



Board of Directors Meeting

November 18, 2021

Good morning.

The meeting will begin just after 9:00 a.m. For Public Comment, please use the chat function to communicate to the meeting secretary to indicate which agenda items you would like to speak to.

Please keep your device on mute until called upon to speak.

If using the Zoom dial-in option, use *6 to mute and un-mute your phone.

Please take notice that this public meeting of the 32nd District Agricultural Association, a California state institution, is being recorded using video recording equipment. Please also take notice that the 32nd District Agricultural Association will release video recordings of its public meetings where required under California law.

Please keep your device on mute

The Mission of OCFEC is...

Celebration of Orange County's
Communities, Interests, Agriculture and
Heritage

(with results justifying resources expended)





5. Minutes

A. Board meeting held October 12, 2021

Action Item

B. Board meeting held October 28, 2021

Action Item



6. Matters of Public Comment

Public comment is allowed on issues NOT on the current Agenda. However, no debate by the Board shall be permitted on such public comments, and no action will be taken on such public comment items at this time, as law requires formal public notice prior to any action on a docket item. Speakers are requested to sign in prior to the start of the meeting and are limited to three minutes.

Comments will be accepted on all other Agenda items at the time each item is listed on the Agenda. Speakers wishing to address the Board on items on the agenda are requested to sign in prior to the start of the meeting and identify the agenda item(s) on which you desire to address the Board. Speakers are limited to three minutes.



7. Consent Calendar: (Policy Reference: 4.3.4)

All matters listed under Consent Calendar are operational matters about which the Board has governing policies, implementation of which is delegated to the CEO. They will be enacted in one motion by category in the order listed below. There will be no discussion of these items prior to the time the Board of Directors votes on the motion, unless members of the board, staff or public request specific items to be discussed separately and/or removed from this section.

Any member of the public who wishes to discuss Consent Calendar items should notify the Chair of the Board, at the time requested and be recognized by invitation of the Chair to address the Board.



8A. Review and Vote on Whether or Not to Approve the Draft EQC Operating Agreement with Equestrian Services II

At the October 28, 2021 meeting, the Board of Directors approved the Facilities Committee's recommendation to move forward with a one-year agreement with Equestrian Services II for the operation of the equestrian center beginning January 1, 2022 through December 31, 2022. This will provide time for staff to develop a plan for transitioning in the strategic direction set by the Board for self-operation of the equestrian center and expansion of public programming.

The Facilities Committee met on October 15, 2021 to review the agreement drafted by staff. The Board will review the attached draft agreement and vote on whether or not to approve it.

RECOMMENDATION:

At the Board of Directors' discretion



8B. Presentation on the 2020 Financial Audit and Vote on Next Steps

This item will be brought back to the December 16th Board of Directors meeting.



8C. Discussion and Vote Regarding Starting Times for the 2022 Board of Directors Meetings

At the October 28, 2021 meeting, the Board of Directors approved the following dates for its 2022 Board meetings:

- Thursday, January 27, 2022
 - Thursday, February 24, 2022
 - Thursday, March 24, 2022
 - Thursday, April 28, 2022
 - Thursday, May 26, 2022
 - Thursday, June 23, 2022
 - Thursday, August 25, 2022
 - Thursday, September 22, 2022
 - Thursday, October 27, 2022
 - Thursday, November 17, 2022 *
 - Thursday, December 15, 2022 *
- * *Meeting falls on the 3rd Thursday*



8C. Discussion and Vote Regarding Starting Times for the 2022 Board of Directors Meetings

In 2020, at the request of some members of the public, the Board scheduled its regular January meeting in the evening with little to no effect on Board member attendance or public participation. In addition in 2020, the Board hosted three committee meetings in the late afternoon or evening. Again, the meeting time had no significant effect on public participation.

In 2021, all regular monthly Board meetings have been held in the morning. Public participation for the majority of those meetings has been light, averaging 3-6 public speakers. The exceptions appeared to be content-related as follows:

Date/Time	Topic	# Public Speakers
Jan.20, 2021 – 4pm	Community Affairs Committee meeting (display of flags)	28
Jan. 28, 2021 – 4pm	Board meeting (display of flags)	13
Feb. 25, 2021 – 9am	Board meeting (display of flags)	47
Sept. 22, 2021 – 9am	Board meeting (gun shows)	17



8C. Discussion and Vote Regarding Starting Times for the 2022 Board of Directors Meetings

The Board has also hosted two additional public committee meetings in 2021, one starting at 3pm and the other at 4pm. Each meeting had one public speaker.

Two strategic planning workshops were held in 2021. The September 9, 2021 workshop started at 9am and included 4 public speakers. The October 12, 2021 workshop started at 3pm and included 3 public speakers.

RECOMMENDATION:

At the Board of Directors' discretion



8D. Update and Discussion on the Proposed California Authority of Fairgrounds and Expositions Joint Powers Authority Initiative

INFORMATION ITEM:

CEO Richards attended the annual Fall Managers Conference for the California Fairs Alliance in Sacramento November 2-4, 2021. During the conference the California Department of Food & Agriculture hosted a panel presentation regarding the proposed California Authority for Fairs & Expositions joint powers authority. The session also included an introduction by California Agriculture Secretary, Karen Ross.

