



## **Notice of Meeting**

California Exposition & State Fair  
Meeting of the Board of Directors  
To Be Held

**Friday, June 4, 2021**  
**Closed Session at 9:00 a.m.**  
**Public Meeting at 10:00 a.m.**

**The meeting will be held via teleconference originating at  
California Exposition and State Fair**  
1600 Exposition Boulevard  
Sacramento, CA 95815

Due to Executive Order N-29-20, California Exposition & State Fair will provide a teleconference option for its upcoming public meeting. Public and members of the California Exposition & State Fair Board of Directors may participate via teleconference to minimize the spread of COVID-19. No physical location will be provided.

### **Register in advance for this meeting:**

<https://us02web.zoom.us/j/87517651075?pwd=V3Y4d3dQVStVSkh0UzdLWFJxMXE1dz09>

After registering, you will receive a confirmation email containing information about joining the meeting.

### **PLEASE MUTE YOUR PHONE IF NOT SPEAKING (\*6)**

**Call In Number: 669-900-6833**

**Meeting ID: 875 1765 1075**

**Password: 651937**

### **PUBLIC PARTICIPATION INSTRUCTIONS:**

To comply with social distancing requirements and the stay at home order from Governor Newsom, the Board Room at Cal Expo will be closed to members of the public and all public participation will be handled remotely. If you are joining the meeting via zoom and wish to make a comment on an item, please enter your name and the item number in the "Chat Box" and the Board Chair will call on you at the appropriate time. If you are joining the meeting by phone, press \*9 to indicate a desire to make a comment. The clerk will call you by the last three digits of your phone number when it is your turn to comment. Speakers will be limited to 3 minutes. By participating in this meeting, you acknowledge that you are being recorded.

Jess Durfee, Chair  
Rex Hime, Vice Chair

Rima Barkett, Director  
Erin Choi, Director  
Sonney Chong, Director

Rina DiMare, Director  
David Mallel, Director  
Brian May, Director

EX OFFICIO MEMBERS

Governor Gavin Newsom

Senator Dr. Richard Pan  
Senator Andreas Borgeas

Assembly Member Kevin McCarty  
Assembly Member Robert Rivas

This notice is also available on the Internet at: [www.CalExpoStateFair.com](http://www.CalExpoStateFair.com)

**Mission Statement**

The California Exposition & State Fair mission is to create a State Fair experience reflecting California including its industries, agriculture, and diversity of its people, traditions and trends shaping its future supported by year-round events.

**Policy Statement**

The Board shall serve as the policy-making body for the California Exposition & State Fair and shall have full responsibility for the year-round management and operation of all facilities of the California Exposition & State Fair.

**Public Comment**

Any member of the public wishing to address the Board on any matter listed for consideration on this agenda should review the Public Participation Instructions on the front page of this agenda. All speakers will be recognized by the Chair and be allowed a maximum of three minutes to address the Board at the time the agenda item is being considered by the Board. If you wish to address the Board on a matter not listed on the agenda, you have that right. If you wish to exercise that right, please review the Public Participation Instructions on the front page of this agenda. You will be allowed a maximum of three minutes to address the Board during the Public Comment item on the agenda.

## AGENDA

**1. CALL TO ORDER – Public Meeting**

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

**2. ROLL CALL**

**3. CLOSED SESSION**

The Board will convene in closed session as authorized by Government Code Section 11126(e), (2), and (B), to confer with and receive advice from legal counsel regarding potential litigation involving the California Exposition and State Fair. Based on existing facts and circumstances, there is significant exposure to litigation against California Exposition & State Fair.

**4. RESUME PUBLIC MEETING**

- a. Report out of Closed Session if needed.

**5. INTRODUCTION OF STAFF**

**6. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA**

In accordance with state law, the Board will not comment or otherwise consider Public Comment matters until and unless such item has been properly noticed for a future meeting.

**7. CONSENT AGENDA**

All items on the consent agenda are to be approved in one motion unless a Board Member requests a separate action on a specific item.

- a. Approval of Board Meeting Minutes for March 26, 2021.
- b. Approval of Board Committee Meeting Minutes for March 26, 2021.
- c. Accept Cultural Advisory Council Meeting Minutes of November 14, 2020, as presented.
- d. Service Contracts/Purchase Orders Requiring Board Notification/Approval.

**8. COMMITTEE AND STAFF REPORTS**

Finance Report

- a. Profit & Loss Statement
- b. Balance Sheet
- c. Review and Update of Cash Flow Statement
- d. AR Report

Exposition Facilities & Operations Report

- a. Review of Events Returning to Cal Expo and Moving Forward

**9. OLD BUSINESS**

- a. Ratification of Staff's Action to Extend COVID Agreements with County of Sacramento and Kaiser Permanente

**10. NEW BUSINESS**

- a. Update and Possible Action Regarding Losses During Pandemic by Spectra as Master Food & Beverage Contractor at Cal Expo and Operator of Heart Health Park.
- b. Update and Possible Action Regarding the Planned Cancellation of the Annual 4<sup>th</sup> of July Fireworks Event at Cal Expo.

**11. MATTERS OF INFORMATION**

- a. Update on COVID-19 Emergency Support Provided by Cal Expo
- b. CEO Comments
- c. Directors Comments/Agenda Items for Future Meetings
- d. Next Board Meeting – **September 24, 2021** (Subject to change due to COVID-19 emergency)
- e. Other, if any

**12. ADJOURNMENT**

Date of Notice: May 25, 2021

Pursuant to the Americans with Disabilities Act, individuals who, because of a disability, need special assistance to attend or participate in any Cal Expo Board, Committee or any Advisory meetings, or in connection with other Cal Expo Activities, may request assistance at the Cal Expo Administration Building Offices, 1600 Exposition Boulevard, or by calling 916-263-3247, during normal business hours. Requests should be made one week in advance whenever possible.



# CONSENT AGENDA

# **CALIFORNIA EXPOSITION & STATE FAIR**

Minutes of the Board of Directors Regular Meeting

Held Pursuant to Due Notice  
March 26, 2021

The meeting was conducted by teleconference originating at  
California Exposition & State Fair  
1600 Exposition Boulevard  
Sacramento, CA 95815

**Directors Present**

Director Jess Durfee, Chair  
Director Rex Hime, Vice Chair  
Director Rima Barkett  
Director Erin Choi  
Director Sonney Chong  
Director Rina DiMare  
Director David Mallel  
Director Brian May

**Executive Staff Present**

Rick Pickering, Chief Executive Officer  
Tom Martinez, Chief Deputy General Manager  
Marcia Shell, Assistant General Manger Expo Events  
Sue O'Brien, Recording Secretary

**Others Present: 5 as identified by Zoom**

Jen Koga, Cal Expo Accounting Manager  
Adam Keigwin, Mercury, LLC  
Josie Lee, Cal Expo Staff  
Jack Yanos, SHJ Associates  
Jackie Zdanowski, Cal Expo Staff

- 1. CALL TO ORDER – Public Meeting**

Chair Durfee called the public meeting to order at 10:07 a.m. Chair Durfee dispensed with the reading of the Mission Statement, Policy Statement and the Public Comment Statement.
- 2. ROLL CALL**

Roll call was taken and a quorum was present. The Board then convened into closed session.
- 3. CLOSED SESSION**

The Board will convene in closed session as authorized by Government Code Section 11126(e), (2), and (B), to confer with and receive advice from legal counsel regarding potential litigation involving the California Exposition and State Fair. Based on existing facts and circumstances, there is significant exposure to litigation against California Exposition & State Fair.
- 4. RESUME PUBLIC MEETING**
  - a.** Report out of Closed Session, if needed.

