



Board of Directors Meeting

May 25, 2023

Good morning.

The meeting will begin just after 9:30 a.m. For members of the public on Zoom – 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...

Creating equitable community access to
agriculture, entertainment, cultural and
educational experiences



3. Pledge of Allegiance



4. Roll Call

Board of Directors

Chair Newton Pham

Vice Chair Nick Kovacevich

Director Doug La Belle

Director Natalie Rubalcava-Garcia

Director Sandra Cervantes

Director Robert Ruiz

Director Barbara Bagneris



5. Minutes

A. Board meeting held April 27, 2023

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 an agenda 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

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.

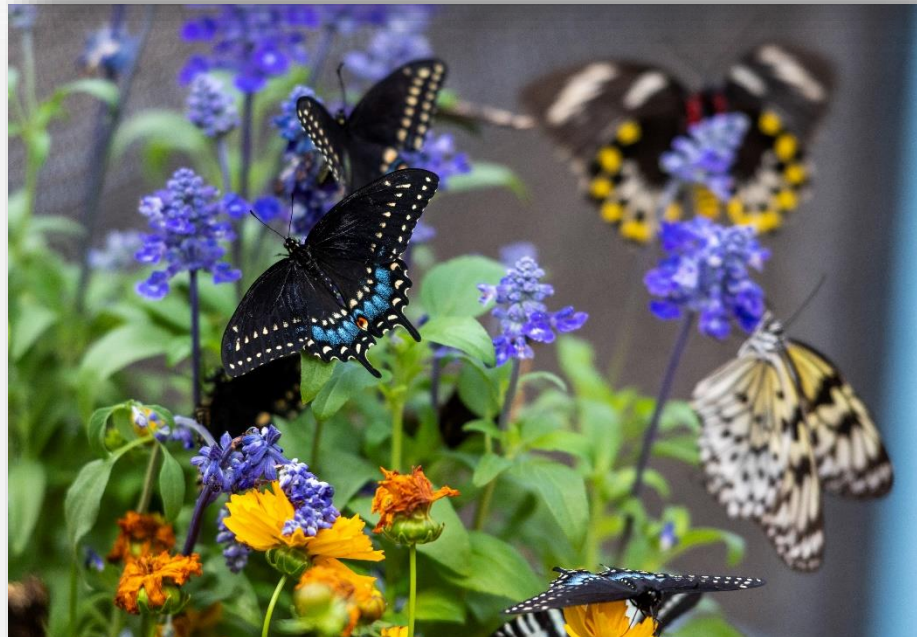
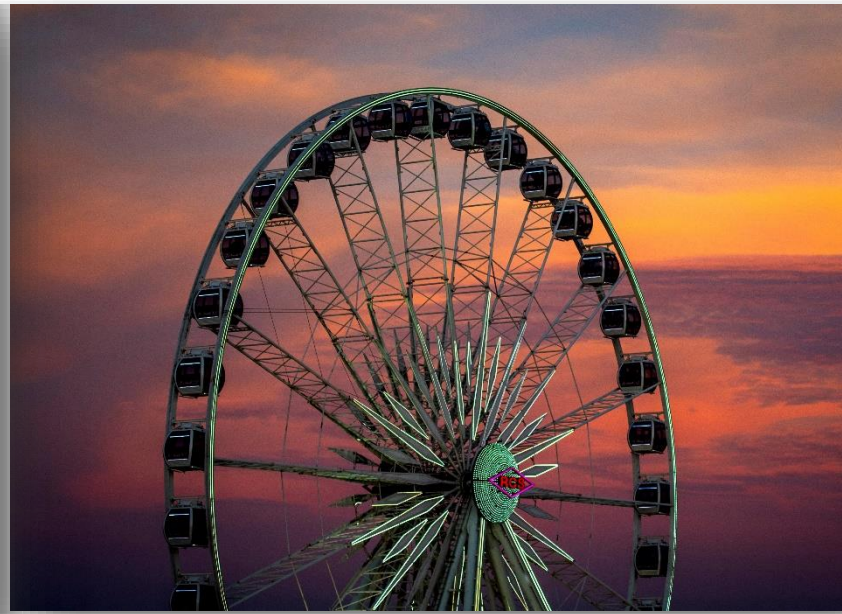


8A. Annual State of the OC Fair & Event Center Address

INFORMATION ITEM:

Per the District's 3-Year Strategic Plan, staff will provide a State of the OC Fair & Event Center presentation to the Board and public.





