

OCFEC Board Meeting November 21st 2024

Barbera Bagneris Call the meeting to order. All that is noticed on this agenda, and any category may be considered for action as 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. The mission of OCFEC is creating equitable community access to agriculture, entertainment, cultural and educational experiences. If you would, since you're in the room today, Mr. Roberts, can you lead the pledge of allegiance.

Robert Ruiz Alright, please right hand over your heart.

Everyone I pledge allegiance to the flag of the United States of America, and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

Barbera Bagneris Thank you so much. Summer, will you take the roll?

Summer Angus Chair Kovacevich?

Nick Kovacevich Here.

Summer Angus Vice Chair Bagneris?

Barbera Bagneris Here.

Summer Angus Director Pham?

Newton Pham Here.

Summer Angus Director La Belle?

Doug Le Belle Here.

Summer Angus Director Rubelcava-Garcia?

Summer Angus Director Ruiz?

Robert Ruiz Here.

Summer Angus Director Bilezikjian?

Tanya Bilezikjian Here.

Summer Angus And Director Jackson

Dimitria Jackson Here.

Summer Angus Thank you.

Barbera Bagneris Very good. Did you have a motion to approve the minutes?

Michele Richards That's a vote. Yeah.

Barbera Bagneris So sorry So we're going to move to matter of public comment. Public comment is allowed on issues not on the current agenda. However, no debate by the board will be presented 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 any agenda item, speakers are requested to fill out and submit a comment card to the meeting Secretary 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 fill out and submit a comment card to the meeting Secretary prior to the start of the meeting and identify the agenda item on which you desire to address the board speakers are limited to three minutes. Okay, so I have... I do have a public comment from Gibran Stout.

Gibran Stout Good morning. Just a quick reminder. I know you guys hate hearing from me, but equitable community access. You guys are stewards like you signed up. This is a great, great cushion volunteer job that you guys do, but it's a job, and your job is oversight and to be stewards of the property that is not yours, and it's not mine, it's ours, everybody's. And you know, for months, years, I've been standing here saying, Here, want to participate. Statute says that the public's supposed to have a seat at the table, yet at every turn, any communication is channeled and filtered, and it's very frustrating. In the past, have met with the public. They have a chariot, who they want to talk to, and what information they want to get, what they want to hear. Yeah, there's been a lot of misinformation, and that's what happens when you get your information from only one source. So as long as that continues, there will be misinformation, and we'll refuse the ability. To participate is extraordinarily frustrating, and it continues, and limiting public access and participation is actually misdemeanor per Bagley Keene. So it's frustrating when communication is limited, and we've abdicated the responsibility to oversee what is done on the property. And it's frustrating when people are allowed to pursue their own personal biases. I know not everybody loves me, I know I'm not everyone's favorite flavor, but I love this property. I devoted the last 10 years to provide you free access to programs. I have done a fair, I've done imagineology, I've done Centennial Farms for free, and I've had nothing but harassment retaliation. I've been denied the opportunity to have conversation, to negotiate a contract exactly like the one that you

gave walk into it, who's just a group of therapists. They have a couple horses. That's 10% of the program. I would happily signed that contract they have to negotiate. Why couldn't I? If you're going to change the term so dramatically, why not? I've been promised both sat here and said, We're going to meet with you. We're going to talk to you. Instructed staff to meet with the public and stakeholders, and that has. Happen? Was there some one on one conversations? Yeah, once, one hour with nine people. So why would you spend nine hours? One hour with nine people?

Barbera Bagneris Thank you Gibran. Okay, I don't have any other public comment, so we can't move to the consent calendar because that in central votes. Okay, so we are going to move to closed session, and We will meet back here when we're done.

Barbera Bagneris Okay, we're back in session, looking for a motion to approve the minutes. Oh, I'm sorry. After review in closed session, we have nothing to report.

Tanya Bilezikjian I'll make a motion to approve the minutes.

Dimitria Jackson Second.

Barbera Bagneris It's been moved and second. Roll call please Summer.

Summer Angus Chair Kovacevich?

Nick Kovacevich Yes.

Summer Angus Vice Chair Bagneris?

Barbera Bagneris Yes.

Summer Angus Director Pham?

Newton Pham Yes.

Summer Angus Director LaBelle?

Doug Le Belle Yes.

Summer Angus Director Rubalcava-Garcia?

Natalie Rubalcava-Garcia Yes.

Summer Angus Director Luis?

Robert Ruiz Yes.

Summer Angus Director Bilezikjian?

Tanya Bilezikjian Yes.

Summer Angus And Director Jackson?

Dimitria Jackson Yes.

Summer Angus Thank you.

Barbera Bagneris Very good. We're going to move to the consent calendar. All matters listed under consent calendar operational matters about which the board has governing policies, implementation of which is delegated to the CEO. It will be enacted in one motion. 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 and section have the items notified the chair of the board at the time requested and be recognized by invitation of the chair to address the board. We do have one item that we're going to be pulling by recommendation of staff. R 14024, is there anything, any others that need to be pulled? If not, I'll entertain a motion.

Doug Le Belle Move to consent.

Nick Kovacevich I'll second.

Barbera Bagneris Director La Belle made the motion, and Director Chair Kovacevich jumped in, and that's fine. We've got the second. Okay, Summer Roll Call.

Summer Angus Chair Kovacevich?

