

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE NAPA COUNTY FAIR ASSOCIATION
THURSDAY, MAY 12, 2016**

STAFF PRESENT: CEO Carlene Moore

OTHERS PRESENT: Bob Johnson and Taylor Bollinger of RCH Group; Andy Plescia of A. Plescia & Co.

1. CALL TO ORDER

A regular meeting of the Board of Directors of the Napa County Fair Association was held Thursday, May 12, 2016, in the Tucker Room at the fairgrounds with the following directors present: Chairperson Bob Beck, Directors Bonnie Chisholm, Dana Cole, Bob Fiddaman, Kerri Hammond-Abreu, Don Meyer, Karan Schlegel, and Anne Steinhauer. Directors absent: Woran Deckard. The meeting was called to order at 6:00 PM by Chairperson Beck.

2. PUBLIC COMMENT

Cindy Yant

3. CONSENT CALENDAR

- a. Minutes of the Regular Meeting held on April 14, 2016
- b. Financial Report of April 2016
- c. Correspondence

Item c was removed from Consent Calendar at the request of Director Hammond-Abreu. Motion by Schlegel, second by Steinhauer to approve consent items a and b. Motion passed unanimously 8-0-0.

4. DISCUSSION OF ITEMS REMOVED FROM THE CONSENT CALENDAR

- a. Correspondence

Opened for public comment.

Closed public comment.

Board discussion.

Motion by Schlegel, second by Steinhauer to approve correspondence as presented. Motion passed unanimously 8-0-0.

5. STRATEGIC GOALS

To create a unique, relevant, annual fair that is owned with pride by the community as “our county fair.”

- a. Staff Report
 - i. ENGAGE Art Fair
 - ii. Fiesta Mexicana y Jaripeo
 - iii. Napa County Fair & Fireworks

Staff report.

Opened for public comment.

Closed public comment.

Board discussion.

To create a master plan of the facility and programs that strategically develops our business enterprises.

b. Consultant Report

Director report: Bob Fiddaman.

Consultant report: Bob Johnson, Taylor Bollinger, Andy Plescia

Opened for board comment: Fiddaman, Hammond-Abreu, Steinhauer, Schlegel, Chisholm, Meyer, Cole, Beck. Staff comment.

Opened for public comment: Jason M, Ruben Lopez, Tommy Hunt, Dieter Deis, Robert Ziske, Larry Glenn, Edgar Massoletti, Elizabeth Moore, Frances Tedeschi, Dick Kuykendall, Scott Atkinson, Cindy Yant, Greg Kuehle.

Closed public comment.

Board discussion.

Motion by Chisholm, second by Steinhauer to direct Bob Fiddaman to talk with the city and county to explore the governance issue and JPA. Motion amended by Chisholm, second by Steinhauer to direct the Strategic Plan Ad-Hoc Committee to initiate dialogue with the city and county in order to pursue the concept of a Joint Powers Agreement. Motion passed unanimously, 8-0-0.

To develop a top-ranked RV Park destination that delivers the Napa Valley experience.

c. Staff Report

None.

To perform as, and be recognized as, the community's number one event center and ranked in the North Bay Area's top ten.

d. Staff Report

None.

6. ADMINISTRATIVE ITEMS

a. CEO Report

CEO Moore reported that the 2015 Financial Review is underway; a grant request was submitted to City of Calistoga for parade support; Finance Committee meeting rescheduled for May 15, 2016 and still need to set Audit and Governance committee meetings; project walkthrough for swamp cooler replacement is on May 24; distributed board name badges; and that the official Association website is changing to CelebrateNapaValley.org for a much more responsive, interactive, and better presentation of the Association which was not possible to achieve on the antiquated platform of NapaCountyFairgrounds.org (which will be redirected to CNV), only items left to move over are the agendas, minutes, etc. Once the site is complete and the switch happens, NapaCountyFairgrounds.org will be redirected to it.

Director Fiddaman requested that the board establish a Golf Course Ad-Hoc Committee to meet with the three golf groups. Directors Hammond-Abreu and Cole volunteered to serve on it. Director Beck appointed the ad-hoc committee and requested that they report back at the next meeting.

7. ADJOURNMENT

Motion by Steinhauer, second by Fiddaman to adjourn at 9:37 pm. Motion passed unanimously, 8-0-0.

Certified to be a true and correct copy.

Carlene Moore
Chief Executive Officer

Date

Bob Beck
Chairperson

Date

DRAFT

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF THE NAPA COUNTY FAIR ASSOCIATION
THURSDAY, MAY 19, 2016**

STAFF PRESENT: CEO Carlene Moore

OTHERS PRESENT: Christy Layton, attorney

1. CALL TO ORDER

A special meeting of the Board of Directors of the Napa County Fair Association was held Thursday, May 19, 2016, in the Main Office at the fairgrounds with the following directors present: Chairperson Bob Beck, Directors Woran Deckard, Bob Fiddaman, Don Meyer, Karan Schlegel, and Anne Steinhauer. Directors absent: Bonnie Chisholm, Dana Cole, and Kerri Hammond-Abreu. The meeting was called to order at 6:03 PM by Chairperson Beck.

2. PUBLIC COMMENT

None

At 6:04 pm, motion by Fiddaman, second by Steinhauer to adjourn from open session to closed session. Motion passed unanimously, 6-0-0.

3. CLOSED SESSION: Conference with Legal Counsel – Anticipated Litigation

Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Gov. Code Section 54956.9:
One (1) Case

The board reconvened from closed session into open session at 6:57 pm.