The Public Meeting resumed at 10:25 a.m. Chair Durfee stated that there was no action taken and nothing to report out.
- 5. INTRODUCTION OF STAFF**
- 6. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA**

In accordance with state law, the Board will not comment or otherwise consider Public Comment matters until and unless such item has been properly noticed for future meeting.
- 7. CONSENT AGENDA**

All items on the consent agenda are to be approved in one motion unless a Board Member request a separate action on a specific item.

  - a.** Approval of Board Meeting Minutes for February 26, 2021.
  - b.** Service Contracts/Purchase Orders Requiring Board Notification/Approval.

**MOTION:**

Chair Durfee asked for a motion to approve Board Meeting Minutes for February 26, 2021. The motion was moved by Director Chong and seconded by Director Mallel. Chair Durfee asked for a roll call vote; Chair Durfee, yes; Vice Chair Hime, yes; Director Barkett, yes; Director Choi, yes; Director Chong, yes; Director DiMare, yes; Director Mallel, yes; Director May, yes. **Motion carries unanimously.**
- 8. COMMITTEE AND STAFF REPORTS**

Finance Committee

  - a.** Profit & Loss Statement for 2020



b. Balance Sheet for 2020

c. Review and Update of Cash Flow Statement

Committee Chair Hime reported out that the finance committee reviewed the Profit & Loss statement, the Balance Sheet and cash flow documents.

**MOTION:**

Committee Chair Hime made the motion that the Board accept the finance committee's recommendation to accept all of the finance reports. Motion was seconded by Director Barkett. Chair Durfee asked for a roll call vote; Chair Durfee, yes; Vice Chair Hime, yes; Director Barkett, yes; Director Choi, yes; Director Chong, yes; Director DiMare, yes; Director Mallel, yes; Director May, yes. **Motion carries unanimously.**

**9. OLD BUSINESS**

a. Cal Expo continued Emergency Support of the Community during COVID-19 Pandemic.

1. Recommended Review and Approval of the City of Sacramento's request for a temporary extension of the License Agreement for the continued emergency use of Cal Expo to support the City of Sacramento's 63 FEMA trailers.

Chief Deputy General Manager Martinez reviewed the staff report with the Board. Staff's recommendation is that the Board authorize continuing the trailers at Cal Expo through the month of April and then delegate authority to staff should the trailers need to stay sometime into the month of May. Chair Durfee asked for a motion and it was moved by Director May and seconded by Director Chong.

**MOTION :**

Chair Durfee stated that the motion is to extended the contract with the City for 30 days and then authorize staff to extend it another 30 days if the need arises. Discussion: None Chair Durfee asked for a roll call vote; Chair Durfee, yes; Vice Chair Hime, yes; Director Barkett, yes; Director Choi, yes; Director Chong, yes; Director DiMare, yes; Director Mallel, yes; Director May, yes.

**Motion carries unanimously.**

**10. MATTERS OF INFORMATION:**

a. Update on COVID-19 Emergency Support Provided by Cal Expo

b. CEO Comments

CEO Pickering updated the Board on the COVID 19 projects at Cal Expo. Cal Expo is still supporting 4 COVID projects. 1 Testing project, 2 Mega Vaccinations projects and 1-63 trailers to support homeless with COVID or high risks for COVID. Cal Expo's Mega Vaccination Centers are approaching vaccinations of 130,000 people. Pickering also reported that Acting Chief Walton has agreed to continue for another 6 months as Acting Chief for our Police Department. He is doing a great job.

Pickering updated the Board regarding the \$15 million Deferred Maintenance Money. Cal Expo has encumber almost all that with projects. \$7-8 million in projects were underway or completed by the end of 2020 and \$2-3 million more projects have been completed since December of 2020. Cal Expo is down to encumbering the final \$2 million. The \$15 million certainly helped with roofs, HVAC and replacing 1.8 miles of underground gas lines, junctions, meter boxes and the things that the public doesn't see. Cal Expo is putting together the next list of deferred maintenance projects. These projects are all tied back to the Sierra West Study.

CEO Pickering continued with events and tenants. Watch & Wager will be wrapping up late April, early May. They are in the process of moving out. Cal Expo has put a contract in place with Sacramento County Fair, which is a State Agency Fair. Cal Expo is assisting them in doing their livestock grading and auction. This event is taking place in the horse racing barn area as it did last year, with a larger foot print. This is contingent upon Sacramento County Fair receiving Sacramento County Health, Cal Fire and California Horse Racing permit approvals. Mike Albiani is their current Board Chair.

Cal Expo is applying for a Federal grant called the Shattered Venue grant as it's related to entertainment venue which Cal Expo is one.

Sac Republic doesn't have a Pro-league schedule yet and are planning their first friendly match in April.

Raging Waters originally didn't plan on opening for Summer 2021. We are now in dialog with them for a June opening.

Our events department has been in negotiations with several of our larger events that want to come back. Country in the Park, International Sportsman Expo along with 20-30 other events want to return to Cal Expo.

Cal Expo had a productive meeting with Cal Trans regarding the widening of the Capital City freeway and using Cal Expo as a staging area.

CEO Pickering thanked all the employees that are still working at Cal Expo for picking up other duties to keep Cal Expo open.

**c. Directors Comments/Agenda Items for Future Meeting**

Director May wanted to echo CEO Pickering's comments to staff.

Chair Durfee stated that he is happy with things and that we are surviving this. A year ago we were wondering where we would be after cancelling the 2020 State Fair. Cal Expo is still here and there is light at the end of the tunnel. Durfee continued to say how much he appreciates Marcia Shell and Jen Koga for taking on more duties.

**d. Next Board Meeting – Friday, April 30, 2021, (Subject to change due to COVID-19 emergency)**

**11. ADJOURNMENT**

**MOTION:**

Chair Durfee called for a motion to adjourn. The motion was moved by Director Chong and seconded by Vice Chair Hime. **All in favor, motion carries unanimously.**

The Board of Directors meeting was adjourned at 10:55 a.m.

DRAFT

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

Committee Meeting Minutes  
Held via Teleconference  
Friday, March 26, 2021  
9:30 a.m.

**MINUTES**

Committee Members Present:

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

Staff Present:

Chief Executive Officer  
Chief Deputy General Manager  
Assistant General Manager Expo Events  
Recording Secretary

Rick Pickering  
Tom Martinez  
Marcia Shell  
Sue O'Brien

**Others Present 7 as identified by Zoom**

Jen Koga  
Rima Barkett  
Sonney Chong  
Rina DiMare  
Jess Durfee  
Josie Lee  
Jackie Zdanowski

Accounting Manager  
Board Member  
Board Member  
Board Member  
Board Member  
Staff  
Staff

Committee Chair Hime called the Finance Committee Meeting to order at 9:34 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.

**1. NEW BUSINESS**

**a. Profit & Loss Statement for December 2020**

Ms. Koga reviewed the Profit and Loss Statement for December 2020 (column C) and highlighted items that had to do with December 2020. State Fair, Row 1 had some competition entries before COVID closure and Coca-Cola sponsorship tied to prior year State Fair. Miscellaneous, Row 10 included funds from CARES rebates to help offset the increase in our unemployment claims, monies from AB1499 share, State Funding pursuant to SB 115 for payroll and operational costs and funding from CDFA to help fund staff salaries, payouts of leave balances and unemployment insurance during layoff process.



