with the finance committee, the Board president and F&E we came to the conclusion that because of our financial situation that it could be handed over to Barn Bash to help for this year.

Vice President Yeager: Is this an action item that we need to vote on?

Kelly Secord: This might help. Because we did not hear back from the State on if we could open for an in-person auction that left us with only one option and that is to do it virtually.

Gary Lesh: As far as I understand the reserve account was a contingency plan account. So, if an animal were to die then the buyer would be paid out from that account so that they where not out anything. Over time of not using that account it would pile up.

Vice President Yeager: Carl will continue to work on getting all the information together to get this JLA reserve figured out. Once he has it all sorted out everyone will have a better idea of what is actually in the account.

Director Scott: When can we get Kelly the information in regard to the finances?

Vice President Yeager: Carl is still working on that. Carl when do you think you could have it to her?

Director Scott: Kelly when do you need this information by:

Kelly Secord: I am still confused if there is any money to contribute because we are told there is x amount of money in the reserve and now, we are being told that there isn't any money. So, are we going to be fully sponsored by Barn Bash for this auction?

CEO Wuersch: Yes, we are asking Barn Bash to sponsor the auction for just this year. I have a couple sponsors that want to help as well so they will be sending money to you guys for the auction as well. I think its around five grand.

Director Scott: Will that help to get that money?

Kelly Secord: Yes, that will help

Vice President Bruno: Carl when will you get the money?

CEO Wuersch: I am hoping by the end of this week.

Lauren Oostdam: Carl can you get with me because I am representing Barn Bash to get me that sponsored money so that we can move forward on the things we need to get done?

CEO Wuersch: Yes, I will get it to you as soon as I get it.

Vice President Yeager: I appreciate everyone's information and concern and Carl has been working on this issue and will continue to work on it until we have an answer. We will also make sure there are procedures in place to protect this money as well. This item is part of our line agenda item b. That we are moving forward because of the financials that Barn Bash will be helping Livestock with their virtual auction and Carl will get the five-thousand-dollar pledge to Barn Bash next week. Am I correct that we do not need a Vote on item b.? Do all the Board members agree with me?

Director Scott: I agree with you. But I would also like to have a line item added with the Auditors input on this matter as well and have them go through all our financials as well. We are getting the input from CFSA, F&E and from management we need to get the Auditors input as well.

- Statement of Net Position
- Summary of Operations
- Budget Update/Cash Budget Projections

Vice President Yeager: We need a vote on approving the August financials.

Motion to approve the August financials was made by: Vice President Yeager
Motion was seconded by Director Brad Scott

Motion unanimously approved. Motion carried

Voting Directors: President Nick Bruno, Director Ron Magnuson, Director Gene Skala, Director Brad Scott, Vice President Marisa Yeager, Director Cindy Palumbo, Director Tricia Almiron and Director Jaime Hurtado

b) **Plan for Livestock Show/Auction:**

c) **Land Purchase**

- **10.69 acres to be purchased for \$481,050.00**

CEO Wuersch: We don't have much to say or do on this because the landowners have already accepted this.

d) **Land for rent during the construction project**

- **15 acres to be rented from mid-2021 – 2026**
- **Yearly payments of \$67,680.00 will be made.**

CEO Wuersch: What I would recommend to the Board is to not move forward on this and to not sign the contract. They never talked about using 15 acres. So, my biggest concern is that it would shut down motor cross completely and a good possibility Donny too.

Director Scott: This all come before the committee and the committee recommended to not follow through with this. We wanted our concerns addressed before moving forward. Carl did you send out the information regarding our concerns?

CEO Wuersch: Yes, I sent it out to all the Board members.

Don Kazarian: When DWR purchases that property is there an egress and digress agreement?

CEO Wuersch: The only land that they are buying is that 5 acres

Director Scott: Another concern that the committee brought up was the liability when we do use that land because there is a major road right there.

Sarah Pelle: Carl has legal been involved with you and DWR?

CEO Wuersch: No, they have not been involved yet

Vice President Yeager: Sarah can we table both these items C and D until we speak to legal and then call for a special meeting to have a vote on it?

Sarah Pelle: Yes, you can do that. DWR may have already approved this but you need to get legal involved because they will fight for you DWR will not. Legal will address all your concerns.

Motion to table items 6c and 6d until we get advisement from legal. After the meeting with legal we will have a special meeting to have an action on these two items was made by Vice President Yeager

Motion seconded by Director Jaime Hurtado

Motion unanimously approved. Motion carried

Voting Directors: President Nick Bruno, Director Ron Magnuson, Director Gene Skala, Director Brad Scott, Vice President Marisa Yeager, Director Cindy Palumbo, Director Tricia Almiron and Director Jaime Hurtado

Aaron Cook: Is that special meeting something I can attend?

Sarah Pelle: The meeting will be open to the public some information may need to be in closed session but legal will let us know.

e) **Future of the Southern California Fair**

• **Schedule a strategic Planning Workshop in October**

Vice President Marisa Yeager: I asked for this item to be placed on the agenda in light of COVID19. There are multiple issues that have come before us including the need to do a full forensic of all practices and on the financials related to the Fair. Last month I attended a strategic planning workshop with Kern County, and I was able to observe and see what they did. The purpose of this agenda item is to finish the strategic plan we started two years ago. We need to finish this strategic plan so that we can move forward on a business recovery plan. This business recovery plan will include all of our contracts, our lessees, etc.. I am proposing to the board that we authorize the CEO to schedule a strategic planning workshop in October.