Nick Kovacevich Yes.

Summer Angus Vice Chair Bagneris?

Barbera Bagneris Yes.

Summer Angus Director Pham?

Newton Pham Yes.

Summer Angus Director La Belle?

Doug Le Belle Yes.

Summer Angus Director Rubalcava-Garcia?

Natalie Rubalcava-Garcia Yes.

Summer Angus Director Ruiz?

Robert Ruiz Yes.

Summer Angus Director Bilezikjian?

Tanya Bilezikjian Yes.

Summer Angus And Director Jackson?

Dimitria Jackson Yes.

Summer Angus Thank you.

Barbera Bagneris Okay, if you allow me, I'm going to change the agenda just a little bit because we have a director that's going to have to leave. So we're going to move to the governance process, and we're going to go to a presentation of the 2025, budget and vote on whether or not to approve. We do have public comments, and we'll wait for I'm going to turn it over to you.

Michele Richards Very good. All right, just a quick reminder that our public budget study session was held last week, chaired by the Finance Committee directors, Bilezikjian and Pham. So we're just going to run through this quickly for those board members that did not attend. Just a reminder about the process we use every year. Our fiscal year runs January through December. We create budgets by department and roll them all up. There are 52 departmental budgets that are directly overseeing by 17 members of our management team. And then, of course, we monitor the Budget Group, monthly internal variance reports, monthly meetings with the finance committee. And then, of course, we go over financials every month during our board meetings as well. We also looked at, as we always do, look at several economic factors before we set our budget. In order to understand what assumptions are going into the budget, we look at multiple sources. While the economy is a little bit slower, it's still very positive. You can see some of the data that we've seen. Most economists agree that it's hard to imagine a Black Swan event like like a worldwide pandemic. Although inflation is still pretty sticky, job growth has slowed a little bit, which actually is always a positive for us for fair hiring. Consumer spending is still higher than pre COVID, which is also very good for us. On the local scene, it pretty much mirrors the US forecast.

There'll be a little bit of a deceleration in the job market. The big items in the the forecast this year have to do with consumer confidence, related to things like groceries and rent, and those are those essentials that are still a little bit of a problem. But the annual Orange County Business Leaders survey, 19 and a half percent of business leaders have an optimistic view of the economy for 2025, 9.8% pessimistic. 51.2% are cautious about the near term view and so that's kind of what we base our assumptions on. I thought this quote was really good, but we expect the slowdown to continue, barring a black swan event, a recession is not in our baseline scenario over the next six quarters for the national or the local economy. So all of that speaks to some good stuff for us ahead. So I'm going to turn things over to Melissa now to run through the budget.

Melissa Au-Young Good morning, i'll run through this very quickly. So utilizing the economic factors that we felt highlighted, we provided the following budget assumptions to all our department heads developing the budget. So we use the same controlled attendance model of 50,000 for this year, no increase in fair admission parking or in market fees for this year. We are budgeting based on 30 shows. Impact gap was also the same assumption for last year, although going higher that but only lists for 30 shows. We were requested two additional civil service headcounts, a parking coordinator and then a plumber, one. We anticipate holding a interfair exhibit. We'll continue the two day Imagineology model in April, once again. We developed based on an assumption of the community on boarding training. So the new model for The Ranch that the board has directed. And then a 4.3 million capital expenditure program.

Melissa Au-Young So, labor comprises our single largest expense for the fair. And so we are committed this year at 24.3 million, which is fairly flat from the 2024 budget, we will see another increase in our minimum wage by 50 cents. But we typically pay 50 cents above that, so our lowest wage is actually \$17 and this enables us to remain competitive, as we hire about 1,300 employees, temporary employees. So we are competing with some of the food establishments that are at the higher rate. And so this substance remain competitive. One of the significant changes to this year is so there's a tempered one year reduction in our first employee contribution. So generally, with thesis as part of our the governor's revised budget to address the deficit this past year, it was move things, routes shift and lower the employer contribution rates, or occurs that we put in from 32% to 26.31 going into next year with without any change in our hours, pay rates, head count, we will automatically this will bump back up, and we'll see about 675,000 next year's budget just from this so for this year though, we have to 581,000 that I believe it's a one time impact that we will see in this budget, so that that did follow our budget, our labor costs. And then labor expenses also include contracted 3 to 4% wage increases

for our full time civil service employees, and it's based on their marketing. And then lastly, these are, we have the two new civil service headcount positions, which is parking coordinator And then a plumber one. So I'll just go through some of the highlights fairly quickly from all the departments, and I'll kind of breeze through as quickly as I can on these. For administration, as Michelle mentioned, there it is. Interest rates are decreasing, but because of our higher cash balance, we we do anticipate, actually an increase in interest income revenue bump of 580,000 for the year, just consistent with the general market and insurance, our costs are going up, so we increase that by 102,000 based on our actual cost going into next year. And then we also added a budgeted for our cyber insurance policy, and we'll continue to carry that. And if you'll recall all there was a little bit of overlap in our cdbdo position when we were recruiting and during that transition time. And so we'll have a savings of 95,000 that was see as a result of that. And then I did want to note also at the budget study session, Director La Belle had recommended looking into the trail project and the use of the trails with the ranch program. And so we do carry funds for special projects in this budget of 100,000 and then we also have 10,000 in lobbyist services that we could also utilize. So those will continue to carry into 2025 and utilize that to explore the requested project. And then we can always come back to the board and add it as a capital program or capital project, if we do want to proceed. Arm it eight is our information technology. And so while it's not necessarily a large amount, did want to point out that we are increasing this budget to include network security monitoring and security awareness training software, and so we are. We want to make sure that we're on top of that just because of the threat. And then for accounting, in order to assist with our recruitment, we're reclassifying an accounting supervisor position to an accountant trainee, and so hopefully that will open up the pool of applicants and kind of the folks that we do go after.