CEO Richards will provide the Board with an update on the initiative.



*What is the proposed
CA Authority of Fairgrounds &
Expositions (CAFE) all about?*



OC Fair & Event Center - Costa Mesa, CA

What is a Joint Powers Authority?

- A legally created entity that allows two or more public agencies to jointly exercise common powers.
- CA Government Code Section 6500 governs JPAs under the Joint Exercise of Powers Act.
- JPAs are restricted to use by public agencies only.
- The joint powers agreement is a formal and flexible legal agreement between two or more public agencies that share a common power and want to jointly implement programs, build facilities, or deliver services.
- JPAs combine services and resources for mutual support or common actions, reduce or eliminate overlapping services and save time and money by sharing resources among member agencies.
- Examples of existing JPAs for the fair industry include California Fair Services Authority (CFSA) and California Construction Authority (CCA).
- The creation of the CA Authority of Fairgrounds and Expositions (CAFE) would allow CDFA to transfer some authority and oversight which will promote administrative efficiency and provide cost savings to the state.

Background

- From Governor Newsom's 2020-21 Budget document:
 - *"The Administration plans to engage the Legislature and stakeholders over the course of the next year to develop a thoughtful approach to transition the state's relationship with fairs, while acknowledging the need to continue supporting properties that may be necessary for emergency operations."*
- From Governor Newsom's 2021-2022 Budget document:
 - *"The Administration is in the process of evaluating alternative business and governance structures to enable fairs to operate more efficiently, meet local community needs, and serve public health and safety roles in the state's emergency response system. The Budget includes \$50 million one-time General Fund to continue supporting fairgrounds' operational costs while the state evaluates alternative business models."*

Timeline

1983-1991

Discussions about transitioning fairs begins with Governor Deukmejian's administration

2009

Governor Schwarzenegger puts OCFEC up for sale

2011

Governor Brown cancels the sale of OCFEC

Jan.
2020

Governor Newsom includes a 2020-21 budget item to "develop a thoughtful approach to transition the state's relationship with fairs"

Jan.
2021

Governor Newsom includes in the 2021-2022 budget a thoughtful state "evaluating alternative business models" for fairs

Secretary Ross directs that a committee is formed to develop a proposed joint powers authority for the governance of fairs

Early
2021

The committee proposes the CA Authority of Fairgrounds & Expositions (CAFE) and drafts an agreement

Summer
2021

Secretary Ross addresses the CA Fairs Alliance and calls CAFE "a viable pathway to more autonomy and more local control"

Nov. 4
2021

What would the structure of CAFE be?

- The government agencies that would come together to form CAFE would be:
 - CA Department of Food & Agriculture (CDFA)
 - The County of Siskiyou
 - District Agriculture Associations
 - Potentially other counties

CFA Areas (7)

Cascade
Sacramento
North Coast
Mother Lode
San Joaquin
Central Coast
Southern

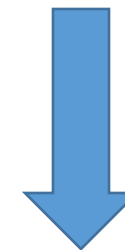
Size of Fairs (3)

Small
Medium
Large

Secretary Ross
and 2 of her
appointees

CA Dept. of
Finance
appointee

Rural County
Representatives
of CA appointee



Nonprofit Fair Association

What services could CAFE offer fairs?

- Some of the services currently being discussed include:
 - Human Resources
 - Flexibility in hiring
 - Flexibility in establishing salary schedules and increases
 - Resources for part-time employees and volunteers
 - Procurement and contracting
 - Flexibility in contracting and purchasing
 - Increased local economic impact with flexibility to use local businesses and services
 - Allocating state funds
 - Increased funding from AB1499 funds
 - Other services determined by the JPA Board

Statements from Secretary Karen Ross

- *“This is a viable pathway to more autonomy, more local control.”*
- *“The JPA is a way to maintain the local personality and priorities of your communities.”*
- *“We’re serious about this and want to find the best path forward. Let’s get this done!”*
- *“The Governor says this is part of ‘future-proofing’ California. He is interested in this process and his office is anxious to see CDFA’s proposal.”*

Additional Information

- The 32nd DAA would not go away.
- The JPA is not expected to be fully established for at least another year.
- While membership in the JPA is not mandatory, there may come a time when the administration will require it of DAAs.
- Employees will not need to leave state service. State employees will have the option to either remain state employees of the DAA or to leave state service and become an employee of the nonprofit.
- Most likely the DAA Board will form a nonprofit organization responsible for the day-to-day operations of the fair under an operating agreement with CAFE, and serve as Board members of the nonprofit.
- Nothing in the JPA agreement or the operational agreement allows the JPA to take over a fairgrounds.

