

**PLACER COUNTY FAIR ASSOCIATION
800 ALL AMERICA CITY BOULEVARD
ROSEVILLE, CA 95678**

MINUTES

Board of Directors Meeting

May 18, 2004

7:00 p.m.

Members Present: Cooper, Fancher, Gray, Henry, Kennedy, Lucich, Lunsford, Pierce, & Vineyard

Others Present: Interim CEO Moore, AA Heather Belford

I. CALL TO ORDER

Interim CEO Moore verified the legal meeting notice requirements were met. Following the roll call, President Fancher determined that there was a quorum and the meeting was called to order at 7:05 p.m.

II. INTRODUCTIONS – None

III. ACTION ON BOARD MEMBERS ABSENT AT THE LAST MEETING

Directors Kennedy and Henry were excused. Director Gray was unexcused.

IV. CONSENT AGENDA

After adding Items IX-L Authorize Junior Livestock Auction Account Signatures and IX-M Complimentary Admissions Policy, Director Vineyard moved, Director Pierce seconded, and motion carried to approve the April meeting minutes as mailed and May agenda as amended. Director Henry and Director Gray abstained due to their absence.

V. FINANCIAL REPORTS

Following Managements explanation of several payables including payment to Roseville Power Center for the repair of one weedeater and the purchase of a second one, KE Spencer for one year's worth of letterhead and envelopes, CFSA for special event liability insurance, Spohn Ranch for the one-half deposit on the Motocross Show, Sacramento Waste Oil for the speedway cooking oil pickup, Sac Val for three hand driers, National Data Funding for the purchase of the ATM machine, Home Depot for miscellaneous maintenance supplies, Bel Air for the deli trays for the previous month's meeting, and David Mackowiak for personnel services, Director Henry noted that our speedway revenues are up considerably over last year partially due to no rain outs this year compared to two in the month of April last year.

In addition, the Admissions Revenue is due to vendor payments for passes and the Administration Expense is up considerably due to the services of David Mackowiak and the ATM purchase, which we did not have at this time last year. The F&E Project Expense of \$6,900 is the cost of the modular office site work. Director Henry questioned the lack of depreciation and Interim CEO Moore reported that it is a closing journal entry that will be reflected in the financial statements at the end of the year. Director Henry also noted that the JLA reserves for 2004 were higher compared to 2003 and Director Vineyard explained that it was due to the increase in the number of cattle sold. Director Gray questioned the 2003 Loan Payable of \$2.39 and Interim CEO Moore explained that it was from the copy machine and was written off at the end of 2003 and so will show in the financials through the end of the year. Interim CEO Moore also explained that the Capital Outlay expense will be offset by the F & E Project Funds account as we are reimbursed by the State.

Director Gray moved, Director Kennedy seconded, and motion carried to approve the April financial reports as mailed.

VI. COMMITTEE REPORTS

Premium Book

Director Vineyard reported on the weigh-in that occurred in April and expressed concern over the weight of the hogs; they are heavy for the amount of time still left until fair. The committee is considering starting one hour earlier in 2005. The Cattlemen will be providing the continental breakfast at the auction again this year. Director Vineyard also reported that each buyer at the auction will receive two tickets for the BBQ. He presented Interim CEO Moore with a letter from the Lincoln FFA group requesting the opportunity to conduct a "Guess the Weight" fundraiser with a steer at the Fair.

Policy & By-Laws

See Item XI-F through J, Action on Policy Manual recommendations, Safety Policy, and Amendments to By-Laws.

Entertainment

Director Kennedy reported that she has 12 Junior Teen Contestants, 7 Miss Placer Contestants, and 7 Miss Teen Placer Contestants. Director Kennedy presented a mission statement for the pageants to the Board that was written by Ashley Robison. Director Kennedy also reported that the pageant contestants will be present at Hullabaloo, sponsored by KOOL 101.9 FM, to promote the pageants and Fair.

Buildings & Grounds

No meeting to report.

Race

No meeting to report.

Hospitality

No meeting to report.

Complaint

No meeting to report.

Ad-Hoc Security

See Item XI-E, Award of Contract for Fair Security.

VII. CORRESPONDENCE

The Board acknowledged the letter of resignation from Coy Eastwood, thank you from Monaco Norcal RV Group, the CFSA Equipment Loan Program, our partnership solicitation to Thunder Valley Casino, our request for waiver of building permit fees to the County, and CDFA's announcement of Mike Treacy as Director of Fairs & Expositions.

VIII. MANAGEMENT REPORT

Interim CEO Moore reported on the headlining entertainment for the Fair: Thursday, Jump 5; Friday, Herman's Hermits starring Peter Noone; Saturday, Brian McComas; and Sunday, RAIN: A Tribute to the Beatles.

Interim CEO Moore also reported that she will be speaking at numerous service group meetings throughout the county to promote the Fair and to offer them fundraising opportunities at the Fair.

Moore also reported that she has secured the Sacramento Bee as the print media sponsor, as well as Comcast Cable as the television sponsor, and several radio stations.

Moore requested feedback regarding the Directors hats for Fairtime and the consensus was to not get hats this year.

IX. PRESIDENT'S REPORT

President Fancher reported on the letter that he received from Bill Dale accompanying the contract with Gold Country Fair that would allow us to move forward with a contract with Dale for consulting services. Dale has accepted the Executive Director position with the California Beef Council as of October 1 and indicated that any time he would be able to give us would be limited at best. At the Board's recommendation, President Fancher directed Interim CEO Moore to draft a letter for him to sign congratulating Dale on his new position and relieving him of any obligations to us.

