

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”

BOARD OF DIRECTORS MINUTES

June 20, 2018 • 4:00 P.M.

18700 Lake Perris Dr.

Perris CA 92571

Americans With Disabilities Act

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1) CALL TO ORDER

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

Meeting was called to order at 4:01pm.

2) 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.

3) ROLL CALL

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

Board members in attendance were Directors Almiron, Yeager, Tavaglione, Skala, Scott, Vice President Bruno, President Magnuson and Advisory Director Cilurzo.

4) ABSENT DIRECTORS

A motion and second is requested to excuse the absence of any Directors under this agenda item.

A motion was made by Director Yeager and seconded by Director Almiron to excuse the absence of Directors Adkison and Hurtado. Motion unanimously approved.
Motion carried.

5) 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.

Guests in attendance were Sarah Schoof, Linda Zeiders, Don Kazarian, Kim Kazarian, Shirley Marshall, Judy Hofmann-Wade, Linda Thompson, Rose Moratta, Donna Wuersch, Katie Keyes, Sherrie Henretta

6) MATTERS OF PUBLIC COMMENT

Persons in attendance may request to speak on any item on 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.

Judy Hofmann-Wade – Update on Kerri Olobri, it is kind of time consuming to order everything she needs to be a Rodeo Queen, but she has her chaps, she ordered her crown and belt buckle. She is currently in the Sierras, so that is why she isn't here. She will be here at the next meeting.

Linda Zeiders – I am working on, what I call the sheds. Out there by the school house. I would like to know if you guys have a conceptual plan, long term, of what you would like to do with those sheds. There are three main issues. One is the roof is in bad need of repair, it leaks. Another issue is an unmentionable thing going on in another one of the rooms that needs to be taken care of. And the third thing is the doors. The way they are designed right now, the new doors you put on are very nice but when you open them, it does not make a nice display. Maybe you can consider making them sliding so you can put a window on them so it can look more like a store or a building.

CEO Wuersch – We are working on that and the roofs are definitely something we need to address. We are waiting on RCS to move out in two weeks, so we can get more access back there. We will work on them before fair.

Linda Zeiders – I am leaving in August and won't be back until late September, so if I am going to be able to do anything, interior painting and designing, I need to get that done before, so that's why I am pushing because I don't want to paint before the roof gets fixed.

Farmers Daughters Introductions – Amy Sanchez, 15 years old, lives in Perris, Ca, Showing a Pig at the Fair. Cassandra Ponce, 17 years old, San Jacinto High School, Showing Market Hog at fair. Janna Scott, 16 years old, San Jacinto High School, Market Goat at fair.

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.

- Approval of Minutes **See MINUTES TAB**

✓ May 16, 2018

A motion was made by Director Bruno and seconded by Director Skala to approve the May Board Minutes. Motion unanimously approved. Motion carried.

a. **RENTAL AGREEMENTS 2018**

CONTRACT #	NAME	DATE OF EVENT	TYPE OF EVENT	AMOUNT
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18-20-HH	David Moua	6/2-3/2018	Funeral Service	\$2,400.00 ea. day
18-21-HH	Tony Reed	7/14/2018	Dance/Dinner	\$2,400.00
18-22-HH	Ana Maria Resendis	6/16/2018	Graduation Party	\$2,900.00

b. AMENDMENT TO CONTRACTS

CONTRACT #	NAME	DATE OF EVENT	Type of Event	AMOUNT
NONE				

c. STANDARD AGREEMENTS 2018

CONTRACT #	NAME	BEG DATE	END DATE	AMOUNT NOT TO EXCEED
NONE				

8) CORRESPONDENCE See CORRESPONDENCE TAB

a. Date Received from Subject

5/24/2018	Jennifer Gillespie	Carnival Eats TV Show

b. Date Sent to Subject

NONE		
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President Magnuson – If you got a change to read your agendas, you'll see a letter from Jennifer Gillespie who checks out fairs like the Food Channel brings down television coverage, she is considering coming to our fair. So, she wrote a letter addressed to Carl. This is a work in progress, but it is kind of exciting if we can get her down.

INFORMATION ITEMS

1.) UPDATE ON LOAN BALANCES:

Current on Loans Balances

- **COMMUNITY BUILDING \$232,848.47**

Director Scott – This is the same number from the previous month. Does this not get paid monthly?

CEO Wuersch – It does. Ill check and see.