8E. Presentation of the 2022 Budget and Vote on Whether or Not to Approve

The Financial Monitoring and Audit Committee hosted a public budget study session on November 9, 2021 where staff presented the draft of the 2022 operating budget.

The committee will present its recommendations, and the Board will discuss and vote on whether or not to approve the budget for 2022.



Budget Process

- Fiscal year runs January through December
- Budgets are created annually for each department and then consolidated into an organization-wide budget
- The 53 departmental budgets are directly overseen by 13 management staff
- Through monthly variance reports, oversight by the Financial Monitoring and Audit Committee, and monthly reforecasting throughout 2022, each department's budget will be closely monitored. The Board, staff and public will receive regular updates



A Look Back at 2021 Budget

- The 2021 budget was developed from a “rebuilding” perspective with much uncertainty
- We took the lessons from 2020 and decided to proceed with “cautious optimism”
- We believed we could bring back events and the fair in 2021
- By March we were able to reforecast a year-end gain in 2021 of \$1.3M
- By May, our losses had stabilized and we began to see a turnaround
- Throughout the year, we continued to focus on cutting costs, providing space for emergency purposes, working with promoters on safe and healthy events, and planning for the return of the OC Fair
- We are now projecting to be \$12.8M favorable to budget by year-end and have a YOY increase in cash reserves of approximately \$15M



2021 Budget Assumptions vs. Performance

2021 Budget Assumptions	2021 Actual Performance
\$10M-\$12M net deficit (35-40% improvement from 2020)	Forecasting \$12.8M favorable to budget
Up to \$2M net proceeds from 2021 OC Fair	\$22.8 net proceeds from 2021 OC Fair
\$825K capital budget	All but one project was completed in 2021; it will be carried forward in 2022 (\$225K)
Minimal event activity in Q1 and Q2; Q4 event activity reduced to 25% of Q4 2019	Reduced event activity in Q1 and Q2; strong activity already booked in Q4; expect to exceed Q4 2019 activity
2021 civil service labor headcount same as 2020 (includes pay cuts)	2021 civil service headcount remained the same as 2020; no layoffs required



2021 Budget Assumptions vs. Performance

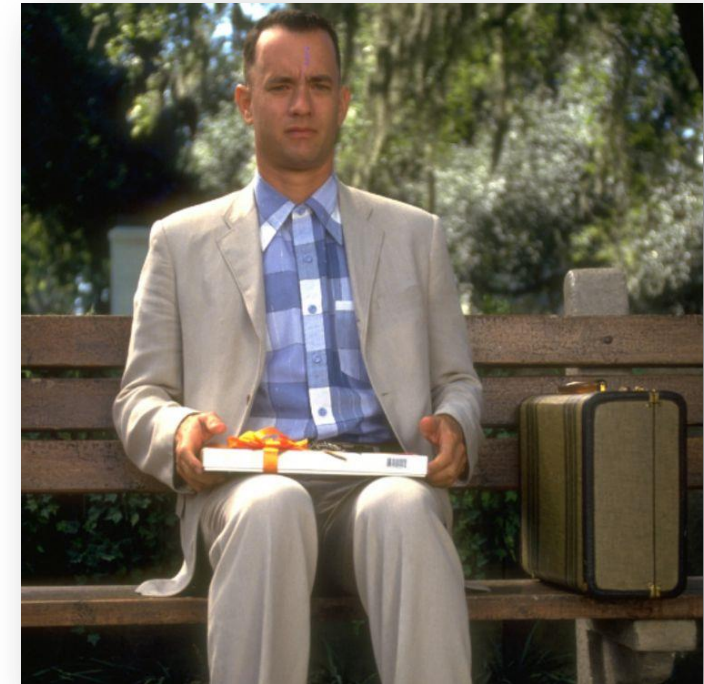
2021 Budget Assumptions	2021 Actual Performance
Reduce utilities and other operational expenses from 2020 budget	2021 operating expenses were budgeted at \$30.5M; \$660K favorable to-date
2021 OC Fair at 50% fixed daily attendance (30,000)	2021 OC Fair at 75% daily attendance (45,000)
2021 OC Fair expenses adjusted per reduction in programming	Budgeted \$13.9M and spent \$14.3M
Pacific Amphitheatre concerts sold at 50% capacity	Pacific Amphitheatre concerts sold at 100% capacity
2021 OC Fair programming adjusted to achieve budget goals	ASA events eliminated; Pig races replaced Heritage Stage
Additional staff/supplies increased for health and safety initiatives	Funds spent on PPE, additional cleaning supplies, signage, information videos and gate screening technology. Achieved GBAC accreditation



Economic Factors Affecting 2022 Budget

Cal State Fullerton, Woods Center for Economic Analysis and Forecasting

- Where are we headed? Inflation, recovery, job growth, uncertainty, optimism and lack of consumer confidence.
- The most pressing and longer-lasting concern is inflation, which will likely become endemic and pervasive, at least over the forecast horizon.
- The consensus at the federal level is that inflation will be high (4.2%) for the remainder of 2021, but only 2.2% in 2022 and beyond.