State of the OC Fair & Event Center

May 25, 2023



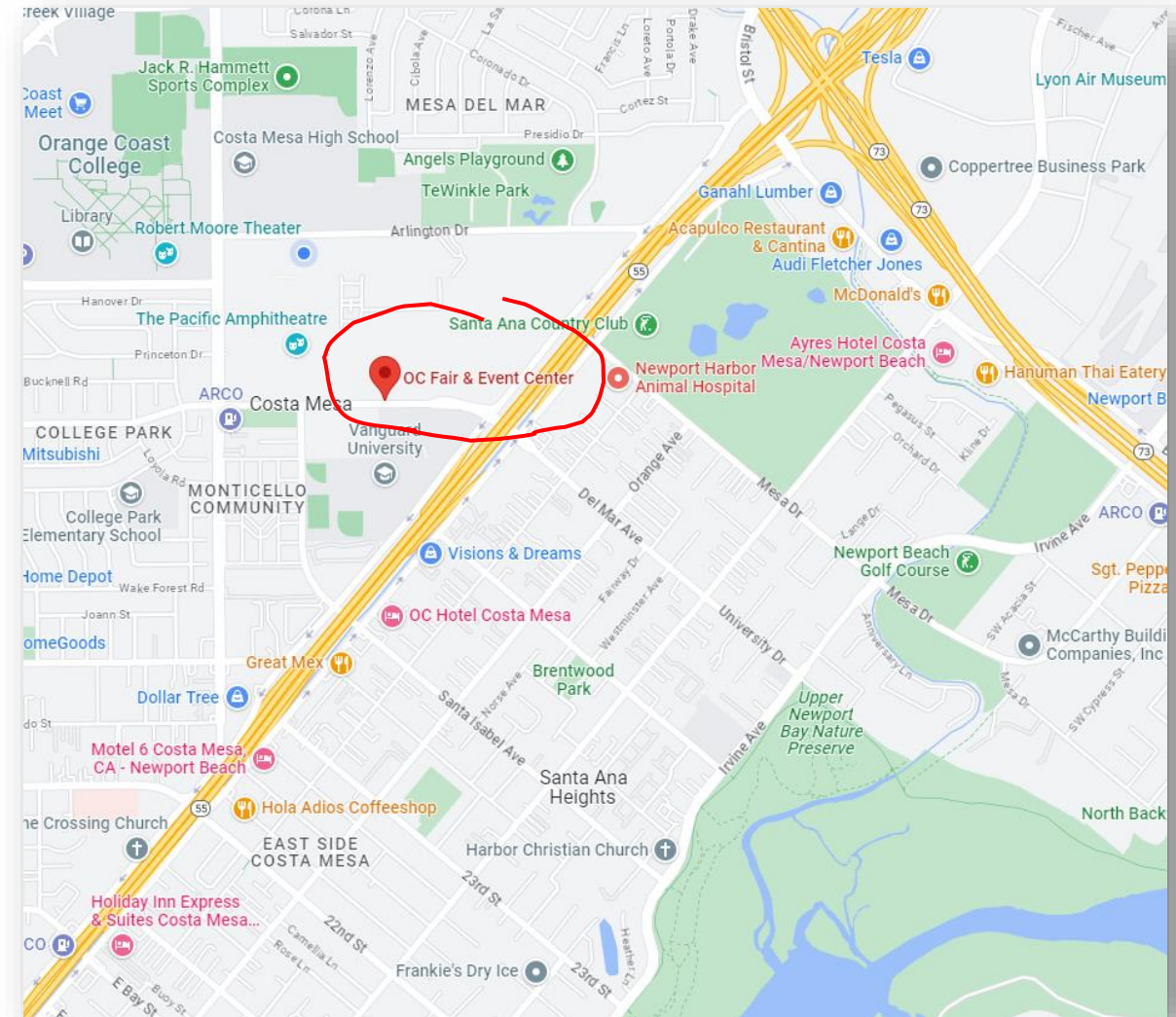
We're Moving Ahead

- Not only survived, but thriving
- Leaders in our industry
- Unique model that works
- Responsible growth
- Financial stability
- Focused on the future