2.) FINANCIAL INFORMATION:

(April, Financials) See **FINANCIALS TAB**

- April, Financials
- AP Aged Invoice Analysis (Current)
- AR Aged Invoice Analysis (JLA Current)
- Summary of Operations
- AP Payments Check Register
- Check Register (Payroll)
- AR Aged Invoice Analysis
- Trial Balance Sheet
- Statement of Net Position
- Bank Balances

Director Tavaglione – I like the report on El Toro, why can't we get something like that on all of our events, like the PAS or any special event like boxing?

CEO Wuersch – We only do those on our interim events not our current rentals, we never have.

Director Tavaglione – We never have but it sure would make for a more interesting read on the financials. Like the boxing, I have no idea what the food or the beer was. We used to get it on Satellite Wagering, they used to show us all of that, we don't get all of that anymore.

CEO Wuersch – We do them on all of the events like Hippy Killer, we have a PNL but traditionally we don't do them on the racetrack or anything like that.

Director Tavaglione – Is there any way we can get the ending balance for the month before the reported financials?

CEO Wuersch- for the bank statement? Yes.

Director Scott – So we had no expenses whatsoever for the El Toro event? We had no overhead, no set-up, no security, no power nothing?

CEO Wuersch – No, this is all his people, the utilities are included in the contract rent he pays.

Don Kazarian – Years ago, I'm talking about 12 or so years ago, they had an interim report on the Agenda of all of the interim renters that were here, and it would show monthly what each renter had coming in compared to the previous year. They had a lot more interim renters then, now there are only 3 maybe 4.

CEO Wuersch – I can go back and find those and work on that.

Director Yeager – Can we get the Summary of Operations at the beginning since it is summarizing the backup information. For simplicity.

Director Tavaglione - On the aged, people who owe us money. It goes back to 2010, it adds up to a lot of money. Is anyone trying to get that money or are you going to get it wiped?

CEO Wuersch – Yes, it's almost an act of congress to write it off. Most of them are gone and we aren't going to get any money from them. I am going to work on that, we sent it all off to get written off and they sent it all back, so we are trying to get the right forms and get it handled. I can ask the board for \$500 and under, but anything above that has to go to Sacramento, that is why it's still there.

Director Tavaglione – one other thing. I know I have missed a lot of meetings lately, a lot more than I ever have, but I haven't seen any reporting on vacation time or anything like that.

CEO Wuersch – It's in there. There are only a few of us now. People who have left have been paid out. There are only a few of us now who have time on the books.

A motion was made by Director Skala and Seconded by Vice President Bruno to approve the April financials. Motion unanimously approved. Motion carried.

9) ACTION ITEMS:

a.) Fair Budget: 2018 Southern California Fair expenses

CEO Wuersch – This has already been approved, but it needs to be documented. A copy was given to the Board Members.

Director Yeager – Are you talking about the STOP?

CEO Wuersch – The STOP is part of the Budget. They went ahead and approved it and told me to put it on this month for a vote and approval.

Director Almiron – Can you add all of this when we post the minutes online for the public to see?

CEO Wuersch – We do post the minutes online, but this won't be included. This is public knowledge, but we only post the minutes. Its available if someone wants it.

Director Almiron – We should post it for transparency for the public.

CEO Wuersch – I will have to ask CDFFA what to do, I don't know if they want me to post that. It's available if someone asks for it.

Director Almiron – In a perfect world, this would be available in an Agenda packet, and it would be published so the public would see it as an attachment. What I am asking is since we have it in a Word Document, when this meetings minutes are approved next meeting, that this be accessible to the public.

CEO Wuersch – On the website? Ok.

A motion was made by Director Yeager and seconded by Director Skala to approve the 2018 Southern California Fair Budget of roughly \$2,458,428. Motion unanimously approved. Motion carried.

b.) Family Affair contract extension:

CEO Wuersch – We are trying to stay ahead. I went over this with Ron, Nick, Dale and Cei regarding extending their contract. Everything is the same except the percentage of alcohol will go up. It will be 24% in 2019, 26% in 2020 and in 2021 it will be 28% and cap out there. Food will stay the same.

Director Almiron – Are you asking for approval on this today?

CEO Wuersch – No, we have already done this. Its just a renewal. Its in their contract to extend it.

Director Almiron – It's been a while since I've seen their contract, I think when it was made was one of my first meetings. It probably says there are options for extensions, like 2 one-year options?

CEO Wuersch – This is 2 five years after this five years. Right now, we are getting it up to date so this one will cover 2018 to 2023 with 2 five-year options. They agreed, and we agreed.

Director Almiron – Sorry, my question was, per their original contract, this is an extension?