X. OLD BUSINESS

A. Administration Building Project

Interim CEO Moore reported that the old administration office is gone and that the project is proceeding according to the timeline. California Construction Authority will be delivering site plans shortly so we can forward them to Teichert, who is still considering the site work and pad donation.

B. Relocation Discussion

Tabled at the April meeting due to Director Gray's absence, the Board discussed the KT Development proposal to enter into an exclusive right to negotiate the relocation of the fairgrounds. In addition, President Fancher reported on his conversation with Bruce McAllister of JMC Homes, the donors of the new administration building, who expressed concerns about building our new building if we are planning to move next year. McAllister added that if we were in fact looking to move, they (JMC Homes) was interested in the property, too. President Fancher relayed to McAllister that he did not feel that the relocation process would happen quickly and could take up to 5 years to complete. In light of interests expressed by other development companies as well as JMC Homes, Director Gray moved, Director Cooper seconded, and motion carried to not enter into an agreement with KT Development at this time, and to notify them that at the appropriate time, if the Board decides to move forward with a relocation study, we will contact them.

Director Gray suggested that the Board consider developing a Request for Proposal to relocate the fairgrounds and make it available to the interested parties to see what each has to offer.

XI. NEW BUSINESS

A. Approval of Interim, Commercial Exhibit, Concession, Judging, Standard Service, and Entertainment Agreements entered into in April 2004

Director Gray moved, Director Henry seconded, and motion carried to approve the Interim, Commercial Exhibit, Concession, Judging, Standard Service, and Entertainment Agreements entered into in April 2004.

B. Authorize expenses over \$5,000

Director Gray moved, Director Henry seconded, and motion carried, with Directors Lunsford and Vineyard dissenting because they would rather use the equipment loan program, to approve the purchase of the new Kubotas.

C. Action on Thursday Night Grandstand Proposal

Interim CEO Moore presented the Board with a proposal to have off-road scooter races Thursday night of the Fair in the Grandstands. The event would be at not cost to us wherein we would receive 100% of the grandstand admissions and the promoter would receive 100% of the pit gate as well as absorb 100% of the expenses. The Board requested that the event start at 6:30 p.m. and be done by 8:30 p.m. Director Vineyard moved, Director Cooper seconded and motion carried to approve the Thursday night Grandstand proposal.

D. Sign-ups for Hospitality Area

Interim CEO Moore distributed the sign-up sheet for the Fair Hospitality Area.

E. Award of Contract for Fair Security

Director Henry moved, Director Gray seconded and motion carried to award the contract for fair security to Professional Event Services.

F. Action on Policy Manual recommendations

Interim CEO Moore presented the Board with recommended policy changes. Director Gray requested a copy that would show the old language in strikeout next to the recommended changes and new information in bold or italics. In the interest of planning the annual Fair, Director Vineyard moved, Director Henry seconded and motion carried to table this item until the July Board Meeting.

G. Action on Safety Policy

Director Lunsford moved, Director Gray seconded and motion carried to approve the interim Safety Policy as presented pending any further recommendations and changes.

Director Gray moved, Director Henry seconded and motion carried to approve the Safety Statement as presented.

H. Amendment to By-Laws: Size of Board and Quorum Requirements

Director Gray moved, Director Henry seconded to approve the proposed change in the size of the Board and Quorum Requirements from thirteen to not less than nine with one-half plus one constituting a quorum.

I. Amendment to By-Laws: Removal of 2nd Vice President and Naming Treasurer as Successor to Vice President

Director Henry moved, Director Vineyard seconded to approve the removal of the 2nd Vice President title and name the Treasurer as successor to the Vice President.

J. Amendment to By-Laws: Membership Benefits

Following Director Lunsford's suggestion that item 5-d, Annual Newsletter in May, be moved from the Membership Benefits of the By-Laws to the Policy Manual, Director Henry moved, Director Gray seconded, to approve the Membership Benefits.

K. Action on Green Concession Stands

Interim CEO Moore reported that the southside green concession stands will be demolished in the next few days and requested that the northside stands be removed at the same time. Each year it is a struggle to fill the stands and we have already had two cancellations resulting in only one booth being filled. Moore went on to explain that as the booths are removed, more poles will be added in order to hold up the shade cloth. Director Lunsford moved, Director Gray seconded and motion carried to remove the northside green concession stands in addition to the southside stands

L. JLA Account Signature

Director Vineyard suggested that a new signature card for the Junior Livestock Auction account be on file with the bank. Director Lunsford moved, Director Gray seconded and motion carried to approve Directors Vineyard and Henry and Interim CEO Moore as the authorized signatures on the JLA account.

M. Complimentary Admissions

Interim CEO Moore reported that in our 2003 audit we are being written up for exceeding the legal limit of complimentary admissions. The state mandate is 4% of the previous year's paid admissions and we were at 12% for 2003 (down from 20% in 2002). Interim CEO Moore suggested that the livestock and still

exhibitors who currently receive free admission be charged for passes at a nominal rate of \$1.00 each and that the Junior Livestock Auction Committee reimburse the Fair for the buyers admissions for the auction.

Director Vineyard expressed concerns over charging the exhibitors without first putting it in the Premium Book, but agreed that the JLA could pay for the buyers admissions. Director Henry moved, Director Lunsford seconded and motion carried to approve the free admission for exhibitors and charge our publicity account \$1 per ticket for the media promotions and giveaways and the JLA account for the buyers admissions for 2004.

XII. Directors Comments

XIII. Closed Session-Pursuant to Section 54951 of the government code

There being no business to discuss in closed session, the Board adjourned the regular meeting.

XIV. Adjournment

The meeting adjourned at 9:30 p.m.

CERTIFIED TO BE A TRUE AND CORRECT COPY.

Carlene Moore
Interim CEO

Date