Melissa Au-Young Department 15, marketing. So we do, we are including an advertising contingency of 50,000 in this department budget, and that's for any special projects or anything we want to any campaigns or anything that we want to add this year. And then in general, the higher media costs for advertising across the board is resulting in \$170,000 increase in our media costs going into 2025. Department 20 operations. Sorry. So this particular department is comprised largely of our labor expenses, comprised just a large portion of the expenses related to this and so for this department. So the increases we're seeing are the reclassification of an electrician one position to an electrician two, and then also the reclassification of a senior maintenance worker to a painter one. And so we've allocated for those in our budget. And then as far as expenses, we do with the demolition of building 15, which is used to house the OC Wine Society. We are including. We're budgeting for the cost of a rental

of a trailer for them to live in until we can house them somewhere else. So that's included in 2025 department, 22 facilities. So for this one, we have our expenses have decreased for utility costs due to some of our energy efficiency programs, and we've seen a lot of success with those. And so we've been able to reduce our costs overall going into 2025, by 335,000 so that's reflected in this budget. There's a slight increase in our sewer assessment fees as well, and so we're accounting for that in this department. Department 25 is The Ranch. And so this one in particular is probably the budget that we have. We're a little carries the most uncertainty with it, but staff has worked pretty diligently to try and capture the board's vision in this budget. And so revenues for this, for this particular one, is based on a full year of boarding and training. And so we're looking at an increase of 493,000 and then as far as expenditures, we're also budgeting for the full year as well. And so, but we are including in this budget startup costs for some of The Ranch exhibit programs. And so that's 160,000 and then I also wanted to note that the capital expenditure program also lose 233,000 for some of the capital programs and major expenses included with the ranch startup as well. But that's captured in here. Department 30, we are. This year's budget does include, I believe it's three new events, as well as the expansion of some of the existing events that we currently hold, resulting in a \$1.5 million increase in our revenues. And actually it's not too far off what we saw this year. And so that was pretty accurate. And then with the expansion of with these new events, and expansion of the events, there are additional costs that we're going to carry, but these do get passed on to the promoters, and so we are reimbursed for those costs, but it is resulting in expenses of 102,000.

Barbera Bagneris Question, what is the third event?

Melissa Au-Young The third, Do you mean in the future?

Summer Angus That's Japan Fair.

Barbera Bagneris Japan, alright. Thank you.

Melissa Au-Young Yeah. Department 32 and department 33, both of these are, these are the addition of the new civil service position. So for this department, is the parking coordinator, and this will essentially provide year round support for that department, as well as replace three of our temporary employees that we run out of hours for. And so this will provide some efficiency within that department. And then for department 33, this is our new request for a plumber one. And then this is this plumber would be dedicated for event operations, but as time allows, they would also assist in maintenance. But this would allow this department to not have to pull some of our maintenance resources to focus on events. And then portion of these costs could be reimbursed by the promoter as well. Department

50 moving onto there, we're looking at fair admissions. And this revenue is actually based on 2024 actuals, including the sellout dates that we saw. And so in developing these estimates, we calculate using a blended rate, which is really a rate on the number of tickets that we sell, adult tickets, child tickets, weekend, weekdays. It's the cost vary. So we develop a blended rate. And so we realized for based on what we budgeted last year was probably a little bit too high. So we were able to go back, recalculate it based on a couple years additional, an additional year of data. And so we decreased that rate, resulting in a decrease in revenue overall by 387,000. And then we did also budget for a sellout of the everyday passport, which is our limited product. We sold out last year of 10,000 so we're budgeting for the same, and looking forward to see what, how we kind of expand this program a little bit too as well.

Melissa Au-Young

Expenditure changes. So 2024 represented our first year with our new ticket provider, and we moved away from our long term previous ticket provider. And so in that process, we kind of realized we how we reconcile is a little bit different, so we inadvertently omitted the Etix fees. There's a \$1 fee passed on for certain tickets, and then our credit card fees are accounted for differently, so they were not included in last year's budget. We've made sure to include that in this year's budget. As you can see. There's an impact of 755,000 for the fees and then 256 for the credit card charges. So that's pretty significant change in this department. Fair parking. We are looking at we worked with Octa last year, we brought back those limited version of the OC fair express bus. So we're looking for this year to expand that, and so we will add additional staff at gate staffing, particularly for gate eight, which is where they came in last year, for the expansion of this program. So we did need to account for that. And then fair security, our OC sheriff's contract continues to rise. It's up to 1.1 million this year. And so it's an increase of 195,000 this upcoming year. We do one of the bright spots. So our, our sorry, our contract cost for security screening equipment decreases as the contract progresses. And so for this particular year, it's gone down \$60,000 and so that'll continue through the end of the contract.

Natalie Rubalcava-Garcia

How much do we pay total for our sheriffs?