CEO Wuersch – Yes, this is the end and they have an extension on that contract. So, we are going to do five years with two more five years.

Director Almiron – So does their contract state they are eligible for three five-year term extensions? On the original contract.

CEO Wuersch – No, it says for an extension dependent on what we want to give them as the CEO.

Vice President Bruno – So that decision doesn't have to go to the Board?

CEO Wuersch – No.

Director Scott – Ok, you just said start the first of the five with 2 additional 5 so that's three, right?

CEO Wuersch – I have to go back and look, I think the other two have two five-year options.

Director Almiron – Isn't it typical for contract extensions to come before the Board?

CEO Wuersch – Not on a renewal. I haven't.

Director Almiron – That just sounds odd. I'm not comfortable with supporting something that can be 15 years down the road.

CEO Wuersch – They have been here for 26 years.

Director Almiron – I understand, but for transparency, at a certain point, we should open it up for an RFP for someone else to possibly show interest whether we still use them or not. We aren't opening it up for a competitive bidding process at all.

CEO Wuersch – I talked to Sacramento, on an interim rental like this, we don't have to go to RFP.

Director Almiron – I know we don't have to, but I think it looks poor for us to for 20 years not go out to RFP. I think that makes us look bad.

Director Yeager – Can I just summarize what I think I have heard so far? I don't have anything visual to work with. So, their current contract expired 2017, we executed some kind of arrangement. So, we are here in June of 2018 with this new contract with them with 2 five-year options. So, this is a new contract through 2021. Then at that time there would be 2 other options available to them for a five-year term. And currently with this new contract before us, it's a 2% increase for 2019 as its laid out for 2020 and 2021 and that goes back to the fair as part of their revenue, but the food concessions stay the same at 22%. Is that clear with everyone?

CEO Wuersch – And Tricia, with any of our contracts, we can give a 30-day notice.

Director Almiron – I am aware, but with nothing in front of us, the item on the agenda says "contract extension" but this doesn't sound like a contract extension, it sounds like a new contract with 2 five-year options. I'm just wondering why that contract is not in front of the board if it's a new contract I know it goes through executive, but it should be brought to the whole board. And its not an extension, so the Agenda is wrong.

Director Scott – Can I make a suggestion, like Director Almiron wants to see the actual physical copy to look at before voting on it. And maybe also to her other question, just have clarification from Sacramento what is the procedure just, so everyone is clear moving forward if it is an extension or a new contract, and if it's a five year, does that just go through management or back to the full board? If we can just get something, that way they have the visual and they will know going forward what the procedure is.

President Magnuson – Ok. So, we will have that on next month's agenda.

c.) CFFA Board appointee: Will be appointing Marissa Yeager and Tricia Almiron.

President Magnuson – Brad and Ed are very busy and are stepping down from this appointment. I have talked to Tricia and Marisa and they have been gracious enough to accept this appointment.

A motion was made by Director Scott and seconded by Director Skala to approve Board President Magnuson naming Directors Yeager and Almiron as the Southern California Fairs CFFA appointees.

d.) Executive Committee Report:

e.) Budget Committee:

CEO Comments: Thank everyone for coming today. Last month was very busy. If you have noticed, we have done a lot of work on the fairgrounds. This year, we have a huge amount of people from RCS. They gave us 18-20 guys line up every morning. We started at the far south end and worked our way through. We trimmed every tree all around the whole grounds. We finished up a few fences in the Livestock area. We extended the wood fence we started last year. We came west with that, then we replaced our wood fence we had around some crucial electrical, our main power. It has a brand-new fence. We put signs on it for high power. We make sure the doors stay locked. We had our show last month with our West Coast Thunder with a lot of people. Everything was pretty much good. Only one person dumped their bike outside the front gate so that was it. I don't think she got hurt. Overall it was very successful. We got them in here really fast. Our show Sunday, the first show we've had with our new renter Xavier, he had over 3,000 people for the first show.

Director Yeager – Do we know how many people we had at the West Coast Thunder event?

CEO Wuersch – We had 2,500 bikes register. I found out afterwards, they had a clicker at the gate and one at another spot. There were 2,500 bikes, they sold 4,800 tickets to riders. We sold tickets here also. We sold about 100 tickets here. Overall, we had a good month of May. We had some good shows. Can't say the weather was great for us last weekend, they had their second show and it was not the same entertainment. We had to deal with the soccer World Cup on Saturday and then Sunday was Father's Day so that hurt a little bit. I think Donny's show was pretty close to being normal. With temperatures at 60 and the wind at 40 it was a little chilly out there. For boxing we had two shows, basically a kid shows in the morning and then in the afternoon we had our bigger class with the older kids. Roughly around 800-1,000 people were at the shows, we are still working on the numbers for that and we will have the finals for that next month.