President Nick Bruno: So, the end result would be to have a completed Strategic plan?

Vice President Marisa Yeager: Yes, that is the goal of the workshop is to not only have a completed strategic plan but also a business recovery plan as well.

7) **Consent Calendar:**

All matters listed are considered by the Board of Directors to be routine and will be enacted in one motion. There will be no discussion of these items prior to the vote unless members of the board, staff or public request specific items to be discussed separately and/or removed from this section.

a) **Approval of August Minutes**

Motion to approve the August minutes was made by Director Ron Magnuson

Motion was seconded by Director Gene Skala

Motion unanimously approved. Motion carried

Voting Directors: President Nick Bruno, Director Ron Magnuson, Director Gene Skala, Director Brad Scott, Vice President Marisa Yeager, Director Cindy Palumbo, Director Tricia Almiron and Director Jaime Hurtado

- b) **RENTAL AGREEMENTS 2020 – Contract for Helms and Sons**
President Nick Bruno: Item is tabled

8) **CORRESPONDENCE:**

- a) **CDFA letter**

- **2020 State Rules Advisory Committee Meeting Invitation**

9) **INFORMATION ITEMS**

- a) **Update on Loan Balances:**

Current on Loans Balances

- **COMMUNITY BUILDING** **\$139,691.67**
- **ADMIN OFFICE** **\$43,235.13**

10) **CEO Report: Carl Wuersch**

- Monthly Update – I have the proposal from Marisa for the strategic plan workshop that I will send out to all the board members. We had a Zoom meeting with F & E they are working on getting us our paperwork for the 20/21 year they are trying to get our funds to us sooner. I am working really hard with Edison to find out what is going on with our bill. We asked them for a printout of our power and what I found out is that on every Thursday for July, August and September we have been getting a spike. So, Edison has been charging us at our highest peak, so we are getting charged the whole month at the rate of that spike. I reached out to Rod Anderson he has done a lot of our electrical. He said there is nothing on this Fairgrounds that could reach that peak even if we turned everything on the grounds on. He said that we need to talk to Edison and find out if we can get a print out of what is going out because our usage is way down so he believes that someone around is using more power than we are because we dropped our usage so it is peaking us. After I get the report I will work with Rod and then we will set up a meeting with someone at Edison to get this all figured out.

Vice President Marisa Yeager: Can I request that a member of the board be in on that meeting too please.

CEO Wuersch: Yes of course

- COVID 19 Impact – I believe we are in the Red stage now so more things are opening up, but we still can not open we will probably need to wait for two more stages before we can open up.
- Event updates
- CCA Monthly Update
- DWR update

11) **Board Committee Update:**

- **Financial Committee – Director Gene has nothing at this time**

- Facilities Infrastructure Committee – Director Jaime and Director Tricia have nothing at this time
- Rental Committee – Director Brad has nothing to at this time
- Department of Water Resources Committee – Director Jaime and Director Tricia have nothing at this time
- JLA Committee – Director Brad has nothing to add at this time that has not already been talked about at this meeting.
- Satellite Wagering Committee – Director Ron even with us shut down in the building we are still getting a percentage of the bets that are called in.
- Marketing Committee – Director Cindy have nothing at this time

12) CEO Comments: I appreciate everyone's help with everything that is going on. The Food Fest will start again on October 2nd and we plan on doing it for three weekends.

13) DIRECTORS COMMENTS (only comments/not discussions):

Director Brad Scott: It is very important for the committees to meet and report back. I wanted to mention that we are very fortunate for Kelly and all the work that she does. She is very important, and we need to help her and get her the information that she needs to help run things better. She also steps up and helps above and beyond her job, I know she came in this last year at fair time to help you Carl with other stuff.

Director Ron Magnuson: I think this was a good meeting that a lot of things will be worked out now especially the financials.

Director Cindy Palumbo: I think going forward we need to pay closer attention to the financials. I don't see why we can't provide Kelly with a PNL at the end of fair. I think it is a key part of her being able to run her department efficiently. As far as the strategic planning workshop I think it's a great idea, but I think we need to wait until November to do that just because we have a lot of things going on in October.

Vice President Marisa Yeager: I appreciate everyone's involvement and I appreciate the committees meeting and getting involved. These are really tough times and we have an opportunity to fix some things that have been grandfathered in. I appreciate all the time and perspectives from the public today.

President Nick Bruno: I have been a little overwhelmed as your president at this meeting and I feel for our renters and I appreciate everything that you have all done. The financials we need to get clarification so that we know where we stand. We have a lot to work on and move forward and fix these problems. Once this COVID 19 is all over it will be better for all our renters as well as for the Fair, so we all just need to be optimistic.

14) ADJOURNMENT

President Nick Bruno adjourned the meeting at 5:43

IMPORTANT DATES: Board Meetings are held on the third Wednesday of the month at 4:00 pm unless otherwise specified:

- October TBD
- November 18, 2020
- December 16, 2020