Melissa Au-Young

Well, 1.1 for fair time. And then we do have an additional amount that we pay for year round events, but that's paid by the promoter as a reimbursement. Carnival sales, we are increasing our revenue estimates by 383,000 and so this year, actually, we we came in about 800,000 over what we had budgeted for 2024 that seemed a little high. And so we kind of did a blended rate of the last two years, just in case it was a little bit of an anomaly. And so we were a little bit conservative, but that is an

increase in our revenue. And then our fare maintenance. This is probably, this is one of our labor heavy departments as well. And so when, if, for example, we do have some vacancies that tend to be critical, that if we can't fill, we sometimes need to call out for on call services to address that, just for some of those time sensitive issues. And so this allows for contingency, contingency to address those. Department 64 concessions and commercial. So for this one, we do take a very small incremental increase to all our every year for our Merchant space rates just to keep up with the market. And so for this year, that amount is resulting in \$29,000 increase, and it really represents about 1.9% of this number. Just to show that is a fairly small amount that we kind of progressively just to make sure everyone's not hit with a larger increase at the end of three year cycle, and then our revenues increase. We had much higher food and beverage sales overall. The case \$5 taste of did incredible. And so I think folks responded really well to that. We can see that in the numbers. And so we've gone ahead and increased the revenue just to account for some of that, some of those and it's based on some of the actuals. And then our expenditure changes, we anticipate some pending retirements. And so in this particular department, just to allow for trends, a smoother transition, we do have an overlap of one of the key positions that is retiring. And so there is a we're doubling up on some of the costs for a few months. And so that is roofline within that budget.

Melissa Au-Young

Pacific ampa-theater. We reduced our signing bonus. So our one year signing bonus, we're at year two and three. It's decreased for this year. And so we've resulting overall on a reduction of 457, in this department. And then bonus is actually allocated between this venue and as well as the hangar and then PSA. And so this is the portion that's allocated for pac-amp. We had much higher merchandise sales this year as a pretty record year related to merchandise sales. And so we increased our revenue to reflect some of that. And then, as I mentioned, we are budgeting for 30 shows in revenues. And then you'll see that correspondingly in the expenditure side of it. And then for some of the going into 2025 we do have a strategy to target a few specific shows kind of a higher, higher caliber performance, and so that will result in higher ticket revenue, and correspondingly, there's also higher anticipated expenses for securing those headline accidents so that is impacting the budget as well, but that will see both of the impact on there. Almost done. Department 87 for sales, and so we do, we are budgeting for a decrease in sponsorship revenue, but that's largely we have a number of in kind trade contracts that we have to allocate a cash value. And in developing our budget last year, that cash value was included in the sales revenue number, and so we've gone ahead and removed that this year, which is what you see in the decline. So we're

not actually. Are anticipating a decline in our revenue, but it's just how it's shown by reducing by removing the in kind value. And then depreciation with the coming online of our admin building mid next year, we will see that increase by 360,000 that's really just a book value on there, but it is shown in our budget.

Melissa Au-Young

Year round event rentals. So as I mentioned before, these are we do review these regularly on a three year cycle, and they're changed to reflect the competitive market rates. Part of that is a small increase that we take every year, so we don't do a large bump. For this year, year round event building rental fees. We're looking at 50 to 75 per day based on the building or the area that's rented. And so it's resulting in a 2% to 2.17% additional revenue for 2025 and then also in fair merchant space fees. This is also the increase depends on the location size, but it's \$25 to 125 for the run of the fair. And that's a small 1.9% increase in revenue going into 2025 as well. All right, our capital expenditure program, we are going, we are looking at, as far as far as capital expenditures, 2.87 million for a total of 17 capital projects. And as you'll see, the first three on there are for TRCC is The Ranch community center. And so those are some of the projects we have slated there. The largest of these is some of our parking lot slurring and restriping. And so we have a total of 12 major expenditure budget budgeted for this next year, totaling 516,000 as well as 22 equipment purchases. And those are totaling 18 810,000 and so those are some of the larger equipment above 5000 equipment purchases above 5000 that we have slated to take place this year. And so kind of pulling that all together, we're looking at a 4.2 million in capital expenditures, major projects and equipment, as well as 100,000 contingency for a \$4.3 million capital expenditure program in 2025.

Melissa Au-Young

All right, so as far as out of state travel requests for the board is required to approve all employee out of state travel requests, and so we've got gone ahead and included all these that we anticipate doing. I did want to know at the bottom is our, let's see the bottom of conferences and conventions. We're looking at our WFA convention. So the board approved this at its October meeting. Staff has already purchased flights, hotel rooms and registration. But I just wanted to highlight that there and then, this is our standard. So our core policy authorizes CEO to sign for purchase commitments, contracts up to \$50,000 and then 600,000 or less for certain talents. But there are some agencies, some payments that we need to make above that amount for these vendors, in particular, sales tax, franchise tax boards, any of those. So this is just authorizing the CEO to make those payments throughout the year without additional board requirement. All right, parking and fare admission rates, as I mentioned earlier, we are budgeting for no increase in our parking or admission. And so parking will remain at \$12 for year round events and

\$15 for fare time. And then these are all based on a 50,000 per day capacity. And then all together for our 2025 fair, PNL, we are in participating a 5051, point 4 million in revenue from the fair, with expenses of 29 million for a net proceeds of 22.4 million for net proceeds from the 2025 fair. And all that helps feed into our complete budget roll up. And so all those net proceeds we can put back into some of our community programming, Centennial farm, the ranch year round events and so all that rolls up. We're looking at 65 million for the year, for revenue, which is an increase from 2024 and then expenses totaling 54.8 million, or net proceeds, 5.248 million to finish out the year.