**b. Balance Sheet for 2020**

Ms. Koga reviewed the balance sheet with the committee. Director May asked about the Compensated Absences (line 25) and does that reflect the employees that are gone? Ms. Koga explained that some employees left in January 2021 so that number should go down more. Committee Chair Hime asked if we had spent another \$7 million of the deferred maintenance money. Ms. Koga said that we had done projects in 2019 and 2020 and this is a declining amount.

**c. Review and Update of Cash Flow Statement**

Ms. Koga reviewed the Cash Flow sheet dated 03-09-2021 with the committee. She mentioned this working draft has had the same information as when first started. Line 9 shows income from our COVID projects, Sacramento County and Kaiser. Line 10, event revenue shows 0. We are waiting to hear from Sacramento County as to when events will be allowed and what they will look like. Line 26 is the CARES ACT rebate that is tied to Line 30 which is unemployment. The rebate is reimbursing Cal Expo about 50% of our unemployment bill. Line 28 shows that as of March Cal Expo had 31 PFT employees. There are 2 employees that are leaving so as of April Cal Expo will have 28 PFT employees. Ms. Koga wanted line 41 noted, that our General Liability insurance premium was based on having no events in 2021. If Cal Expo does start having events in 2021 our premium will be adjusted.

**MOTION:**

Committee Chair Hime asked for a motion to recommend to the full Board approval of year end financials. It was moved by Director Mallel and seconded by Director Choi. **All in favor, motion carries unanimously.**

**ADJOURNMENT**

Committee Chair Hime asked for adjournment.

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

The Finance Committee meeting adjourned at 9:56 a.m.



**Meeting Minutes of the  
California Exposition & State Fair  
Cultural Advisory Council**

Held

Thursday November 12, 2020, at 5:30 p.m.

Via teleconference originating at  
California State Fairgrounds  
1600 Exposition Blvd.  
Sacramento, California 95815

**Council Members Present**

Anita R. Johnson, Chair  
Jag Nagendra, Vice Chair

Dorian Almaraz, Member  
David Banuelos, Member  
Denise Carter, Member  
Letitia Earl, Member

Susan Knutson, Alternate Member

Chris Mateo, Member  
Cha Vang, Member  
Danny Vang, Member  
Jerry Yamashita, Member

**Council Members Absent**

Debora Richardson-Brister, Member  
Delgreta Brown, Member  
Twiana Armstrong, Member

Richard Pannell, Alternate Member

Stephanie Foster, Member  
Michael Colbruno, Member  
Cat Nou, Member

**Board and Staff Present**

Tom Martinez, Chief Deputy General Manager  
Sue O'Brien, Recording Secretary

This notice is also available on the Internet at: [www.calexpo.com](http://www.calexpo.com)

## MINUTES

- 1) **CALL TO ORDER** – The meeting was call to order at 5:33 p.m. by Chair Johnson.
- 2) **ROLL CALL** – Role was taken and a quorum was present.
- 3) **INTRODUCTION OF GUESTS & STAFF**  
Richardson Davis, Sol Project  
Twila Laster, Sol Project
- 4) **MINUTES OF PREVIOUS MEETINGS**
  - a) Approval of Council Meeting Minutes from August 20, 2020
  - b) Approval of Council Meeting Minutes from September 10, 2020

**MOTION:**  
Chair Johnson asked for a motion to approve the meeting minutes from August 20, 2020 and September 10, 2020. Vice Chair Nagendra moved the motion and Council Member Earl seconded the motion. **All in favor, motion carries unanimously.**
- 5) **NEW BUSINESS**
  - a) Election of Chair  
Open nominations from the floor:  
Chair Johnson nominated Vice Chair Nagendra for Chair of the Cultural Advisory Council. Vice Chair Nagendra accepted the nomination. Chair Johnson asked for other nominations, seeing none, nominations from the floor were closed. A vote was taken and Jag Nagendra was elected as Chair.
  - b) Election of Vice Chair  
Open Nominations from the floor:  
Council Member Earl nominated Council Member Banuelos for Vice Chair of the Cultural Advisory Council. Council Member Banuelos accepted the nomination. Chair Johnson asked for other nominations, seeing none, nominations from the floor were closed. A vote was taken and David Banuelos was elected as Vice Chair.
  - c) Setting Meeting dates for 2021  
Vice Chair Nagendra suggested that the meeting date be moved to the 3<sup>rd</sup> Thursday, at 5:30 p.m. A vote was taken and it passed unanimously.
- 6) **STAFF & MEMBER UPDATES**
  - a) Cal Expo Updates  
Chief Deputy General Manager Martinez had 5 items to report:
    1. State is still providing temporary funding to keep Cal Expo open as an emergency support facility through June 30, 2021.
    2. COVID drive through testing at Cal Expo continues to be the largest drive through in the State of California.
    3. 63 COVID trailers are still in Lot 26.
    4. Salvation Army support for families will still take place at Cal Expo.

5. 2021 State Fair – the Board would like to see some limited State Fair activities however doesn't know when large events will be allowed due to COVID.

A presentation was made to Letitia Earl for her years of service on the Cultural Advisory Council. Chair Johnson, Vice Chair Nagendra and Council member Cha Vang added comments.

**7) MATTERS OF INFORMATION**

- a) Public Comments Matters not on the Agenda  
Richardson Davis of the Sol Project gave a brief presentation.
- b) Members Comments Matters not on the Agenda  
Members thanked Chair Johnson for her work over the last 2 years.
- c) Next Cultural Advisory Council Meeting **January 21, 2021.**

**8) ADJOURNMENT**

The Cultural Advisory Council Meeting was adjourned at 6:10 p.m.



California Exposition & State Fair

SERVICE CONTRACTS

February 26, 2021 – June 3, 2021

Over \$100,000 Requiring Approval

Contractor	Amount (up to)
<ul style="list-style-type: none"><li>• <b>32<sup>nd</sup> DAA / OC Fair &amp; Event Center</b></li><li>• Design and build Grant Exhibit highlighting Specialty Crops in Counties</li><li>• Pass through Grant Funds from CDFA</li></ul>	<b>\$285,511</b>
<ul style="list-style-type: none"><li>• <b>Haas &amp; Wilkerson</b></li><li>• 2021/2022 Property Insurance Policy</li><li>• Policy currently with final underwriter</li></ul>	<b>\$XXX,XXX</b> <u>2020/2021 Policy</u> <b>\$343,510</b>

California Exposition & State Fair

PURCHASE ORDERS

February 26, 2021 – June 3, 2021

From \$15,000 to \$99,999 (rounded) Requiring Notification

Contractor	Amount
<ul style="list-style-type: none"><li>• <b>Ace Asphalt LLC</b></li><li>• COVID-19 Emergency Purchase – Asphalt Repairs</li><li>• Utilizing funds generated from COVID Projects</li></ul>	<b>\$19,212</b>
<ul style="list-style-type: none"><li>• <b>Software One, Inc</b></li><li>• Annual Microsoft Windows Software Licenses</li><li>• Procured using State's Cooperative Agreement</li></ul>	<b>\$29,738</b>
<ul style="list-style-type: none"><li>• <b>LEED Mechanical</b></li><li>• COVID-19 Emergency Purchase – Building 4 HVAC Condensor</li><li>• Utilizing funds generated from COVID Projects</li></ul>	<b>\$32,490</b>