We Have Our Road Maps

- Updated Board Governance Policies
- Year 1 of Strategic Plan successfully included
- Year 2 Strategic Plan in full gear
- 2023 Budget
- Approved Master Site Plan
 - Project #1 underway



We Have an Engaged Board

- 7 members; 2 vacancies
- Over 54 years of combined experience
- 6 committees
- Advocate in the community
- Multiple business sectors
- Attend the fair and year-round events



We Lead the Industry

- The only fair in CA with over 1 million in attendance
- Over 2,000 fairs in North America; OC Fair ranks #15 in attendance
- Currently the only fair we know of that is controlling attendance
- Using the RIGHT metrics
 - safety, guest experience, resource management and community relations
- Industry awards
 - Western Fairs Association (WFA) – 14 awards
 - Int'l Association of Fairs & Expositions (IAFE) – 8 awards
- How we give back
 - CA Fairs Alliance (CFA) Board of Directors
 - IAFE Board of Directors
 - Agriculture Secretary's Council
 - WFA Committees
 - Amusement Industry Safety (AIMS)
 - CDFA State Rules Advisory Committee
 - Agriculture Grants Review Committee
 - Panelists, trainers, presenters



We Continue to Serve Our Community

- Outside Boards we serve on
 - Girl Scouts of OC
 - California Construction Authority
 - OC Sports Commission
 - South Coast Metro Alliance
 - Orange County Business Council
 - Costa Mesa Chamber of Commerce
 - International Facility Management Association
 - Int'l Association of Venue Managers
- Board directed donation tickets
 - Over 5,000 tickets distributed to the neediest in our community
- Imaginology
 - 22,642 attended this year
 - YOY attendance increase of over 50%
- Centennial Farm
 - 98,038 school year visitors
 - 15 Farm & Garden Classes with 300 participants
 - 3,335 volunteer hours from 45 docents
- Heroes Hall
 - Over 4,200 visitors to-date in 2023
 - 6 new Speakers Series presentations
 - Featured 2 new exhibits since last year
 - Voices Veterans Storytelling project returned



We Didn't Just Recover...We're Thriving

- New Events
 - 32 new events in 2022
 - 14 new events booked to-date in 2023
- Sponsors
 - 3 new sponsors in 2022
 - 8 new sponsors signed to-date in 2023
- 30 new merchants
 - 25 from California
 - 14 from Orange County
- 6 new concessionaires
 - 4 from Orange County
 - All from California
- 12 sold out Pac Amp shows in 2022
- 11 sold out fair days in 2022
- Capital Projects
 - 2022: 29 of 31 projects completed; 1 carried forward and 1 awaiting delivery
 - 2023: 50 projects scheduled; 13 completed, 32 active and 5 pending



We're Making Technology Work for Us

- Expanded use of DocuSign
- Automated HR processing/hiring
- Office and Windows upgrades
- Continued WiFi upgrades in exhibit buildings, parking lots and Administration
- Expanded remote access for telework employees
- Fair planning tool
- Enhanced web site security compliance
- Expanded gate security screening technology
- Wider use of 3D CAD layout and design
- Growing Canto digital asset management tool
- Integration of AV displays at Heroes Hall and Centennial Farm
- iPad upgrade for eco-friendly paperless Board meetings



We're Investing in our Team

- More upward movement than every before
- Expanded training
 - Supervisory training
 - State compliance training
 - Cart safety
- Certifications
 - CPR/First Aid/Emergency Preparedness
 - Forklift and elevated lift operation
- 13 key positions filled
- 10 internal promotions



Our Financial Outlook is Solid

- Continued strong reserves
 - \$68.8 million in cash and cash equivalents
 - Will be used for Master Site Plan and property improvements
- Profitable OC Fair model
 - \$25 million in net proceeds from 2022 OC Fair
- Favorable bottom line
 - Currently \$2.67 million favorable to budget
- 2023 Year-end projection
 - 4 months actuals/8 months budget = \$7.5 million net proceeds