Melissa Au-Young So overall, it's a very solid budget staff, you know, staff has done a great job, and so I'd want to commend our finances, but all the department heads in coming up with this, but also they're monitoring of the 2024, budget. We've done really well. We'll finish out very strong for this year, and going into next year, I think we'll try to see how it pans out.

Barbera Bagneris You have anything else? No, I was gonna ask the Finance Committee if they want to make any, I have one public comment. But do you say anything on behalf of Finance Committee?

Newton Pham No, you know, staff did a pretty thorough job presenting it to us. We find it reasonable, maybe a little bit of sandbagging, but, you know, overall, pretty reasonable. And then, you know, I just want to like you, like Melissa just said, commend the staff for all the hard work they put together, doing the budget.

Barbera Bagneris Thank you so much.

Tanya Bilezikjian Yeah, I mean, I agree with with Director Pham and the statements he made, I'm glad to see that we're not raising fair entry or parking this year. I think that shows that we're we're really being careful with what we're charging, knowing that the fair can be an expensive proposition, especially for a family. Yeah, just thank you for your leadership and for your leadership and all the work that has gone into it.

Barbera Bagneris And just know all the detail is in front of you. So all of the details I am going to call for public comment, we do have one, Gibran Stout. Gibran, you could come up.

Gibran Stout Before I start for comment, I had a couple questions for Melissa, who mentioned here and I did trails, the trail thing, how much was on that for that?

Michele Richards So we heard 10,000

Melissa Au-Young Well, we have 100,000 contingency funds that can use, we can use for

special projects throughout the year. And so we can dedicate that for it.

Barbera Bagneris Okay, im going to ask for the public now, yes, yes, we really, because we really not going back...

Gibran Stout I had questions, yeah, so you could, I thought I could ask that...

Michele Richards There was a budget workshop.

Gibran Stout Yeah, it wasn't brought up budget workshop. It was a result of the budget workshop. Go back about that so you.

Barbera Bagneris You have three minutes for your public comment.

Gibran Stout Okay, of the things that I mentioned at the budget workshop was that there's not any anything for recreation, which is one of your purposes, one of your two purposes is building and maintaining recreational facilities. There was the income listed a 493,000 for department 25, I'm not sure where that's going to come from, because you're essentially removing all of the trainers, which means you're removing all the borders. So I have no clue where that income is coming from. You should be asking that question, because you were told there was 53 borders. There's not, there's 39 and 36 of them are under that without agreement thing. So it is important to remember that with no trainers, there's no borders, trainers are like lifeguard in the pool. And so I would love to know, and I think you should be asking yourselves the same question, where's this info coming from? What's plan, marketing? What's plan? I know we've been asking for months and years to be part of that plan, but apparently that's yeah, you have your \$400,000 slated for department 25 for the vision. That seems like an awful lot of money for a vision. In January, we were told that there would be a plan, a budget and a timeline for this vision, for department 25. There was no budget. There's piecemeal things. There's a patio cover, which there's no patio there's a loading dock, which there is no loading dock. So there's hundreds of 1,000's of dollars with no budget, no plan, no timeline. That's very concerning. It would be great to see money going into the facilities, not just on paint and patio covers. When it's equestrian center or a ranch or whatever you want to call it. I think again, we were told one thing, and now there's another thing happening. So in January, there was this great vision. We keep hearing about the vision, but there's supposed to be a plan behind that vision. There has been no plan, no budget, no timeline. And you know, 15,000 here, 65,000 here, you know, this is adding up to, you know, actually 393,000 that's a lot. That's a whole lot. But no budget, no plan, and no timeline. So I have questions.

Barbera Bagneris Okay, thank you. The Chair will entertain a motion on thee budget.

Natalie Rubalcava-Garcia

I'll make a motion to accept. I also want to make a comment, if that's okay, Vice Chair, I great job with this budget. It's so clear and easy to understand. I love that we are going to have a net profit of 5 million to do other things within the fair. I also just want to highlight I actually looked up recreation, because we keep that coming up, and the definition of recreation is just about anything you do for fun. And I would have to say that practically everything we do at the Orange County Fair and Event Center is or fun or some sort of entertainment. So I think that we've met that value statement goal. I'm also happy to see that we have The Ranch in our budget. And then I look forward to seeing the growth and more expansion in 2025 so happy to make this motion to accept the budget that you all work so hard on planning.

Robert Ruiz Second.

Barbera Bagneris We have a motion and second, Summer will you take the roll call?

Summer Angus Chair Kovacevich?

Nick Kovacevich Yes.

Summer Angus Vice Chair Bagneris?

Barbera Bagneris Yes.

Summer Angus Director Pham?

Newton Pham Yes.

Summer Angus Director La Belle?

Doug Le Belle Yes.

Summer Angus Director Rubalcava-Garcia?

Natalie Rubalcava-Garcia Yes.

Summer Angus Director Ruiz?

Robert Ruiz Yes.