*"Life is like a box of chocolates.
You never know what you're
gonna get."*



Economic Factors Affecting 2022 Budget

- Our view is that this continues to remain a strong, durable and resilient recovery.
- The economy should be able to withstand the “stallflation” winds and continue to grow over the forecast horizon — a bit more hesitantly over the winter months and more confidently next spring.
- However, slow growth will continue, and the fundamentals of the economy are strong.
- Optimism is high for recovery.



“When everything seems to be going against you, remember that the airplane takes off against the wind, not with it.” –
Henry Ford



Budget Assumptions for 2022

- Use the 2021 fair model for 2022 – “bigger is not always better”
- Cap ticket sales at 45,000 per day (advanced online)
- Increase utility expenses to adjust for increased use of the property
- No increase in fair admission pricing
- No increase in parking fees
- Increase budget for credit card fees to reflect advance online ticket sales
- Eliminate the earlier fair opening hour
- Continue the use of Evolv gate screening equipment
- Re-introduce programming in the Action Sports Arena
- Plan for Q1/Q2 events activity to be 75% of 2019
- Plan for Q3/Q4 events activity to be 100% of 2019
- Plan for a 2-day in-person Imaginology event
- Maintain a conservative capital projects budget



Labor Outlook

- Total labor: \$19.6M (\$4.1M increase from the 2021 budget)
- Minimum wage increases to \$15/hr.
- Increased benefits costs, including PERS
- Two new civil service employees
 - Irrigation/Landscape Specialist
 - Digital Communications Coordinator
- Reinstatement of part-time year-round event support staff



Year-Round Event Rental and Fair Merchant Rates

- Increases to reflect competitive market rates
- Year-Round Event Rental Fees
 - Increasing \$50-\$75 per day depending on size/location
 - \$37,500 in additional revenue based on 2019 mix (2.2%)
- Fair Merchant Space Fees
 - Increasing \$50-\$75 for the run of fair depending on size/location
 - \$28,000 in additional revenue based on full capacity (2%)



2021 v. 2022 Budget Changes

Revenue: from \$23.5M to \$53.8M

- Increased event activity
- Interest revenue increase
- Fair admissions revenue (from 30,000 to 45,000 per day)
- Full capacity in Pacific Amphitheatre and Hangar
- Return of programming in Action Sports Arena
- Expansion of Pacific Amphitheatre summer concert series
- Reinstate some competitive entry categories
- Increase in concessions revenue compared to 2021 budget
- Increase in carnival revenue compared to 2021 budget
- Increase in parking revenue compared to 2021 budget; addition of \$10 motorcycle parking



2021 v. 2022 Budget Changes

Expenses: from \$35.3M to \$47.8M

- + Filling the vacant Chief Administrative Officer position
- + Modified in-person Imaginology
- + Return of Market Week and Jr. Livestock Auction during fair
- + Increase in credit card fees
- + Increase in employee wages and benefits costs
- + Reopening of Heroes Hall and Centennial Farm
- + Increased utility expenses due to more property usage
- + Public art project
- + Return of some business travel
- + Allocation for employee training
- ✗ Many expense cuts from 2021 will be carried over in 2022
- ✗ Reduction in unemployment fees
- ✗ Transition to more digital marketing assets, rather than print
- ✗ Eliminate the early fair opening hour, along with related labor costs



Parking and Fair Admission Rates

- Parking

- No increase in parking - \$10
- Add motorcycle parking - \$10
- Off-site parking lot expenses same as 2021

- Fair Admission

- No increase in fair admission. Budget is carrying an average ticket price of \$10.87
- Based on ticket sales capacity of 45,000/day
- Blended rate of current adult, senior and youth admission



2022 Travel Budget

- **Conferences and Conventions:**

- Western Fairs Association Convention – Reno (previously approved by Board)
- USI Annual Conference – St. Louis
- CFA Fall Managers Conference – Sacramento
- Adobe Summit – Las Vegas
- HOW Design Conference – Boston
- IEG Sponsorship Conference – Chicago
- American Alliance of Museums Conference – Boston
- IAFE Management Conference – Phoenix
- IAFE Convention – Indianapolis

- **Training and Learning opportunities:**

- Mandatory State compliance training (Sacramento)

- **All travel is in compliance with CA State law. Banned states include:**

- Alabama
- Arkansas
- Florida
- Idaho
- Iowa
- Kansas
- Kentucky
- Mississippi
- Montana
- North Carolina
- North Dakota
- Ohio
- Oklahoma
- South Carolina
- South Dakota
- Tennessee
- Texas
- West Virginia



2022 Capital / Major Expenditure	FY2022	FY2023	FY2024
2021 Carry-forward (Major Expenditures)			
Lot G – Electrical Utility	225,000		
2020 Carry-forward Total:	225,000	0	0