Over \$100,000 Requiring Approval

Contractor	Amount
<ul style="list-style-type: none"><li>• <b>R &amp; S Overhead Doors &amp; Gates of Sacramento</b></li><li>• COVID-19 Emergency Purchase – Gates</li><li>• Utilizing funds generated from COVID Projects</li></ul>	<b>\$122,436</b>

**COMMITTEE & STAFF REPORTS**

# FINANCE REPORT

## POINT SHEET – PROFIT/LOSS STATEMENT-BOARD REPORT

**March 2021**

(Reference Profit/Loss Statement)  
(Comparison of Columns C and D Year End)

1. **State Fair (Row 1)** – 2020 includes competition entries before COVID closure and Coca-Cola sponsorship tied to prior year State Fair volume and ice sales.
2. **Expo Events (Row 2)** – Includes Kaiser Vaccination rent amounts (\$73K) and tower leases (\$46K)
3. **Miscellaneous (Row 10)** – Includes:
  - \$49K - CARES Rebates to help offset increase in unemployment claims due to COVID pandemic
  - \$1.50M - State Funding for payroll and operational costs pursuant to Senate Bill 115
  - \$584K – Funding from CDFA to help fund staff salaries, payouts of leave balances, and unemployment insurance during layoff process
4. **Salaries & Wages (Row 17) and Benefits (Row 18)** – Layoff effective 1/21/2021.





POINT SHEET – BALANCE SHEET-BOARD REPORT

March 2021

(Reference Balance Sheet)

1. **Restricted Cash (Row 3)** – Includes remainder of Deferred Maintenance appropriation from General Fund pursuant to Control Section 6.10 of the Budget Act of 2018.
2. **Prepaid Expenses / Deposits (Row 7)** – Approximately \$2.56M on deposit with CCA for Capital Projects in progress, most of which relates to Deferred Maintenance Projects.
3. **Accounts Payable (Row 24)** – Includes \$4.4M in payments due to CCA for Deferred Maintenance Projects that have since been paid
4. **Collections in Advance (Row 26) and Other Current Liabilities (Row 27)** - Interim Events Promoters are required to pay Rent and Event Deposits prior to their events. Due to COVID, no public events were held in the first quarter of 2021. Also, State Fair Sponsors would start being in contract as well as paying amounts due.

**CALIFORNIA EXPOSITION & STATE FAIR**  
**BALANCE SHEET**  
 March 31, 2021

ASSETS		Quarter 1 2021	Quarter 1 2020
1	<b>CURRENT ASSETS:</b>		
2	Cash	\$ 4,260,988	\$ 6,792,984
3	Restricted Cash	5,375,093	10,138,292
4	Accounts Receivable	1,665,654	1,864,508
5	Less Allowance for Doubtful Accounts	(2,627)	(5,494)
6	Advances	2,209	2,209
7	Prepaid Expenses / Deposits	2,619,592	2,493,652
8	<b>Total Current Assets</b>	<b>13,920,909</b>	<b>21,286,151</b>
9			
10	<b>PROPERTY, PLANT AND EQUIPMENT:</b>		
11	Land	\$ 1,643,577	\$ 1,643,577
12	Buildings	83,349,362	80,908,995
13	Equipment	6,679,509	6,379,341
14	Less Accumulated Depreciation	(74,169,548)	(73,658,604)
15	<b>Net Property, Plant and Equipment</b>	<b>17,502,900</b>	<b>15,273,309</b>
16			
17	<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 6,523,998</b>	<b>\$ 6,523,998</b>
18			
19	<b>TOTAL ASSETS</b>	<b>\$ 37,947,807</b>	<b>\$ 43,083,458</b>
20			
21	<b>LIABILITIES AND FUND EQUITY</b>		
22			
23	<b>CURRENT LIABILITIES:</b>		
24	Accounts Payable	\$ 6,852,243	\$ 3,071,713
25	Compensated Absences	1,063,957	1,393,642
26	Collections In Advance	141,663	879,943
27	Other Current Liabilities	335,212	1,017,607
28	<b>Total Current Liabilities</b>	<b>8,393,075</b>	<b>6,362,905</b>
29			
30	<b>LONG TERM LIABILITIES:</b>		
31	Long Term Liabilities	\$ 1,632,334	\$ 1,643,333
32	Workers Compensation Ins-Contingency	65,973	258,471
33	OPEB Obligation (GASB 75)	20,034,247	20,034,247
34	Net Pension Liability (GASB 68)	16,325,437	16,325,437
35	Deferred Maintenance Funds (CS 6.10)	3,255,562	11,674,658
36			
37	<b>TOTAL LIABILITIES</b>	<b>\$ 49,706,628</b>	<b>\$ 56,299,051</b>
38			
39	<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 10,746,342</b>	<b>\$ 10,746,342</b>
40			
41	<b>FUND EQUITY:</b>		
42	Contributed Capital	\$ 21,553,073	\$ 21,553,073
43	Retained Earnings	(44,484,859)	(43,488,815)
44	Net Income	426,623	(2,026,193)
45	<b>Total Fund Equity</b>	<b>(22,505,163)</b>	<b>(23,961,935)</b>
46			
47	<b>TOTAL LIABILITIES &amp; FUND EQUITY</b>	<b>\$ 37,947,807</b>	<b>\$ 43,083,458</b>
	<b>** UNAUDITED **</b>		