Summer Angus Director Bilezikjian?

Tanya Bilezikjian Yes.

Summer Angus And Director Jackson.

Dimitria Jackson Yes.

Barbera Bagneris Okay, very good. We have one more that's actually review a recommended amendment to policy 3.01 board of composition and officers, and we vote on whether to approve or not. So I will turn this over to the Governance Committee to introduce this item.

Doug Le Belle Yes. Vice Chair bonaries, the Governance Committee, with staffs, helped put together just a minor change to that policy that would give the future boards the ability to do what we are doing now, which is a two year term for the chair and vice chair. So this opens it up, and it makes it clear that future boards have the option of continuing to do that or go back to what we've done in the past. So be happy to answer any questions. But if Michelle wants to add anything additional, or Nick why we try to make it pretty simple to address that

Michele Richards I think the policy amendment that would clarify that consecutive terms, even while the board holds an annual election, that there could be consecutive terms. So we would add to policy 3.01 the statement you see in red, the board, at its discretion, may re-elect the board, chair and or vice chair to serve additional terms.

Tanya Bilezikjian I'll make a motion to accept.

Barbera Bagneris We have a public comment first, so I'm going to call Reggie Mundekis.

Reggie Mundekis I support the item.

Barbera Bagneris Okay. I will take your motion Now.

Natalie Rubalcava-Garcia I'd like to make a motion to accept.

Barbera Bagneris We have a second by Director Bilezikjian. Summer?

Summer Angus Chair Kovacivich?

Nick Kovacevich Yes.

Summer Angus Vice Chair Bagneris?

Barbera Bagneris Yes.

Summer Angus Director Pham?

Newton Pham Yes.

Summer Angus Director La Belle?

Doug Le Belle Yes.

Summer Angus Director Rubelcava-Garcia?

Natalie Rubalcava-Garcia Yes.

Summer Angus Director Ruiz?

Robert Ruiz Yes.

Summer Angus Director Bilezikjian?

Tanya Bilezikjian Yes.

Summer Angus And Director Jackson?

Dimitria Jackson Yes.

Summer Angus Thank you.

Barbera Bagneris Awesome. Thank you so much for accommodating our schedule here. So that director Ruiz can stay with us. You're free to go anytime, there no action items, and you can watch the replay if you want to see anything else. So we're going to circle back to the CEO's operational announcement updates. I'll turn it over to her updates.

Michelle Richards Okay. Sorry, going to need to go back here a little bit..

Mellisa Au-Yung Oh, you might be back

Michele Richards Yeah, sure, right, nope, the one right above it. There we go. Thank you. All right. It was a beautiful, warm day at Hero's Hall on November 10, as we hosted our annual Veterans Day celebration. An estimate at 600 we're in attendance for the program, which included a warm welcome by Vice Chair Bagneris and a keynote address by Nick Berdino. The premise of this year's event was on the healing power of art for veterans and their families who struggle after service. There were plenty of creative activities, including crafts, music and dance, along with service organizations that support the veterans community and thank you to chair Vice Chair Bagneris for helping to host the event. It was a beautiful day. Yes, all right. You remember that artist rendering of the mural at at the ranch. So the new entrance mural to the ranch is well underway. The first week of November, our our painting crew, part of our facilities team, front the wall to create the canvas for the mural. And our talented

exhibits team continues to make the artists vision a reality. It's really coming along. It's beautiful. It's going to create quite a nice entrance to The Ranch. And speaking of the ranch, the RFP for horse feeding, stall cleaning and arena maintenance is ongoing. Notice that the proposed award will be posted on Monday, after we complete that process, Chief admin officer Melissa and Chief Business Development Officer Michelle Caps, have been meeting with the Newport Mesa Unified School District on several topics, including with the team responsible for the education extension programs for the school district. They're very excited about expanding the ranch after school program to include other elementary schools and being involved in future school tours. So a really great start with the new Fort Mesa School District. The MOU with the North Orange County Veterans Center is being finalized, and we're looking forward to supporting our first group of veterans with licensed Equine Assisted Therapy very soon. Thank you to the board for your thoughtful participation in last Friday's strategic planning session. You'll remember we got through half of it, and we'll continue at the December Board meeting. So that concludes my report. I know we've got some updates during the facilities committee.

Barbera Bagneris Okay, very good. Now

Michele Richards I'm done.

Barbera Bagneris Any comments from the board members. Okay, we are going to go to Item 9c, announcement of board chairs, committee assignments, and if Chair Kovacevich is still online.

Nick Kovacevich Yeah, I am.

Barbera Bagneris Lead the way.

Nick Kovacevich Thank you. So look, I think things are going smooth. Obviously the board believes that, and evidenced by the renewal of the leadership committee as is or as was, and we're taking the same approach to the committees, I think everything is going very smooth, and we're going to keep the committees as they are and continue to get the great work done that we've been getting done. So thank you guys for being dialed in on these committees and you know, really mastering your respective domains. And look forward to more of that at the rest of the year and through next year. Thank you.

Barbera Bagneris Awesome. Any comments? All right, very good. We're going to keep the agenda moving. Then we're going to go to Item 9d, our committee. As our committee lays on reports. And we will start with Leadership Committee. And let's see right here, I'll be very quickly. Oh, we had, we met on the sixth of November, and we plan to have our next meeting

before the November, the December meeting and on December the fourth. So other than that, we're just keeping things moving. Next, we will have the Financial and Audit Committee. Director, Pham, chair and Director Bilezikjian, anything else after the budget?