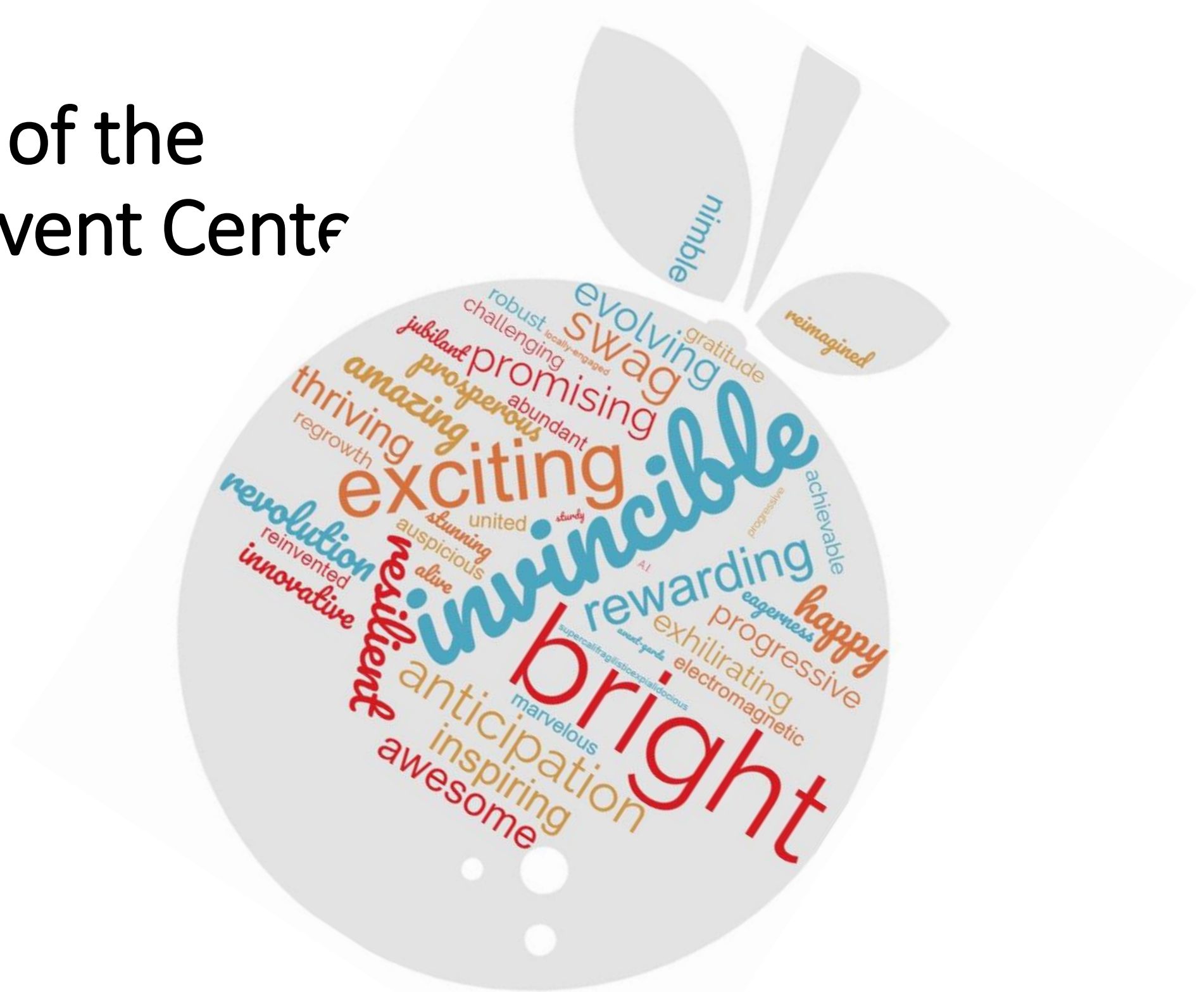


We Still Have Some Challenges

- Hiring
- Supply chain issues
- Shrinking margins
- Offering value
- Maintaining the guest experience
- Talks of a soft recession
- Parking
- Storage



The Future of the OC Fair & Event Center



8B. Committee/Ad Hoc Committee/Liaison Reports

INFORMATION ITEM:

To assure compliance with the Bagley-Keene Open Meeting 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 Pham, Committee Chair; Vice Chair Kovacevich)
- ii. **Financial Monitoring and Audit Committee** (Director Kovacevich, Committee Chair; Director Bagneris)
- iii. **Facilities Committee** (Director Ruiz, Committee Chair; Director La Belle)
- iv. **Governance Committee** (Director Cervantes, Committee Chair; Director Rubalcava-Garcia)
- v. **Community Affairs Committee** (Director Bagneris, Committee Chair; Chair Pham)
- vi. **Entertainment and Business Development Committee** (Director Rubalcava-Garcia, Committee Chair; Director Cervantes)