		Apr-21	May-21	Jun-21	Totals thru June 2021	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Totals July thru Dec 2021
38 City of Sac - Water		\$ 1,486	\$ 1,486	\$ 1,486	\$ 4,458	\$ 1,486	\$ 1,486	\$ 1,486	\$ 1,486	\$ 1,486	\$ 1,486	\$ 8,916
39 State Water Resource Control Board		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40 Storm Water Testing		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
41 General Liability Insurance		\$ 21,238	\$ 21,238	\$ 21,238	\$ 63,713	\$ 21,238	\$ 21,238	\$ 21,238	\$ 21,238	\$ -	\$ -	\$ 244,950
42 Property Insurance		\$ -	\$ -	\$ -	\$ -	\$ 99,272	\$ 35,791	\$ 30,573	\$ 30,573	\$ 30,573	\$ 30,573	\$ 257,354
43 Dept. of General Services - Vehicle Assessment	\$ 69,660	\$ 7,740	\$ 7,740	\$ 7,740	\$ 23,219	\$ 7,740	\$ 7,740	\$ 7,740	\$ 7,740	\$ 7,740	\$ 7,740	\$ 46,437
44 Loan Payments - Redevelopment Plan 2011		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
45 Mail Services (Machine, postage, interagency)		\$ 633	\$ 633	\$ 633	\$ 1,899	\$ 633	\$ 633	\$ 633	\$ 633	\$ 633	\$ 633	\$ 7,332
46 Telecommunications - AT&T/Sprint		\$ 8,700	\$ 8,700	\$ 8,700	\$ 26,100	\$ 10,958	\$ 10,958	\$ 10,958	\$ 10,958	\$ 10,958	\$ 10,958	\$ 65,750
47 Nextels		\$ 550	\$ 550	\$ 550	\$ 1,650	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 3,300
48 CLETS		\$ 1,167	\$ -	\$ -	\$ 1,167	\$ 1,167	\$ -	\$ -	\$ 1,167	\$ -	\$ -	\$ 2,334
49 Fuel/Diesel/Propane/Oil & Lube/Tires		\$ 5,000	\$ 5,000	\$ 5,000	\$ 15,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 30,000
50 SB84 Liability \$1,919,000 - Pymt deferred to 2021 \$450,000/YR		\$ -	\$ -	\$ -	\$ -	\$ 450,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450,000
51 IT Support Services		\$ 7,500	\$ 7,500	\$ 7,500	\$ 22,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 45,000
52 Microsoft Licenses, Data Backup, Security Certs, Web Domains		\$ 32,149	\$ 2,149	\$ 2,149	\$ 36,447	\$ 2,149	\$ 2,149	\$ 2,149	\$ 2,149	\$ 2,149	\$ 2,149	\$ 32,245
53 Surveillance / Facilities Warning System Equipment		\$ 1,250	\$ -	\$ -	\$ 1,250	\$ 1,250	\$ -	\$ -	\$ 1,250	\$ -	\$ -	\$ 2,500
54 HVAC Contract		\$ -	\$ 5,000	\$ -	\$ 5,000	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ 15,000
55 Elevator Preventative Maintenance	\$ 610	\$ 610	\$ 610	\$ 610	\$ 1,830	\$ 610	\$ 610	\$ 610	\$ 610	\$ 610	\$ 610	\$ 3,660
56 Fire Alarm Monitoring & Dispatching		\$ 504	\$ -	\$ -	\$ 504	\$ 252	\$ -	\$ -	\$ 252	\$ -	\$ -	\$ 504
57 Pest Control		\$ -	\$ -	\$ -	\$ -	\$ 743	\$ 743	\$ 743	\$ 743	\$ 743	\$ 743	\$ 4,458
58 Water Sample Testing & System Operator		\$ 1,200	\$ 1,200	\$ 1,200	\$ 3,600	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 7,200
59 Air Quality Permit Fee		\$ -	\$ -	\$ -	\$ -	\$ 6,090	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,090
60 Water Permit Fee		\$ 1,400	\$ -	\$ 3,250	\$ 4,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
61 Heavy Equipment Inspections & Additional Rental		\$ 2,000	\$ -	\$ -	\$ 2,000	\$ 2,000	\$ -	\$ -	\$ 2,000	\$ -	\$ -	\$ 4,000
62 Fence Rental		\$ -	\$ -	\$ -	\$ -	\$ 4,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,200
63 Flood Control Planning Assessment (Sac County Property Tax)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,000	\$ -	\$ -	\$ 35,000
64 Three29 - Website		\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 6,000
65 Legal/Attorney General's Office Consultation		\$ 750	\$ 750	\$ 750	\$ 2,250	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 4,500
66 CLETS		\$ 1,101	\$ -	\$ -	\$ 1,101	\$ 1,101	\$ -	\$ -	\$ 1,101	\$ -	\$ -	\$ 3,303
67 Accounting Software		\$ 374	\$ 374	\$ 374	\$ 1,122	\$ 374	\$ 374	\$ 374	\$ 374	\$ 374	\$ 374	\$ 2,244
68 Financial Audit Services		\$ -	\$ 27,900	\$ -	\$ 27,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
69 State Personnel Board Compliance Audit		\$ -	\$ -	\$ 13,464	\$ 13,464	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70 Banking Fees		\$ -	\$ -	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ 10,000
71 Cal Fire - Fire Marshal		\$ 2,700	\$ 2,700	\$ 2,700	\$ 8,100	\$ 2,700	\$ -	\$ -	\$ 2,700	\$ -	\$ -	\$ 5,400
72 General Expenses		\$ 65,000	\$ 65,000	\$ 65,000	\$ 195,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 390,000
73 Cal Card		\$ 12,700	\$ 12,700	\$ 12,700	\$ 38,100	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 132,000
74 Maintenance expenses to support COVID-19 Projects***		\$ 78,000	\$ 78,000	\$ 78,000	\$ 234,000	\$ 48,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,000
75 Total Operating Expenses	\$ 70,270	\$ 365,053	\$ 360,531	\$ 349,345	\$ 1,074,929	\$ 883,855	\$ 298,614	\$ 301,638	\$ 335,108	\$ 275,401	\$ 455,852	\$ 2,550,469
76 Monthly Deficit	\$ (70,270)	\$ (177,138)	\$ (670,195)	\$ (632,419)		\$ (1,153,908)	\$ (562,667)	\$ (566,227)	\$ (674,162)	\$ (538,042)	\$ (708,172)	
77 Cash Balance		\$ 1,592,582	\$ 922,387	\$ 289,968		\$ (863,941)	\$ (1,426,608)	\$ (1,992,835)	\$ (2,666,996)	\$ (3,205,038)	\$ (3,913,210)	
78		*** COVID-19 Project Expenses		PAID	OUTSTANDING							
79			Asphalt	\$ 19,212								
80			Gates		\$ 122,436							

\* PO Issued, work not completed as of date of this report



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<b>52nd District Agricultural Assn (SACFAIR)</b>								
27601	6/2/2021	30	132.77	132.77				
52nd District Agricultural Assn Totals:			132.77	132.77	0.00	0.00	0.00	0.00
<b>American Tower (formerly Verizon) (VERIZO)</b>								
27484	3/16/2021	0	4,945.00				4,945.00	
American Tower (formerly Verizon) Totals:			4,945.00	0.00	0.00	0.00	4,945.00	0.00
<b>Audible, LLC (AUDIBLE)</b>								
26981	6/22/2020		100.00					100.00
Audible, LLC Totals:			100.00	0.00	0.00	0.00	0.00	100.00
<b>California Dept Of Food &amp; Agriculture (CDFA)</b>								
27539	5/2/2021	30	126.78		126.78			
27597	5/5/2021		48,564.41		48,564.41			
California Dept Of Food & Agriculture Totals:			48,691.19	0.00	48,691.19	0.00	0.00	0.00
<b>California Horse Racing Board (CHRB)</b>								
27570	1/31/2021	30	191.70					191.70
27569	3/3/2021	30	191.70				191.70	
27568	3/31/2021	30	191.70				191.70	
California Horse Racing Board Totals:			575.10	0.00	0.00	0.00	383.40	191.70
<b>California Military Department (CMD)</b>								
26980	7/29/2020	30	2,288.00					2,288.00
California Military Department Totals:			2,288.00	0.00	0.00	0.00	0.00	2,288.00
<b>CC TM PA (Crown Castle) formerly T-Mobile (CCTMPA)</b>								
27502	5/1/2020	0	38,676.00					38,676.00
CC TM PA (Crown Castle) formerly T-Mobile			38,676.00	0.00	0.00	0.00	0.00	38,676.00
<b>City of Sacramento (SACCITY)</b>								
27605	6/2/2021	30	24,992.50	24,992.50				
City of Sacramento Totals:			24,992.50	24,992.50	0.00	0.00	0.00	0.00
<b>Los Alamitos Quarter Horse Racing Assn (LOSALQ)</b>								
27519	4/30/2021	30	6,164.49			6,164.49		
Los Alamitos Quarter Horse Racing Assn			6,164.49	0.00	0.00	6,164.49	0.00	0.00
<b>Ncotwinc For Golden Gate (NCOTGG)</b>								
27420	2/1/2020	30	1,827.83					1,827.83
27421	2/11/2020	30	1,570.74					1,570.74



