

**CALIFORNIA EXPOSITION & STATE FAIR**  
**FINANCE COMMITTEE**

Committee Meeting Minutes  
Held via Teleconference  
Friday, June 26, 2020  
11:30 a.m.

**MINUTES**

Committee Members Present:

Rex Hime, Committee Chair  
Director Erin Choi  
Director David Mallel  
Director Brian May

Staff Present:

Chief Executive Officer (CEO)	Rick Pickering
Chief Deputy General Manager (CDGM)	Tom Martinez
Deputy General Manager-Administration	Samantha Brown
Deputy General Manager-Business Development (DGM)	Margaret Mohr
Assistant General Manager Expo Events	Marcia Shell
Ag Programs Manager	Jay Carlson
Chief of Police	Everest J. Robillard
Recording Secretary	Sue O'Brien

Committee Chair Hime called the Finance Committee Meeting to order at 11:32 a.m. Roll call was taken and a quorum was present. Committee Chair Hime dispensed with the reading of the Mission Statement and Public Comment Statement.

**FINANCIAL REPORTS**

**a.** Review and Update of Cash Flow

Deputy General Manager (DGM) Brown reviewed the working draft balance sheet dated 06-26-2020 with the committee. She stated that this was the best estimate for the end of the month. There was a discussion on the unemployment number which is expected to increase significantly, on the temp help which is for securing revenue and protecting the property and the reimbursements. DGM Brown explained that the reimbursement amounts are not always covered. It is difficult when there are many agencies involved and they start to say the other agency is paying for that which is what is happening now. Committee Chair Hime asked for the total amount billed to date and the total amount that will be billed be given to the Finance Committee. DGM Brown continued with the operating expenses and pointed out the property insurance amount, which is 20% down is due in July and that the Pro Rata amount had decreased. DGM Brown went on to say that by the end of July Cal Expo will be out of cash and operating in the negative. Committee Chair Hime pointed out that Cal Expo still doesn't have a

line item in the budget nor any knowledge of the amount of the \$40.3 million given to Food & Ag to help Cal Expo. Director Mallel asked what happens on August 1<sup>st</sup>. CEO Pickering stated that staff has been working on several different scenarios to stay open. Committee Chair Hime made a motion.

**MOTION:**

That our Committee recommends to the Board to direct staff to draft a letter that outlines every single step we have taken in the last 2 years to address our concerns, some meetings we've held, some statement we've released and all of our finances all the way through to the very moment we are today. Have the letter end with the fact that the sustainability of California Exposition and State Fair end on July 31, 2020. Signed by all Board Members and provided to the Governor, every member of the Legislature and possibly the media. Director Mallel seconded the motion. Discussion: Director May thought the bigger risk was how do we get to the 2021 Fair? What is the ask? How much money is needed for the 2021 State Fair? Committee Chair Hime asked staff what that amount would be. After a discussion it was determined that \$10 million would be the amount just to start the 2021 Fair. Director Mallel asked to have included in the motion to direct staff to determine an amount that will allow us to get to August 2021. After more discussion it was determined that DGM Brown would supply a dollar amount to include in the letter. Committee Chair Hime called to a roll call vote. Director Choi, yes; Director Mallel, yes; Director May, yes. Committee Chair Hime, yes. **Motion carried unanimously.**

**b. Review and Approval of Property Insurance 2020-2021**

Deputy General Manager Brown reviewed the staff report and recommended that the committee recommend approval by the Board of the Haas & Wilkerson property insurance proposal. Committee Chair Hime called for a motion.

**MOTION:**

It was moved by Director May and seconded by Director Choi. **All in favor, motion passes unanimously.**

**ADJOURNMENT**

Committee Chair Hime asked for adjournment.

The Finance Committee meeting adjourned at 12:30 p.m.