Tanya Bilezikjian Oh, no, I was not aware that I was on deck.

Barbera Bagneris You're on deck.

Tanya Bilezikjian Yeah, I think Melissa said it all. I really don't have a lot to offer.

Michele Richards Further numbers?

Tanya Bilezikjian Sorry, I was just unprepared.

Michele Richards Or I can I've got it up, if you'd like. Okay, here we go. So the committee reviewed the October 2024, financial reports via email this month because of the budget study session. So revenue for the month of October came in at 1.95 million, which is favorable to budget by 492,000 primarily due to Boom AHA and several new events. And interest income on our higher cash balances year to date, revenues for the. First 10 months of 2024, are favorable to budget by 6.37 million. Total expenses for the month of October are 4.55 million. They're actually unfavorable to budget by 1.72 but this is mainly due to delayed invoices related to utilities, pac-amp contracted labor, unbudgeted expenses for the Equestrian Center for the second half of the year. You remember that we didn't have budgeted expenses for the second half of 2024. Year to the expenses of 51 million, and unfavorable to budget by 1.3 million. So for the year to date, period ending October 31 net proceeds are favorable to budget by 5 million. Cash and cash investments as at the end of the month are 57.5 million. And of course, the committee hosted the budget study session last week, and now we have an approved budget.

Tanya Bilezikjian So the October expenditures were mostly just a timing thing. Yes, not expected.

Michele Richards Michele Richards
Yeah, exactly. There were some, you know, fair and post fair invoices that were late. Yeah.

Barbera Bagneris Very good. Thank you very much. And thank you to the Finance Committee. You guys have had a full agenda this past couple months, so we thank you for all your work. I will now move to the Facilities Committee. I know Director Ruiz...

Tanya Bilezikjian This time I got a heads up. So, as always, we met for our monthly

meeting. We talked about ongoing construction projects, capex and the Master Site Plan and progress on on that. So for capex and is madly trying to finish a whole bunch of finished so we're looking at most projects 2024 Are you still looking to push a couple or cancel? Yeah, absolutely Council, because the support at the state level just isn't coming through. They're overwhelmed as well. And as an engineer in the engineering world, I could say that there's not enough engineers out there to design all the projects that need to be done. We obviously looked at the 2025, capex draft budget and just passed it. So thank you for the support on that everybody. On the Master Site Plan, administration, building progress is continuing, still a couple days behind schedule, a week and a bit okay, but yeah, there's winds and other weather items, right? So yeah, we have to look out for CMD. That has to be the priority. But see here... phase two, continuing on the design side. So we're gearing in on 60% design drawing, and once those are through, then we'll get right onto 90% right? Let's go through review.

Ken Karns So to clarify, so at the 30% stage, we those are done, and we're looking at an estimate at that time as we move to 60% and hopefully, based on numbers, you won't have to refuel. And then, as director said, we will drive on to 90% correct?

Tanya Bilezikjian Very good. And then that was the session.

Ken Karns Okay, maybe we have a couple of photos?

Michele Richards We do.

Ken Karns Yeah, so roof decking is here and going up, so we're trying to get the building closed in, and trenching for all the new high voltage is also going in. So just a couple of photos.

Michele Richards And why are we excited about the roof decking?

Ken Karns Well, we're going to get closed in before the snow fly. It was cold this morning, it could have snowed somewhere.

Barbera Bagneris Thank you Facilities Committee. Comments from the Directors? Thank you very much. We're going to move now to the Governance Committee. Director, La Belle and Chair Kovacevich.

Doug Le Belle We have nothing further.

Barbera Bagneris Okay, very good. Thank you so much. Thank you for bringing that amendment to us. And the Community Affairs committee, Directed, Oh, you don't have reports.

Natalie We don't have a report, but we will be meeting, and we'll work with CEO

Rubalcava-Garcia Richards to plan out next year and hopefully have something to share in the next meeting. And thank you, Chair Kovacevich for continuing to allow us to serve together on this committee.

Nick Kovacevich So. Yeah, this has been one of the most impressive committees. Director Rubalcava-Garcia, so keep up the good work.

Barbera Bagneris All right, so we're going to move to upcoming events, and imma turn this over to CEO. Oh no, Michelle C, the other Michelle.