Vice President Bruno – Aren't they just going to do the professionals now?

CEO Wuersch – Yeah, I've been talking with the promoter and quite a few different conversations with the commission from the state on the MMA, I was very happy to be told this: This is the only building that looks that nice and its very fitting for events like this and its very fitting, they said there isn't one from Sacramento to down here that fits that. I think it looks 300 percent better already with our makeover.

Vice President Bruno- Is it going to be a monthly event?

CEO Wuersch – No, because its hard to unless we really get going, because with fights you need doctors and blood tests, it takes 30-45 days to put fights together. So what they will do it put 20 or 30 fights and hope that 15 or 18 out of that group that passes. Then the commission has to approve the match-ups. It's a process. We have August 18th date tentatively set up. We are going to plan on it for boxing and then we have one on October 20th planned. It looks like we are only going to do the lower class first right underneath the pros and then the pro class, they aren't going to do the kids anymore. The commission recommends that with the building we have, they said we are going to get the top guys doing it.

Director Scott – So how was attendance at the event?

CEO Wuersch – We were probably somewhere between 800-1,000 people for the one event.

Vice President Bruno – How did you do on the sales of alcohol and food?

CEO Wuersch – I think we did pretty well. I still haven't gotten the numbers yet.

Director Tavaglione – What kind of insurance do we have on these kids?

CEO Wuersch – We don't. Its just like racing, the sanctioned body has the insurance, but just like anyone who has anything here, we ask them to put us on the policy for that. As far as in the ring, if something happened to them fighting, they have the doctor here and they have to go through blood testing, so if something happens to them, the association is responsible.

Director Tavaglione – so we are just an additional insured?

CEO Wuersch – Yes.

11.) IMPORTANT DATES:

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

July 18, 2018 – CEO Wuersch, Directors Almiron and Scott all had conflicts. A motion was made by Director Almiron and seconded by Director Skala to cancel July Board Meeting. Motion unanimously approved. Motion carried.

August 15, 2018 – Director Scott will be absent.

September 19, 2018

October TBD

November 21, 2018

December TBD

President Magnuson announced the resignation of Advisory Director Audrey Cilurzo and read her letter of resignation aloud. He also presented Audrey with a gift from Judy Hofmann-Wade and Shirley Marshal and a card signed by all.

Advisory Director Cilurzo – Thank you all for all of your friendship and support. My children are partly a result of Vince and I but partly over all of the years that they showed animals at the old fair in Hemet and here and learned to save and spend money and the necessity of education and those are not things we talk about very much at the fair but look at all of the young people who have come through this fair and they've learned that lesson. I think that we really need to know that we've done a really good job.

Presidnet Magnuson – Yes, that is why this is called an agricultural fair and I can assure you that that's going to continue. I think all of us agree, we are going to keep that around.

Advisory Director Cilurzo – Oh, I'll still be around too. Louis and I have the same year birthday.

Director Tavaglione – You did a lot more than I ever did Audrey. She is an icon believe me. Temecula Valley wouldn't be what it is today if it wasn't for Audrey and her husband Vinnie. They just stopped in to have a hamburger and then bought land and started the first vineyard out there. I think they aught to put up a statue of both of you out there. You two are the ones, as far as I'm concerned, who started Temecula Valley.

Advisory Director Cilurzo – I don't think Vince and I even realized when we planted that we were the first, but we fell in love with the valley. I can still remember the feeling. We were living in Hollywood and Vince was lighting television shows and we were looking for a place to come to on the weekend and we came to Temecula and saw what was to become our land and our whole lives changed. Up until that point we hadn't planned to have a family. It's

been a wonderful life. I just want to say thank you because you all are a part of what is all of me now, thank you.