Capital Expenditure			
Lot G – Sewer/Water utilities	450,000		
Exterior parking lot repairs	100,000	150,000	150,000
Interior parking lot repairs	100,000	100,000	100,000
Back Flow/Valve – replacement (all grounds)	20,000	15,000	15,000
Interior wayfinding (Phase 1)	30,000	50,000	50,000
Box Office roof - replacement		40,000	
Heroes Hall medallion – replacement/repair		250,000	
Administration Building windows – replacement (8)		35,000	
Courtyard – replace shade cloth		50,000	
Administration Building – HR office renovation		70,000	
Parking lot lighting controls		150,000	
Pacific Amphitheatre – restroom remodel		75,000	
Pacific Amphitheatre – irrigation sprinkler system upgrade		50,000	
Pacific Amphitheatre Box Office – repair entry surface		150,000	
Action Sports Arena – replace restroom		200,000	200,000
Box Office – replace drive island			250,000
Administration Building carpet replacement			300,000
Pacific Amphitheatre – restroom roll up doors			60,000
Centennial Farm – welcome center/gift shop			28,000
Maintenance Yard – compactor cover			190,000
Plaza Pacifica South Lawn – serenity garden pathway at Skyhawk			300,000
Capital Expenditure Total:	700,000	1,385,000	1,643,000

Major Expenditures	FY2022	FY2023	FY2024
Perimeter sign changes – new brand	50,000		
Heroes Hall signage	15,000		
Microsoft Office software upgrade	37,000		
Backstage curtains – band separation	15,000		
Pacific Amphitheatre – fall support on speaker towers	6,000		
Santa Ana Pavilion – column repair	26,000		
2 yard dumpster caster (320)	10,000		
2 yard plastic animal waste dumpsters – Farm (4)	6,000		
Storm water full capture system (Phase 1)	30,000	30,000	
Vestibule doors in building entrances	45,000	45,000	
Replace in-grounds electrical boxes	20,000	15,000	15,000
Picnic tables	25,000	20,000	20,000
Fair material	20,000	20,000	20,000
2 yard trash dumpsters (5)	25,000	35,000	35,000
All grounds WiFi	20,000	20,000	20,00
All grounds PA	45,000	45,000	45,000
Surveillance system – upgrade	14,000	14,000	14,000
Box Office gates – replace covering/screening		25,000	
Portable electrical panels		25,000	
Main Mall lighting retrofit – tower lights		20,000	
Parking lot fencing – green wrought iron fence		30,000	
Administration Building exterior resurfacing – color coat		30,000	
Exterior parking perimeter – landscaping		30,000	
Upgrade and renovate berm irrigation		120,000	
Electrical SO cord storage containers		5,500	
Pacific Amphitheatre storm water pumps		80,000	
Pacific Amphitheatre landscaping		15,000	15,000
Fire Lane – curb painting		50,000	50,000
Cable ramps		10,000	10,000
Crowd control stanchions/carts		10,000	10,000
Major Expenditure Total:	409,000	694,500	254,000

Equipment	FY2022	FY2023	FY2024
Hangar projector replacement	100,000		
Valve exerciser	6,000		
John Deere tractor replacement (per AQMD)	130,000		
Aerobic digester	250,000		
Recycle bins (400) Plastic (100) and Organic (100) recycle	40,000		
Taylor Dunn cart – fleet replacement (gas powered) for Event Operations	15,000		
Taylor Dunn cart – fleet replacement (Farm)	15,000		
Taylor Dunn cart – fleet replacement (Maintenance)	15,000	15,000	15,000
Portable restroom (2)	60,000	30,000	30,000
Tablets for Board Members during meetings		18,000	
Box Office awning (electric)		15,000	
Utility Power monitoring system		100,000	
Exhibits & Education passenger cart		15,000	
Portable rolling bleachers (ASA)		28,000	
Garden Kaleidoscope feature		11,000	
Equipment Total:	\$631,000	\$232,000	\$45,000
Major Expenditure Total:	\$409,000	\$2,311,500	\$1,942,000
Contingency:	\$100,000	\$100,000	\$100,000
Capital Expenditure Total:	\$1,840,000	\$2,411,500	\$2,042,000
2021 Carry Forward:	\$225,000	\$0	\$0
GRAND TOTAL:	\$2,065,000	\$2,411,500	\$2,042,000

Capital Expenditures/Major Projects

	FY 2022	FY 2023	FY 2024
Capital Budget total:	\$1,740,000	\$2,311,500	\$1,942,000
Contingency:	\$100,000	\$100,000	\$100,000
Cap-X budget:	\$1,840,000	\$2,411,500	\$2,042,000
2021 Carry forward:	\$225,000		
GRAND TOTAL:	\$2,065,000	\$2,411,500	\$2,042,000

Expenses Over \$50,000

Board of Directors Governing Policy 4.05.02 – CONTRACTING AND SIGNATURE AUTHORITY