Michele Capps Yeah, Michelle, we're going to start off with winter fest. It's the ultimate Winter Wonderland here in Orange County, dazzling holiday scenes over 1 million lights. There will be snow falling, there are rides, entertainment and all kinds of tasty treats. And that runs this Friday, tomorrow through January 5. It is select date. So after the first straight 10 days the run, they take a couple days off and they come back intermittently. So check your calendar and get tickets in advance. The tree lot is also going up. That is next Friday, and the run until December 16, or until they run out of trees, and then the monthly Fight Club OC is on Thursday, December 5, and the gem fair returns December 6 through the eighth. That's where you can shop for your gemstones, millions of beads, Crystal, gold, silver, any kind of jewelry repair you can get done there as well. And then we also have creative big market that's a free event. Over 100 local vendors will be there, all kinds of holiday gifts, ceramics, candles, soaps, all kinds of little unique gift items. There's also going to be gift wrapping, face painting. This one is themed with bluey so families will can bring out their little ones to meet Louie again, all kinds of tasty treats. And we have the gymnastics competition December 14 and 15th, and this one is the winter wonderland themed gymnastics meet. And then we move on to December 15 and 16th. Is share ourselves. Adopt a Family. This you you can provide comfort to families and individuals by exploring the profile stories and wish list of families, and you can bring in a little extra cheer to families this holiday season, again, it's December 15 and 16th. And then we move over to Centennial Farms, where they have their workshops that you can sign up for this Saturday is make your own report that, and then we have the make a wreath. There's two sessions on each of these, the make a wreath and the holiday centerpiece. And buy your tickets, sign up for which session you want, and you will be taking home the wreath or the centerpiece that you made. And discovery days is coming back December 16. That's a self guided tour. We will have our Joseph's out there and telling you all about the animals and each of the garden stops. And every Thursday Farmer's Market is here, so make plans to be here this month. That's it. Very Happy Birthday to Rubalcava-Garcia on November 30.

Barbera Bagneris The 30th, the same day as my daughters birthday.

Natalie Rubalcava-Garcia Oh, really?

Barbera Bagneris 30 years younger than me.

Natalie Rubalcava-Garcia Oh, so I'm only 16 years younger than my mom so Yeah.

Barbera Bagneris Well, thank you. I love my birthday...we're going to move to the Board of Directors. Matters of information. We'll go around the room. I want to start with the Zoom still left with us. Okay? We'll go with you. Director, La Belle.

Doug Le Belle Thank you, Barbara. First of all, happy birthday to you And Natalie. And I also want to wish everybody and their families a very happy Thanksgiving. And I want to compliment the Financial Committee, as well as the Michelle, Melissa and the entire staff. I have been involved in a number of budgets in the public sector over the decades, and I've got to say that the budget as prepared by Michelle and Melissa is. Just outstanding. It's very informative, very refined, and I think speaks very well to the efforts of, obviously, the board, but the staff and their efforts to keep us moving forward in a positive direction. So again, happy Thanksgiving. And that concludes my comments.

Barbera Bagneris Thank you so much. Director Kovacevich. Chair, sorry.

Nick Kovacevich Hello and thank I echo Doug's comments. The you know, financial planning that this organization does has really top tier, and I've been involved in a lot of organizations and a lot of financial planning. And, you know, contrary to Newton's comments, I don't think there's too much sandbagging going on, just more over achievement on the operational front. So love to see it and thank you guys for getting that done and the board for approving it. And I will say happy birthday to Barbara and Natalie. I am so happy for you both. I am going to have a birthday cocktail right after this. In your honor down here in Cabo.

Natalie Rubalcava-Garcia Please have two for me.

Nick Kovacevich Okay, twist my arm. Okay. Thank you. Take care, everyone.

Barbera Bagneris Thank you. Thank you. We'll go around the room. Start with you. Director Jackson.

Dimitria Jackson Once again, happy birthday. So thank you both. Great job to the staff as well as the board. Everyone's doing excellent job, and I'm looking

forward to Thanksgiving. It's actually my favorite holiday, so just that whole family time and being thankful, and I'm thankful for the opportunity to work with you all. So enjoy the holidays.

Barbera Bagneris Thank you. Bilezikjian.

Tanya Bilezikjian That was lovely. Happy birthday to you both. I love celebrating birthdays, and I love celebrating people. It's the day that we all get to be selfish a little bit and to celebrate ourselves so so happy birthday to you both. This month, Thanksgiving is also my favorite holiday. I always look forward to spending the time and having the time away from work, and it's just a great opportunity to reflect and think about the rest of the holidays and the new year that's about to come. So I have so much excitement for this next year. It's been a wonderful year being on the board and working with all of you, and I can't wait for what's to come. Thank you.

Barbera Bagneris Thank you, Director Garcia.

Natalie Rubalcava-Garcia Thank you. I also just have a lot of gratitude for serving on this board with I have to say, we've had a lot of great boards, but this is one of my favorites. I think everybody who's serving is here for all the right reasons, and it's just been great to be able to work with everybody. So since this is the month of gratitude, I will just say that I'm grateful for that and for the work of all of our great staff under your leadership. Michelle.

Barbera Bagneris Thank you. Thank you. So I rounded out I'm thankful for 67 years of life. I think every year that God gives us, we should be thankful for it and just do something with it. Pay something forward, do something great. This facility is somewhere you can do great things because it brings joy to people's lives. So I just love being on this board. I love our staff, our executive staff. I love every employee, because they all bring something to the table that makes this thing work. And I too, look forward to the fair for next year, and I thank our chair. He has been incredible. I've learned so much from you, Director Kovacevich, that how I can refine what I do and what I say. He is a master at it. So I I love you for that, and I enjoy working with you and all of our committees, all the work that you continue to do on a month to month basis, to keep us in mind on track and moving the business of this fair forward. So I appreciate that. I love Thanksgiving as well and Christmas. So I'm looking forward to this week, next week coming up, and I hope that everyone has a happy Thanksgiving. And I think there's nothing else, if not Happy Thanksgiving, because they're always on top right, Happy Thanksgiving. And our next board meeting will be December 19. And with that, I'm gathering this to a close. I hope you're proud of me Director Kovacevich. All right. Thanks, everybody.