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<b>Ncotwinc For Golden Gate (NCOTGG) (continued)</b>								
27422	2/18/2020	30	1,480.27					1,480.27
27423	2/25/2020	30	2,103.94					2,103.94
27424	3/1/2020	30	659.20					659.20
27425	3/3/2020	30	1,099.56					1,099.56
27426	3/10/2020	30	2,070.17					2,070.17
27427	3/17/2020	30	1,982.52					1,982.52
27428	3/24/2020	30	1,888.45					1,888.45
27429	3/30/2020	30	2,091.84					2,091.84
27430	4/7/2020	30	2,603.19					2,603.19
26992	6/30/2020	30	0.84					0.84
27503	12/22/2020	30	782.82					782.82
27518	4/30/2021	30	10,666.51			10,666.51		
Ncotwinc For Golden Gate Totals:			30,827.88	0.00	0.00	10,666.51	0.00	20,161.37
<b>Poster Publicity Inc. dba Kinetic Worldwide (POSTPU)</b>								
27382	2/1/2021		4,200.00					4,200.00
Poster Publicity Inc. dba Kinetic Worldwide			4,200.00	0.00	0.00	0.00	0.00	4,200.00
<b>R&amp;B of the Pacific (Rock &amp; Brews) (RBPAC)</b>								
18535	8/1/2018	0	12,500.00					12,500.00
18536	9/1/2018	0	12,500.00					12,500.00
18537	10/1/2018	0	12,500.00					12,500.00
18538	11/1/2018	0	12,500.00					12,500.00
18539	12/1/2018	0	12,500.00					12,500.00
23472	1/1/2019	0	12,500.00					12,500.00
23473	2/1/2019	0	12,500.00					12,500.00
23474	3/1/2019	0	12,500.00					12,500.00
23475	4/1/2019	0	12,500.00					12,500.00
23476	5/1/2019	0	12,500.00					12,500.00
23477	6/1/2019	0	12,500.00					12,500.00
23478	7/1/2019	0	12,500.00					12,500.00
23479	8/1/2019	0	12,500.00					12,500.00
23480	9/1/2019	0	12,500.00					12,500.00
23481	10/1/2019	0	12,500.00					12,500.00
23482	11/1/2019	0	12,500.00					12,500.00
23483	12/1/2019	0	12,500.00					12,500.00
26967	1/31/2020	30	12,500.00					12,500.00
26966	3/2/2020	30	12,500.00					12,500.00
26965	3/31/2020	30	12,500.00					12,500.00
27118	5/1/2020	30	12,500.00					12,500.00
27119	5/31/2020	30	12,500.00					12,500.00
27120	7/1/2020	30	12,500.00					12,500.00
27222	7/31/2020	30	12,500.00					12,500.00
27223	8/31/2020	30	12,500.00					12,500.00
27224	10/1/2020	30	12,500.00					12,500.00
27498	10/31/2020	30	12,500.00					12,500.00
27497	12/1/2020	30	12,500.00					12,500.00
27496	12/31/2020	30	12,500.00					12,500.00
27286	1/15/2021	30	4,879.05					4,879.05
27609	1/31/2021	30	12,500.00					12,500.00
27608	3/3/2021	30	12,500.00				12,500.00	12,500.00

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<b>R&amp;B of the Pacific (Rock &amp; Brews) (RBPAC) (continued)</b>								
27400	3/6/2021	30	1,757.97				1,757.97	
27607	3/31/2021	30	12,500.00				12,500.00	
27599	5/30/2021	30	3,170.48		3,170.48			
R&B of the Pacific (Rock & Brews) Totals:			409,807.50	0.00	3,170.48	0.00	26,757.97	379,879.05
<b>Raging Waters dba Festival Fun Parks (RAGWAT)</b>								
27500	4/21/2021	30	18.48			18.48		
Raging Waters dba Festival Fun Parks Totals:			18.48	0.00	0.00	18.48	0.00	0.00
<b>Sacramento County (SACCOUNT)</b>								
27283	9/23/2020	30	5,619.23					5,619.23
22701	12/31/2020		80,000.00					80,000.00
	1/31/2021	30	96.75					96.75
Sacramento County Totals:			85,715.98	0.00	0.00	0.00	0.00	85,715.98
<b>Sefnco Communications, Inc (SefCom)</b>								
27288	12/7/2020		150.00					150.00
Sefnco Communications, Inc Totals:			150.00	0.00	0.00	0.00	0.00	150.00
<b>Spectra Food Services formerly Ovations (SPECTRA)</b>								
27165	10/10/2020	30	1,320.00					1,320.00
27172	10/14/2020	30	2,000.00					2,000.00
27173	10/14/2020	30	6,550.40					6,550.40
27174	10/14/2020	30	11,695.15					11,695.15
27205	11/21/2020	30	6,261.77					6,261.77
27206	11/21/2020	30	2,036.00					2,036.00
27207	11/21/2020	30	11,479.95					11,479.95
27208	11/21/2020	30	641.16					641.16
27227	12/5/2020	30	6,945.90					6,945.90
27249	12/18/2020	30	11,549.89					11,549.89
27250	12/18/2020	30	2,006.75					2,006.75
22704	12/31/2020	30	5,000.00					5,000.00
27251	1/1/2021	30	4,891.39					4,891.39
27285	1/16/2021	30	2,027.00					2,027.00
27319	2/6/2021	30	11,522.99					11,522.99
27398	3/6/2021	30	2,036.00				2,036.00	
27399	3/6/2021	30	11,533.75				11,533.75	
27409	3/20/2021	30	2,027.00				2,027.00	
27411	3/20/2021	30	3,778.60				3,778.60	
27412	3/20/2021	30	3,752.91				3,752.91	
27414	3/20/2021	30	3,926.37				3,926.37	
27432	3/21/2021	30	360.00				360.00	
27413	3/24/2021	30	11,634.53				11,634.53	
27483	4/15/2021	30	11,479.95			11,479.95		
27489	4/16/2021	30	2,036.00			2,036.00		
27517	4/25/2021	30	3,441.89			3,441.89		
27600	5/30/2021	30	2,048.00					
27602	6/3/2021	30	3,761.15	3,761.15	2,048.00			

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<b>Spectra Food Services formerly Ovations (SPECTRA) (continued)</b>								
27604	6/9/2021	30	12,132.45	12,132.45				
Spectra Food Services formerly Ovations			159,876.95	15,893.60	2,048.00	16,957.84	39,049.16	85,928.35
<b>TFC - Joe Mestmaker Enterprises (TFC)</b>								
26634	5/31/2020	30	400.00					400.00
26635	7/1/2020	30	400.00					400.00
26636	8/31/2020	30	400.00					400.00
26637	10/1/2020	30	400.00					400.00
26638	10/31/2020	30	400.00					400.00
26639	12/1/2020	30	400.00					400.00
26640	12/31/2020	30	400.00					400.00
TFC - Joe Mestmaker Enterprises Totals:			2,800.00	0.00	0.00	0.00	0.00	2,800.00
<b>Watch and Wager LLC (WWAGER)</b>								
27175	9/30/2020	30	1.25					1.25
27490	4/16/2021	30	36,764.55			36,764.55		
27540	5/19/2021	30	35,717.55		35,717.55			
Watch and Wager LLC Totals:			72,483.35	0.00	35,717.55	36,764.55	0.00	1.25
<b>Grand Totals:</b>			892,445.20	41,018.87	89,627.22	70,571.87	71,135.54	620,091.70
19 Customers				4.60%	10.04%	7.91%	7.97%	69.48%
107 Invoices								

EXPOSITION FACILITIES & OPERATIONS REPORT

State of California

California Exposition & State Fair  
1600 Exposition Boulevard  
Sacramento, CA 95815  
Tel: (916) 263-3010  
Fax: (916) 263-7903

## MEMORANDUM

**Date:** May 19, 2021  
**To:** Exposition Facility & Operations Committee  
**Via:** Rick K. Pickering, Chief Executive Officer  
**From:** Marcia Shell, Assistant General Manager  
**Subject:** June Board Report

### RECENT EVENT RECAP – Watch & Wager

Watch & Wager Harness had a successful live racing meet which concluded in late April. Watch & Wager implemented many required COVID-19 requirements for all participants including required masks, social distancing, and nightly temperature checks. There were no injuries to any track personnel or to any horses this season. Watch & Wager will return in the fall of 2021 with live racing beginning in November.