- In accordance with Board Bylaws Article VI, the Board may authorize any officer or agent of the 32nd DAA to enter into any contract on behalf of the 32nd DAA. Within this context, the Board authorizes the CEO contract signature authority to execute a check or purchase commitment of \$50,000 or less. Notwithstanding the foregoing, the Board authorizes the CEO contract signature authority to execute talent guarantees of \$400,000 or less. Splitting expenses or orders to avoid these limits is not acceptable. Exclusions from this Contracting and Signing Authority Policy include commitments that have been separately authorized by the Board via the “Over \$50,000 Expenditure Budget Schedule,” which is submitted with each annual budget or an approved contract, LOU or rental agreement or is payment for utilities, Cal Card expenditures, insurance, payroll or State mandated services.*

VENDOR	EXPLANATION
Board of Equalization	Sales and Use Tax
Department of Forestry & Fire Protection	State Fire Marshal Services
Department of Justice	Attorney Services
Franchise Tax Board	CA Non Resident Withholding Remittance
California Economic Development Dept.	Unemployment Fees



IFBs/RFPs To Be Released in 2022

Type of Service	Proposed Release Date
Decorative lights rental	January, 2022
Shower trailer rental	January, 2022
Business Development Area restroom trailer rental	January, 2022
Pacific Amphitheatre audio equipment	September, 2022
Hangar/ASA lighting, staging and production	September, 2022
Pacific Amphitheatre lighting	September, 2022



Bidding Requirements

- Bidding Requirements:
 - Contracts \$10,000 and under require one quote or may be formally bid
 - Contracts over \$10,000 but under \$50,000 require an informal bid process with at least two quotes
 - Contracts over \$50,000 require either an IFB (Invitation to Bid) or RFP (Request for Proposal)
 - Use IFB for a specific service where we tell the contractor exactly what we need (i.e. restroom rentals)
 - Use RFP for technical services to solve a defined problem where the contractor proposes how to approach the situation (i.e. advertising services)
- Contracts Exempt From Bidding:
 - Entertainment contracts for performers
 - Rental agreements
 - Contracts with other governmental entities
 - Interagency agreements



2022 Budget Roll-Up

2022 PROPOSED BUDGET		
REVENUE		
Total OCFEC Self-Produced Event Revenue	\$45,904,892	
Total Rental Revenue	\$7,688,106	
Total Non-Operating Revenue	\$225,600	
TOTAL REVENUE:		\$53,818,598
EXPENSES		
Total Operating Expense	(\$43,582,308)	
Total Non-Operating Expense <i>(Depreciation, Major Projects, Net Pension Adjustment – GASB 68)</i>	(\$4,249,002)	
TOTAL EXPENSES:		(\$47,831,310)
TOTAL NET PROCEEDS:		\$5,987,288



2022 Budgeted Fair P&L

2022 Budgeted Fair Profit/Loss		
REVENUE		
Attractions:	\$19,995,213	
Services:	\$26,117,385	
TOTAL REVENUE:		\$46,112,598
EXPENSES		
Attractions:	(\$11,322,758)	
Marketing:	(\$1,472,689)	
Services:	(\$4,171,433)	
Total Fair Labor, Benefits, Taxes:	(\$6,617,684)	
TOTAL EXPENSES:		(\$23,584,564)
TOTAL NET PROCEEDS:		\$22,528,034



8E. Presentation of the 2022 Budget and Vote on Whether or Not to Approve

RECOMMENDATION:

At the Board of Director's discretion.



8F. 32nd DAA Board of Directors Committee Assignments

INFORMATION ITEM:

Board committees, pursuant to Bagley-Keene, are advisory only to the full Board. Any matters requiring Board action resulting from committee review, will be placed on a regularly scheduled Board agenda as an action item for full Board consideration. Chair La Belle will announce his new committee structure and Board member committee assignments for 2022 as follows:

Leadership Committee:

- Chair La Belle and Vice Chair Pham

Purpose:

This committee provides executive support to the Board and acts on behalf of the full Board during emergency situations.

Focus:

- Consult with CEO
- Develop Board meeting agendas
- Address Board issues
- Conduct annual safety/security meeting
- Initiate strategic planning
- Complete the strategic planning process and provide ongoing monitoring

Financial Monitoring and Audit Committee:

- Director Kovacevich and Director Bagneris

Purpose:

This committee monitors the organization's financial position and ensures financial controls are in place.

Focus:

- Monthly financial oversight
- Annual budget review
- Annual audit process
- Participate in the scoring process for key RFPs, including for Carnival Services

8F. 32nd DAA Board of Directors Committee Assignments

Facilities Committee:

- **Director Ruiz** and Director Aitken

Purpose:

This committee reviews buildings and grounds related projects and issues and recommends site planning direction

Focus:

- Construction projects
- Capital expenditures
- Master site planning

Governance Committee:

- Director Cervantes and Director Rubalcava-Garcia

Purpose:

This committee ensures compliance with all Board policies and regulatory requirements

Focus:

- Policy updates
- ~~Legislative monitoring~~
- Bagley-Keene open meeting compliance
- Annual form 700 reporting
- Annual required Board training

Community Affairs Committee:

- **Director Bagneris and Director Rafiei**

Purpose:

This committee oversees the Board's relationship with the community

Focus:

- Diversity, equity and inclusion
- Community engagement
- Relationships with local, county and state officials

8F. 32nd DAA Board of Directors Committee Assignments

NEW

Entertainment and Business Development Committee

- Director Rubalcava-Garcia, Committee Chair; Director Cervantes

Purpose: This committee, in coordination with staff, evaluates opportunities at all District entertainment venues and pursues business development opportunities

Focus:

- Pacific Amphitheatre programming enhancement opportunities
- Hangar and Action Sports Arena programming enhancement opportunities
- Development of year-round and fairtime business opportunities
- Utilizing Board contacts and relationships for sponsorship and new event sales opportunities

8F. 32nd DAA Board of Directors Committee Assignments

NEW

Governmental Relations Committee

- Director Aitken, Committee Chair; Director Pham

Purpose: This committee evaluates opportunities for expanding programing with the county and cities in Orange County and monitors legislative matters.

Focus:

- Legislative monitoring
- Evaluate City and County programing opportunities
- Annual “State of the District” presentation
- Monitor the development of the Joint Powers Authority initiative

Centennial Farm Foundation Liaison

- Director Kovacevich and Director Rafiei

Heroes Hall Veterans Foundation Liaison

- Director Cervantes and Chair La Belle



8G. Committee/Ad Hoc Committee/Liaison Reports

INFORMATION ITEM:

To assure compliance with the Bagley-Keene Act, Committee reports are only for the purpose of the Committee chair, Ad Hoc Committee members or Liaison to provide a verbal update. Should the Board want to discuss any Committee work item not already on the agenda; those would need to be agendized for a future Board meeting.

- i. Leadership Committee (Chair La Belle, Committee Chair; Vice Chair Pham)
- ii. Financial Monitoring and Audit Committee (Director Pham, Committee Chair; Director Bagneris)
- iii. Facilities Committee (Director Ruiz, Committee Chair; Director Aitken)
- iv. Governance Committee (Director Cervantes, Committee Chair; Director Rubalcava-Garcia)
- v. Community Affairs Committee (Director Bagneris, Committee Chair; Director Rafiei)
- vi. Centennial Farm Foundation Liaison (Director Cervantes, Director Kovacevich)
- vii. Heroes Hall Veterans Foundation Liaison (Vice Chair La Belle, Director Cervantes)





Native American Heritage Month

Native American Heritage Month

After 100 years of attempts to recognize the contributions of Native Americans, on August 3, 1990, President George Bush declared November as Native American History Month and during this month we pay tribute to the many cultures and traditions of the indigenous people of North America.





Southern California and Orange County

Several Native American tribes thrived in Southern California before the Spanish colonization began in the late 1700s. In Orange County:

- **Gabrielenos (Tongva)**
- **Juanenos (Achjacheman)**

This is a vertical abstract pattern with a central light blue band. Within this band are dark blue geometric shapes: a large diamond in the center, flanked by two triangles pointing towards it, and two more triangles pointing away from it towards the edges. Above and below this central band are horizontal stripes of teal, orange, and red, with dark blue triangular shapes pointing inwards from the top and bottom edges. The overall design is symmetrical and uses a color palette of dark blue, light blue, teal, orange, and red.

- [illegible]



On November 4, 2020, a record breaking six Native Americans were elected to U.S. Congress.
Sharice Davids, Yvette Herrell, Deb Haaland, Tom Cole, and Markwayne Mullin



Local Tribal Council Leaders for the Juaneno Band of Mission Indians



Teresa M Romero
Chairwoman Juaneno Band of
Mission Indians –
Achjacheman Nation



Charles Alvarez, Tribal
Chairman Gabrieleno-
Tongva Tribe

Local Native American Exhibits

Bowers Museum

- First Californians
- California Legacies: Missions and Ranchos

Heritage Museum – 11/19

- Significant Figures of Native American History



HERITAGE MUSEUM
◆◆—OF ORANGE COUNTY—◆◆

A decorative vertical panel on the left side of the slide. It features a series of horizontal bands in dark purple, red, gold, and teal. Overlaid on these bands are various geometric shapes: triangles pointing up and down, and a central diamond shape, all in a dark purple color.

FUN FACTS

- “Shinny” – A game played with a small buckskin ball hit with a curved stick played on ice during the winter months is what we now call Hockey.
- In World Wars I and II, the United States was provided a huge advantage by working with Native American servicemen who would speak in their languages, passing important information behind enemy lines. They were known as “Code Talkers.”
- During WWII, over 8,000 Native Americans served even though they were not considered citizens at that time.
- Many words that we use regularly today originated from the Native American languages. Some words are: Barbecue, Hurricane, Pajamas, Bayou, Arizona, Kentucky, Missouri.
- Many Native American women were sharpshooters and able horsewomen.