April 2023 Financials

	Actual	Budget	Variance Favorable (Unfavorable)
April 2023 Revenue	\$ 786,632	\$ 842,374	(\$ 55,742)
April 2023 Operating Expenses	<u>\$ 2,252,243</u>	<u>\$ 2,633,777</u>	<u>\$ 381,534</u>
April 2023 Net Proceeds/(Deficit)	<u>(\$ 1,765,611)</u>	<u>(\$ 2,091,403)</u>	<u>\$ 325,792</u>
YTD Net Proceeds/(Deficit)	<u>(\$ 5,080,616)</u>	<u>(\$ 7,754,486)</u>	<u>\$ 2,673,870</u>



Cash and Cash Equivalents

	<u>April 30, 2023</u>	<u>April 30, 2022</u>
Cash on Hand	\$ 1,420,198	\$ 2,279,206
Investments	<u>\$67,442,522</u>	<u>\$59,040,730</u>
Total Cash and Cash Equivalents	<u>\$68,862,720</u>	<u>\$61,319,936</u>
Year over Year Increase	<u>\$ 7,542,784</u>	
Year over Year % Increase	12.3%	



Equestrian Center (Dept. 25)

April 2023 Financials

	Actual	Budget	Variance Favorable (Unfavorable)
April 2023 Revenue	\$ 110,923	\$ 117,422	(\$ 6,499)
April 2023 Expenses	<u>\$ 200,780</u>	<u>\$ 229,772</u>	<u>\$ 28,992</u>
April 2023 Net Proceeds/(Deficit)	<u>(\$ 89,857)</u>	<u>(\$ 112,350)</u>	<u>\$ 22,492</u>
<hr/>			
YTD Net Proceeds/(Deficit)	<u>(\$ 385,358)</u>	<u>(\$ 469,398)</u>	<u>\$ 84,040</u>



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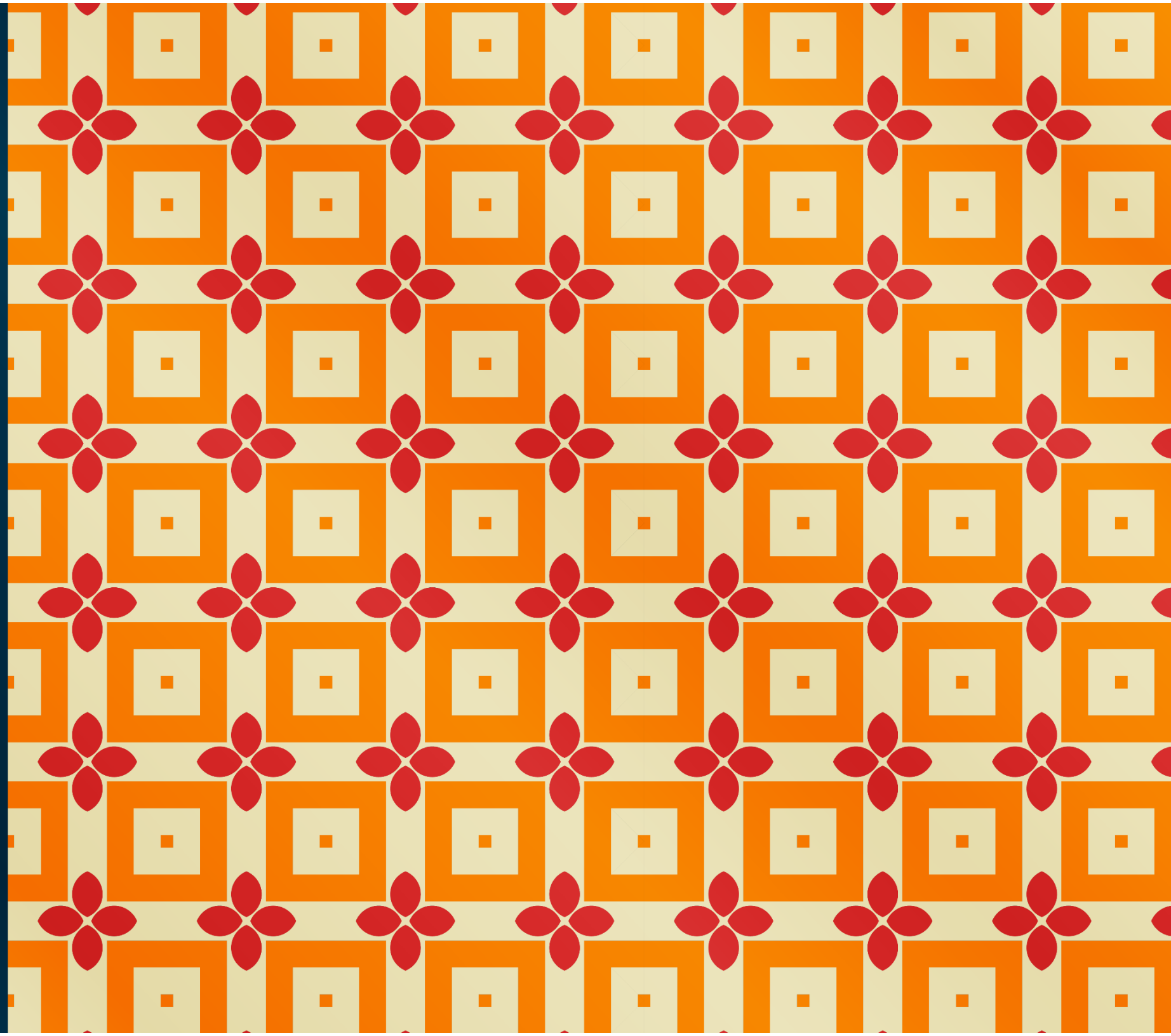