### UPCOMING EVENTS - May & June

**Sacramento County Fair** will be hosting a **Livestock Grading & Husbandry Expo** May 26-31 on the backside of the race track. 4H and FFA youth will be able to participate in auctioning their animals. Although this event is not open to the general public due to COVID 19 guidelines, buyers will be allowed entrance to view and purchase animals.

**Raging Waters** will reopen on June 12<sup>th</sup> with COVID-19 modifications in place. The Park will be open Thursdays through Mondays until September 6<sup>th</sup>. Raging Waters has painted and updated their entrance and continues to invest in the Park. Season passes and day passes are currently on sale. Attendees must make a reservation in advance. Masks, social distancing, and temperature checks are required. No masks are allowed in the pools but required for all other areas. The Park is now hiring for all positions.

**Rock & Brews** is moving forward with plans to open this summer. They are currently hiring. The interior of the building along with the mini golf has been completely remodeled and significant amount of signage has been added.



## 2021 September & October Event Bookings as of May 18<sup>th</sup>

FoodieLand Night Market - new event scheduled Labor Day weekend.

The Legendary Sacramento Mile – September 11-12. Grandstand & track

Country in the Park – Saturday, September 18. Grandstand

Reptile Show – September 25 – 26 in the Pavilion.

Comedy Joint – new event scheduled in the Cove September 25

International Institute of Business Analysis – conference & catering October 5.

Sacramento Fall Home Show – October 8 – 10. Pavilion

FoodieLand Night Market – October 8 – 10.

Sacramento International Auto Show – October 15 – 17. All grounds

The Stamp & Scrapbook Expo – October 23 – 24. Pavilion

Engineers Exam – October 22 – 23. Expo Center

## Heart Health Park (formerly Papa Murphy Park)

Western Health Advantage is the new sponsor for Sac Republic.

Sacramento Republic Club Home Schedule is attached for your information.

### Concerts:

August 6<sup>th</sup>: Sad Summer Festival

October 7<sup>th</sup>: QUINN XCII

October 9<sup>th</sup>: Los Angeles Azules

October 10<sup>th</sup>: Live From The Ride Tour – 311

## RV Income 2019 v 2020:

The Cal Expo RV Park has had a challenging year just keeping current with the evolving COVID-19 guidelines for guest overnights. The travel ban was especially difficult to

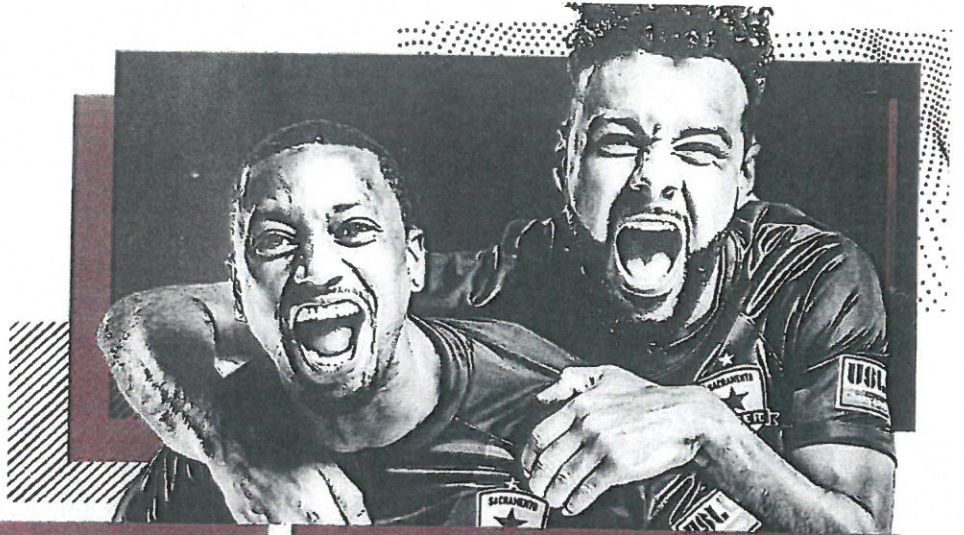


manage as the guidelines mandated no guests from over 100 miles away at one point. Some mandates were relaxed to 'no guests from out of the state'. The cleaning guidelines were stringent in regards to public bathrooms and showers. Protocols are still in place for masks, gatherings, social distancing, and cleaning.

Below is a comparison snapshot between income in 2019 and 2020.

	<u>2019</u>	<u>2020</u>	<u>% Difference</u>
Horseman's Trailer Park	\$ 189,572.00	\$ 216,270.00	+ 12%
Cal Expo RV Park	\$1,138,489.00	\$644,336.00	- 43%
TOTAL	\$1,328,061.00	\$860,606.00	-35% (-\$467,455.00)

# 2021 SCHEDULE



MAY						
SUN	MON	TUE	WED	THU	FRI	SAT
					30 TBD LA	1
2	3	4	5	6	7	8
9	10	11	12 TBD LV	13	14	15
16	17	18	19	20	21	22 TBD OC
23	24	25	26	27	28	29 TBD PHX
30	31					

JUNE						
SUN	MON	TUE	WED	THU	FRI	SAT
		1	2 TBD OAK	3	4	5 TBD OC
6	7	8	9 TBD SLO	10	11	12
13	14	15	16	17	18	19 TBD OAK
20	21	22	23	24	25	26 TBD PHX
27	28	29	30			

JULY						
SUN	MON	TUE	WED	THU	FRI	SAT
				1	2	3 TBD SD
4	5	6	7 TBD OAK	8	9	10 TBD OC
11	12	13	14 TBD LV	15	16	17
18	19	20	21	22	23	24 TBD OC
25	26	27	28	29	30	31 TBD NY

AUGUST						
SUN	MON	TUE	WED	THU	FRI	SAT
1	2	3	4	5 TBD TAC	6	7
8	9	10	11	12	13	14 TBD LV
15	16	17	18	19	20	21 TBD PHX
22	23	24	25	26	27	28 TBD SD
29	30	31				

SEPTEMBER						
SUN	MON	TUE	WED	THU	FRI	SAT
			1 TBD LA	2	3	4
5 TBD LA	6	7	8	9	10	11 TBD FLA
12	13	14	15	16	17	18 TBD SA
19	20	21	22	23	24	25
26 TBD LA	27	28	29	30		

OCTOBER						
SUN	MON	TUE	WED	THU	FRI	SAT
					1	2 TBD TAC
3	4	5	6 TBD OAK	7	8	9 TBD SD
10	11	12	13 TBD LA	14	15	16
17 TBD TAC	18	19	20	21	22	23 TBD NY
24	25	26	27	28	29	30 TBD SD

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## MEMORANDUM

**Date:** June 3, 2021  
**To:** Board of Directors  
**Via:** Rick K. Pickering, Chief Executive Officer  
**From:** Tom Martinez  
**Subject:** Spectra Proposal Regarding Losses

### Background

Spectra has served as the Master Food & Beverage Concessionaire (F&B) at the California Exposition and State Fair (Cal Expo) for more than 28 years. The current Food & Beverage agreement is set to expire in December of 2022, unless it is mutually extended. In 2014, Spectra entered into a separate agreement to build and operate a Multiuse Sports Facility at Cal Expo, which is the home of the Sacramento Republic FC. The Sports Facility agreement is also set to expire in December of 2022, unless it is mutually extended. Since March of 2020, Spectra, along with Cal Expo, has experienced significant financial losses due to the fact that COVID19 prevented events from taking place in California. Consequently, Spectra is respectfully requesting that Cal Expo financially assist in mitigating its losses.