Native American Heritage Month

9. Closed Session

- A. Pending Litigation** – The Board will meet in closed session to consult with legal counsel regarding the following pending litigation. [Gov. Code section 11126(e).]
- i. To confer with and receive advice from legal counsel regarding potential litigation involving the 32nd District Agricultural Association. Based on existing facts and circumstances, the Board of Directors will decide whether to initiate litigation. (Govt. Code, § 11126, subd. (e).)
 - ii. To confer with and receive advice from legal counsel regarding potential litigation involving the 32nd District Agricultural Association. Based on existing facts and circumstances, there is significant exposure to litigation against the 32nd District Agricultural Association. (Govt. Code, § 11126, subd. (e).)
 - iii. To confer with counsel, discuss, and consider the following pending litigation to which the 32nd DAA is a party. 32nd District Agricultural Association v. Ovations Fanfare, L.P., et al., Orange County Superior Court, Case No. 30-2020-01161661-CU-CO-CJC
 - iv. To confer with counsel, discuss, and consider the following pending litigation to which the 32nd DAA is a party. Adam Carleton v. 32nd District Agricultural Association, et al., Orange County Superior Court, Case No. 30-2020-01174951-CU-OE-CJC
- B. Personnel:** The Board will meet in closed session to consider the evaluation of performance of the General Manager / CEO. [Govt. Code, § 11126, subd. (a).]



10. CEO's Operational Announcements & Updates



10. CEO's Operational Announcements & Updates



For the Ten Months Ended October 31, 2021

	Actual	Budget	Variance Favorable (Unfavorable)
YTD Revenue	\$48,448,741	\$23,014,749	\$25,433,992
YTD Expenses	<u>\$31,096,702</u>	<u>\$31,439,888</u>	<u>\$ 343,186</u>
YTD Net Proceeds (Deficit)	<u>\$17,352,039</u>	<u>\$(8,425,139)</u>	<u>\$25,777,178</u>



Cash and Cash Equivalents

	<u>October 31, 2021</u>	<u>October 31, 2020</u>
Cash on Hand	\$ 1,692,565	\$ 1,257,842
Investments	<u>\$58,961,531</u>	<u>\$42,794,297</u>
Total Cash and Cash Equivalents	<u>\$60,654,096</u>	<u>\$44,052,139</u>
Year over Year Increase	<u>\$16,601,957</u>	
Year over Year % Increase	37.7%	



10. CEO's Operational Announcements & Updates

Insert “Set!” video here

<https://www.today.com/video/the-documentary-of-the-month-is-all-about-competitive-table-setting-126063685812>



EVENTS UPDATE



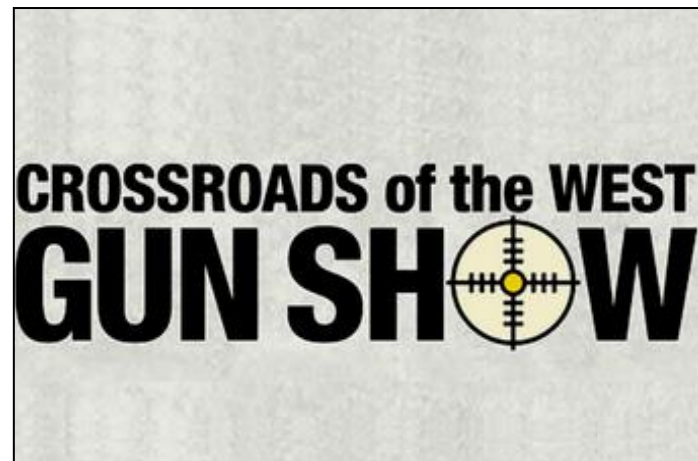
Nov. 19-21



Nov. 26 – Dec. 17



Nov. 26 - Jan. 2



Nov. 27 -28



Dec. 4



Thru Dec. 31



EVENTS UPDATE



Dec. 2



Dec. 3-5



Dec. 10-12



Nov. 27 & Dec.11



Dec. 16



Thursdays, 9 a.m.-1 p.m.





10 a.m.-4p.m. Wed.-Sun.
Thru – January, 20 2022
Santa Ana Army Base (SAAAB)
Exhibit re-opened



THROUGH THEIR EYES
ARTWORK BY ACTIVE MILITARY AND VETERANS

HEROES HALL AT THE OC FAIRGROUNDS

Through January 20, 2022



EVENTS UPDATE

Holiday Workshops At Centennial Farm

November 20th
Holiday Brunch
Charcuterie



December 4th
Truffle Making

December 11th
Winter Wreath
Workshop



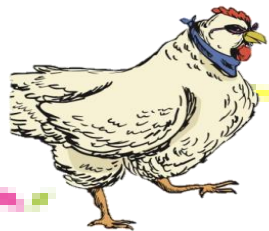
9 a.m.-3 p.m. daily

Discovery Days
November 18th
December 1st & 9th



HAPPY BIRTHDAY!

DIRECTORS RUBALCAVA-GARCIA, BAGNERIS & RAFIEI



11. Board of Directors Matters of Information

December 7, 2021

Board of Directors Meeting – Strategic Planning Session

December 16, 2021

Board of Directors Meeting