12.) DIRECTORS COMMENTS:

Director Scott – Since we are talking about dates, August 15th I will not be here, I'll be in Chicago, so I will not be here. As Carl mentioned, I was here for the Rolling Thunder event, it was very interesting. I'd like to see the summary wrap up on it. Watching them come in, there were some issues, which were not the fairs issues, but its kind of like TSA, if we herded cattle the way they herd people, we would be in trouble. But, it was a good event. I did have two complaints from kids, I'm glad the concessionaire is here, because the minute the concert was over, I promised them they would get their Pink's hotdog and we went there and they were already shut. So, just for FYI for future, maybe Pink's could be open a little longer. The minute the concert was over, no Pink's. It will be interesting to see the summary, there were a lot of people there. I've been here many years, I did see some public safety concerns, so I'd like to see the summary wrap up because I think there were some things that we could have been exposed to, knock on wood, we didn't have any issues, but I think the possibility was there. But there are always things we can learn from for future events. Also, it was a real warm day, it wasn't a hot day, but it was a warm day, if you wanted a water or a coke or something, you had to wait in a 25-minute line, maybe that's an opportunity to have some separate venues selling waters or something. This was the first time, so you live, and you learn and improve. I think if it were a lot hotter it would have been a lot worse issue, we got lucky. The band was great, and we got a lot of excitement for that. It was a good event, so hopefully we can build on it and have it again.

Director Skala – Just a little bit on Barn Bash, they had a meeting, and in the meeting, they gave some temporary figures on it. They are supposed to have a meeting tonight, but it was called off. They took in almost \$50,000 at the venue and there was approximately \$10,000 in expenses which was the food and the table things. They are planning on putting in a new show ring and also talking about a loading chute. They are also talking about putting in the big fans into the barn. It just cools the temperature in the building quite a bit during the shows. Thank you, Audrey, for all you have done. I want to thank the Farmers Daughters because they helped at the Barn Bash also. And thank you for coming out tonight. Anybody I missed, a big thank you.

Vice President Bruno – I'm impressed this year with the grounds being taken care of and the events that are going on and the entertainment in the handout, I am looking forward to seeing the rest of the year go the same way and us having a real goof fair. Thanks again to the Farmers Daughters for helping at the Barn Bash, I think it was a good success.

Director Tavaglione – The thing about those 2,500 motorcycles coming in here, the thing that impressed me is that probably 90% of those people didn't know we had a fairground here so that really showed off that we have a fairground regardless of what amount of money we made. You can ask anyone in Riverside about the fairgrounds and they'll say what fairgrounds? I'd like to repeat my whole speech about you Audrey, I know that young girls don't realize it, but you are an icon.

Director Yeager – Yeah, first I want to once again thank the staff of the fairgrounds, the work is being seen so appreciate that and the communication that has increased. I look forward to continued efforts here in bringing community back and expanding the community here so that we can do the plans we want to do to improve the fairgrounds so thank you. Really, for the Cilurzo family, 50 years ago the national trails began to be acknowledged throughout the country, so you were quite the trailblazers back in that day to really make sure that you created an opportunity here for the industry to grow and the business to grow and look where the valley is now. So, it would be great for future exhibits for fairs here at Southern California Fair that we do a Cilurzo Family exhibit,

where we include the beginning where we include the Cilurzo beginning trailblazing but also how the industry has expanded. I would hope we would include and work with the Win Growers Association and other wineries, so everyone has a place here at the fairgrounds, so we can expose folks of what is in our backyard and the importance of that industry and other industries, I think that would be a good partnership to build on. We can expand and include the Dairy Industry etcetera, I don't see that enough in the educational part of our fairgrounds. So, I hope that we can expand on that, working with the school districts with Ag departments, not only with the county local districts but also the UC Riverside Ag Department. I look forward to it.

Director Almiron – I just have a brief County update. I was communicating with Carl. The County is still going through its land use process and business process for cannabis. I know we have talked about this at a few meetings and we didn't see eye to eye, but I am just going to let you know where the County is in this process. It went to Planning Commission today and it is going back to Planning Commission in July. Probably to the Board of Supervisors for approval in August, at that point businesses will be allowed in county areas to apply for business license. Since the Fairgrounds is in unincorporated Riverside County, I think it is important we keep an eye on that and see where the county goes up until its approved because as of now it is illegal, even though it is legal in the city of Perris, it is illegal in Riverside County. Thank you.

President Magnuson – I just want to thank everyone who attended the meeting today, I hope you all have a good hot summer. We are all working on the fair. Carl and his staff is really coming along on the fair. We've got about 90% of the entertainment lined up. I am looking forward to a great fair. We have great participation from our Farmers Daughters, but we need our volunteers and we must keep Audrey here.

Audrey Cilurzo – Maybe we can start a wine competition again.

President Magnuson – I would love to see that. Thank you all for coming.

13.) ADJOURNMENT

Meeting adjourned at 5:04pm.


Carl L. Wuersch, CEO/Sec-Mgr.

8-3-18
Date