In 2011, Cal Expo issued a Letter of Intent that sought out the interest of qualified companies to provide Food & Beverage services. Four companies responded, and two were deemed to be qualified. Cal Expo then issued a formal Request for Proposals in February of 2012. Spectra (previously operating as Ovations) was the only company that submitted a proposal under the RFP. Following months of negotiations, the current Master Food & Beverage agreement was entered into in November of 2012.

### Spectra Requests that Cal Expo Pay 50% of Spectra's 2020 Losses at the Grandstand

Section 8 of the F&B agreement reads:

"Ovations (now Spectra) will make commission percentage payments to Cal Expo as follows:

- a. Thirty-two percent (32%) of all gross sales of food, non-alcoholic beverages, and alcohol, excluding catering and sales of food and beverage in the grandstand and excluding sales of sub-concessionaires.
- b. Nine percent (9%) of all gross sales for catering services.
- c. Fifty percent (50%) of all net proceeds from sales generated in the grandstand facility. Should net proceeds reach \$50,000 in a single year from sales generated in the grandstand, the parties will negotiate the commission schedule pertaining to the grandstand.
- d. Fifty-percent (50%) of the commissions received by Ovations (now Spectra) from sub-concessionaires. Ovations agrees that sub-concessionaires will not supplant services



provided by Ovations and that Ovations' use of sub-concessionaires shall be approved by Cal Expo."

Section 16 (D) of the F&B agreement reads:

"In the event Ovations is prevented from carrying on the operation contemplated herein by reason of an act of God, or other reason beyond its control, and when such is so determined by Cal Expo, then the commissions and other fees prescribed herein may at the discretion of Cal Expo be abated for such period of non-compliance.

#### **ISSUE #1 – 2020 Losses at Grandstand**

Spectra is interpreting the 2012 agreement to mean that Cal Expo is responsible to pay Spectra for 50% of any operating losses at the grandstand. Spectra is therefore requesting that Cal Expo pay to Spectra \$121,404 (50% of Spectra's loss at the grandstand in 2020.) Spectra states that this precedent was established in 2016, when Cal Expo was responsible for roughly a \$6,396 operating loss at the grandstand and Spectra carried this \$6,396 on the books into 2017. Staff was not aware of the \$6,396 loss in 2016 or that Spectra carried it into 2017.

Staff's interpretation of the 2012 agreement is that Cal Expo is not responsible for 50% of Spectra's losses at the grandstand or any portion thereof. Key to this position is the fact that Cal Expo has no ability to control Spectra's expenses, operating costs, labor, cost of goods, insurances, corporate overhead or charges, etc.

Staff also interprets Section 16 (D) of the agreement to allow Cal Expo to abate Spectra's rent commissions in the event of an act of God, but it does not contemplate that Cal Expo would pay 50% of Spectra's losses at the grandstand.

Spectra has proposed that it is willing to carry the \$121,404 on its books into future years, if Cal Expo will agree now to a 10-year extension of the current agreement, through December of 2032.

#### **Spectra Request that Cal Expo Forgive Rent Payments for the Multi-use Sports Facility**

The existing Sports Field agreement (Section 4 (a)) requires Spectra to pay Cal Expo fifty percent (50%) of net revenue or \$100,000, whichever is greater as a guaranteed annual rent. The minimum guarantee is handled in 12 monthly payments of \$8,333. Spectra ceased making such monthly payments in August of 2020 and is currently in the rears roughly 7 months or \$58,331. Although required by the agreement, Spectra has not reimbursed Cal Expo since August of 2020 for utilities, security, support personnel, custodial, etc.

In its original design, the Sports Facility was to be entirely contained within the footprint of Spectra's lease agreement. While the facility was under construction, Spectra rearranged the layout to allow space for a future large rolling stage at the South end of the facility and expanded seating on the West and North side bleachers. To accommodate these future improvements, Spectra requested to move major portions of the operations outside of the lease footprint and into Cal Expo's Lot 25. Lot 25 now contains the Team Locker Rooms, the Team's Broadcasting Facilities, Spectra offices, Spectra dry storage, two large Restroom Facilities, the Team's main merchandise sales facility, several food stands and bars, several entertainment stages and a youth play area, a major storage building, etc. Since these important structures exist outside of the footprint of the lease, a separate year-to-year Rental Agreement was entered into in the amount of \$3146. per month. Spectra has not paid this monthly amount



since August of 2020. Spectra has not signed the Lot 25 Rental Agreement for 2021 but continues to use this space without a contract.

**Issue #2 – Abatement of Rent at the Multi-use Sports Facility and Free use of Lot 25**

Spectra is requesting that Cal Expo abate (forgive):

- a. Upwards of 14 months of the Minimum Guarantee Rent (equals \$116,662.);
- b. Upwards of 14 months of Lot 25 rent; (equals \$44,044.); and
- c. Allow the “rent free” use of Lot 25 through December of 2022, when the agreement is set to expire (18 months equals \$56,628.). This would be a combined total of \$217,334.

Spectra is also requesting that Cal Expo agree now to a 10-year extension of the Sports Field Agreement, through December of 2032.

Due to COVID, for most of 2020, Sacramento Republic FC home games were not allowed to have patrons in attendance. Concerts were also precluded from being conducted since March of 2020. This was a significant financial hardship for Cal Expo, Spectra and Sac Republic.

**General Analysis**

Staff recognizes and appreciates the financial hardships that have resulted due to COVID. In fact Cal Expo had to let go all of its part-time and seasonal staff in April of 2020 and roughly 60% of its full time employees by January of 2021. Cal Expo was not allowed to conduct a State Fair in 2020, and the 2021 State Fair is precluded due to Cal Expo being requested to remain open as a designated “super site” for vaccinations through September.

Staff is cognizant of the more than 30-year relationship with Spectra (previously operated as FanFare and Ovations.) However, it does not appear equitable for Cal Expo to be asked to cover 50% of Spectra’s losses at the Grandstand, while at the same time be asked to forgive 100% of Spectra’s rent at the Sports Facility.

It may be a dangerous precedent if Cal Expo pays to cover 50% of Spectra’s losses. Cal Expo has no ability to control Spectra’s expenses. In fact, Spectra has made it clear that Cal Expo has no authority to direct cuts in Spectra personnel, overhead, corporate allocations, etc.

Spectra has stated that they applied for several Federal funding programs during COVID, but did not receive any such funds. Staff is not aware if Spectra has provided or plans to provide Sac Republic with any rent relief due to COVID.

Given that Cal Expo is a State Agency, and that other food companies have expressed an interest to compete for this contract, it may not be prudent to provide a 10-year extension at this time. Consideration of such an extension, would require a more comprehensive analysis of the performance under the current agreements, as well as properly placing such an extension on a public agenda.