



Board of Directors Meeting
December 15, 2022

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

Director Ashleigh Aitken



5. Minutes

A. Board meeting held November 17, 2022

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. Review of 2023 Budget with Board Approved Price Increases and Presentation of 2023 Budget Submittal Letter

INFORMATION ITEM:

At its November 17, 2022 meeting, Board of Directors approved the 2023 budget as presented by staff, along with the following price increases:

- Fairtime parking will increase from \$10 to \$12.
- Year-round parking will increase from \$10 to \$12.
- Adult general admission to the OC Fair will increase from \$12 to \$13 on Wednesdays and Thursdays.
- Adult general admission to the OC Fair will increase from \$14 to \$15 on Fridays, Saturdays and Sundays.
- Youth and senior admission to the OC Fair will increase from \$7 to \$9.

Staff will present the final 2023 budget roll-up with the approved price increases, along with the CEO's 2023 Budget Summary Letter to complete the budget process.

2023 Budget Roll-Up

2023 PROPOSED BUDGET		
REVENUE		
Total OCFEC Self-Produced Event Revenue	\$49,041,192	
Total Rental Revenue	\$10,392,942	
Total Non-Operating Revenue	\$934,642	
TOTAL REVENUE:		\$60,368,776
EXPENSES		
Total Operating Expense	(\$51,135,341)	
Total Non-Operating Expense <i>(Depreciation, Major Projects, Net Pension Adjustment – GASB 68)</i>	(\$3,705,000)	
TOTAL EXPENSES:		(\$54,840,341)
TOTAL NET PROCEEDS:		\$5,528,435



2023 Budgeted Fair P&L

2023 Budgeted Fair Profit/Loss		
REVENUE		
Attractions:	\$20,270,665	
Services:	\$28,844,146	
TOTAL REVENUE:		\$49,114,811
EXPENSES		
Attractions:	(\$12,102,634)	
Marketing:	(\$2,205,816)	
Services:	(\$4,762,257)	
Total Fair Labor, Benefits, Taxes:	(\$7,293,838)	
TOTAL EXPENSES:		(\$26,364,545)
TOTAL NET PROCEEDS:		\$22,750,266



8B. Presentation of Amended MOU with Centennial Farm Foundation and Vote on Whether or Not to Approve

The current MOU between the District and the Centennial Farm Foundation is set to expire on December 16, 2022. The Foundation sent a letter to the District on October 5, 2022 expressing its desire to renew the MOU at the \$25,000 per year contribution level.

Staff worked with legal counsel to draft the new MOU which included the following amendments:

- Change the effective date of the MOU to December 17, 2022
- Change the signee for the Foundation to Glen Johnson, current President of the Centennial Farm Foundation
- Add the requirement for the Foundation to comply with the Bagley-Keene Open Meeting Act
- Add clarification that District Board members who serve on the Foundation Board are non-voting members



8B. Presentation of Amended MOU with Centennial Farm Foundation and Vote on Whether or Not to Approve

RECOMMENDATION:

Approve the Centennial Farm Foundation MOU as amended.



8C. Presentation of Amended Heroes Hall Foundation By-Laws and Vote on Whether or Not to Approve

The current MOU between the District and the Heroes Hall Veterans Foundation is set to expire on December 31, 2022. The Foundation sent a letter to then Chair La Belle on October 20, 2022 expressing its desire to simplify its relationship with the District by moving forward independently. During the meeting, attorney Caplan explained that specific entries in the Foundation's by-laws connecting the District to the Foundation would need to be amended and approved by the District Board of Directors.



8C. Presentation of Amended Heroes Hall Foundation By-Laws and Vote on Whether or Not to Approve

Staff worked with legal counsel to identify and amend the following items in the Foundation by-laws:

- Principal office location
- Definition of District in the purpose statement
- Elimination of the requirement for District Board of Directors to approve the appointment of new members to the Foundation Board of Directors
- Elimination of the requirement for District Board members to serve on the Foundation Board
- Elimination of the requirement for the District Board of Directors to approve amendments to the Foundation by-laws

RECOMMENDATION:

Approve the amendments to the Heroes Hall Veterans Foundation By-Laws as presented.



8D. Introduction of 2023 OC Fair Theme

INFORMATION ITEM:

Staff will introduce the theme for the 2023 OC Fair.





































OCTAFAIR

HAPPY
TOGETHER

JULY 14 - AUG 13, 2023



8E. 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 Aitken)
- iv. **Governance Committee** (Director Cervantes, Committee Chair; Director Rubalcava-Garcia)
- v. **Community Affairs Committee** (Director Bagneris, Committee Chair; Chair La Belle)
- vi. **Entertainment and Business Development Committee** (Director Rubalcava-Garcia, Committee Chair; Director Cervantes)
- vii. **Governmental Relations Committee** (Director Aitken, Committee Chair; Vice Chair Pham)
- viii. **Centennial Farm Foundation Liaison** (Director Ruiz)
- ix. **Heroes Hall Veterans Foundation Liaison** (Director Cervantes, Vice Chair La Belle)



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. Adam Carleton v. 32nd District Agricultural Association, et al., Orange County Superior Court, Case No. 30-2020-01174951-CU-OE-CJC
- iv. To confer with counsel, discuss, and consider the following pending litigation to which the 32nd DAA is a party. Talley Amusements, Inc. v. 32nd District Agricultural Association, Orange County Superior Court, Case No. 30-2022-01264282-CU-MC-CJC
- v. 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



First Place:

1. 2022 Fair Food Guide
2. Heroes Hall Speakers Series



10. CEO's Operational Announcements & Updates



MAINTENANCE
4 MANIA
FAIRS



EVENTS UPDATE



Dec 18 - 19



Thru Jan 1



Jan 14



Jan 14 - 16



Jan 27 - 29



EVENTS UPDATE



Thursdays - *Closed December 29*





EVENTS UPDATE

Garden Classes at Centennial Farm



CHOCOLATE BLISS!
DECEMBER 17



**PRUNING FRUIT TREES-
THE BASICS**
JANUARY 14



ROSE CARE
JANUARY 21

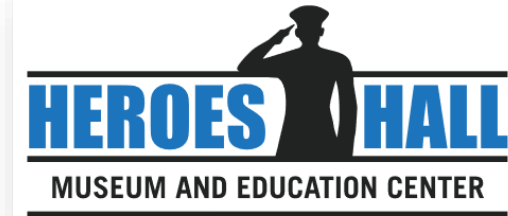


SOLD OUT

EVENTS UPDATE



Holiday Closure:
Dec 23 – 26
Jan 1 -2



Armed Only With A Camera:
WWII Photography of Stanley
Troutman



Holiday closure:
Dec 24, 25, 31
Jan 1



HAPPY BIRTHDAY!

VICE CHAIR KOVACEVICH





CEO's HOLIDAY *Open House*

*Thursday, December 15th
- OC Room -*

*Immediately following the Board meeting
(11:30-ish)*

Open to all - Board Members, Staff & Public

Come enjoy some holiday
treats and conversation!



11. Board of Directors Matters of Information

Next Board Meeting

January 26, 2023





Happy Holidays