ASIAN AMERICAN NATIVE HAWAIIAN PACIFIC ISLANDER *HERITAGE MONTH*



There are 7,038 Asian agriculture producers in California. Asian producers are responsible for \$7.5 billion in agriculture sales nationwide.

Source: 2017 Census of Agriculture



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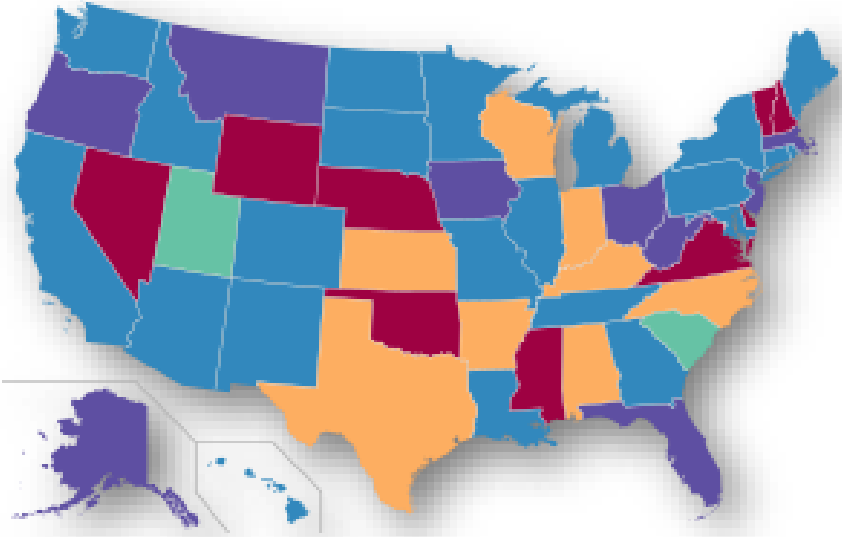
9. Closed Session

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. B&L Productions, Inc., et al., v. Gavin Newsom, et al., U.S. District Court for the Central District of California, Case No. 8:22-cv-01518 (JDEx)
- iv. To confer with counsel, discuss, and consider the following pending litigation to which the 32nd DAA is a party. B&L Productions, Inc., et al., v. Gavin Newsom, et al., U.S. District Court for the Central District of California, Case No. 8:22-cv-01518 (JDEx)



10. CEO's Operational Announcements & Updates



50
Days 'Til
Opening Day



10. CEO's Operational Announcements & Updates



EVENTS UPDATE



May 27-28



June 2-4 & 9-11



June 3



June 8



June 17



June 17-18



June 17-18



Thursdays





11. Board of Directors Matters of Information

Next Board Meeting

June 22, 2023