Chairperson Beck reported that no action was taken in closed session.

4. ADJOURNMENT

Motion by Steinhauer, second by Schlegel to adjourn at 6:57 pm. Motion passed unanimously, 6-0-0.

Certified to be a true and correct copy.

Carlene Moore
Chief Executive Officer

Date

Bob Beck
Chairperson

Date

Napa County Fair Association
SUMMARY OF OPERATIONS
 May 31, 2016

	Budget 2016	Current Mo. 2016	Current YTD 5/31/2016	Prior YTD 5/31/2015
Revenues				
General/Overhead	33,200	1,623	12,657	6,922
Fair	405,761	1,163	52,100	27,057
Speedway	112,904	0	4,050	44,008
Golf Course	193,850	16,722	63,451	90,619
RV Park	432,250	55,802	159,702	179,278
Events Center	126,801	12,618	56,882	75,579
Emergency Response	0	0	0	0
	1,304,765	87,928	348,842	423,463
Expenditures				
General/Overhead	279,625	8,203	139,032	133,671
Fair	436,075	28,969	86,701	107,827
Speedway	76,615	2,465	17,057	26,078
Golf Course	235,507	11,857	63,232	90,149
RV Park	164,917	8,170	49,582	58,535
Events Center	107,986	8,748	41,423	95,401
Emergency Response	0	0	149	0
	1,300,725	68,412	397,176	511,662
Net Gain/(Loss) Operations				
General/Overhead	(246,425)	(6,580)	(126,375)	(126,749)
Fair	(30,314)	(27,806)	(34,601)	(80,769)
Speedway	36,289	(2,465)	(13,007)	17,930
Golf Course	(41,657)	4,865	219	469
RV Park	267,333	47,633	110,120	120,742
Events Center	18,815	3,870	15,459	(19,822)
Emergency Response	0	0	(149)	0
	4,040	19,516	(48,334)	(88,198)
State Allocations	38,190	0	0	30,000
Other Allocations	2,419	0	2,419	0
Net Gain/(Loss)	44,649	19,516	(45,915)	(58,198)
Depreciation	116,789	9,199	45,996	45,996
Net Gain/(Loss) after Depreciation	(72,140)	10,317	(91,911)	(104,195)
Resulting Net Gain/(Loss) AFTER Allocation of General/Overhead Expense				
General/Overhead	0	0	0	0
Fair	(89,456)	(29,386)	(64,931)	(111,189)
Speedway	11,647	(3,123)	(25,645)	5,255
Golf Course	(73,692)	4,010	(16,210)	(16,008)
RV Park	205,726	45,988	78,527	89,055
Events Center	(50,184)	2,028	(19,926)	(55,312)
Emergency Response	0	0	(149)	0

Strategic Plan Ad-Hoc Committee Summary

The committee met on Thursday, May 19, 2016 at 10:30 AM in the Main Office with the following committee members present: Chairperson Bob Fiddaman, director Bob Beck, and CEO Carlene Moore. No members of the public were present.

The committee discussed the board's action directing the committee to explore conversations with the County and City regarding governance changes and identified Director Fiddaman to serve as the elected officials liaison and CEO Moore to serve as the staff liaison.

The meeting was joined via conference call by representatives from RCH Group. In attendance were: Bob Johnson, Taylor Bollinger, and Andy Plescia. The group reviewed the May 12, 2016 board meeting and feedback received. RCH plans to have a draft of the final report to the committee to review in a timely manner for distribution to the full board by August 19 and final presentation to the board at the September board meeting.

There being no further business, the committee adjourned at 1:15 pm.

BOARD COMMITTEES – PURPOSE & SCOPE OF RESPONSIBILITIES

Golf Course Ad-Hoc Committee

I. Purpose and Scope of Responsibilities

The Golf Course Committee is an ad-hoc committee chartered to research master plan strategic alternatives and current course capital improvement alternatives as they relate to the Mount St. Helena Golf Course and the current master plan development.

II. Committee Organization and Reporting Structure

- Committee reports to the Board [chair].
- Committee makes recommendations to the full Board for review and approval.
- Committee is led by the Committee Chair who is also a member of the Board and is designated by the Board Chair.
- Committee provides written reports about its meetings, recommendations, and actions to the entire Board on a regular basis determined by the Committee.
- Committee includes at least two Board members, but less than a quorum of the Board, appointed by the Board Chair.
- Committee is chartered for the exclusive purpose listed above and will sunset upon submission of the master plan strategic alternatives and the capital improvements alternatives report to the Board.
- The Chief Executive Officer shall serve as staff to the Committee.

III. Goals

1. To meet with the three identified golf groups to obtain their input on the master plan and ideas they have for the Board to consider investing in the existing course to improve quality and quantity of play.

IV. Objectives

1. Gather opinions and facts for master plan strategic alternatives which relate to possible alternative types of course, course length, shared uses, use of reclaimed water, and a destination golf course to report back to the Board and forward on to the master plan consultants.
2. Develop recommendations for capital improvement alternatives with estimated costs for the Board to consider in the next Capital Budget (Fall 2016).

V. Immediate Strategies

1. Meet with the three golf groups.
2. Research capital improvement costs.

Finance Committee Summary

1. CALL TO ORDER

The Finance Committee meeting was held on Monday, June 6, 2016 at 4:00 pm in the conference room of the Main Office with the following committee member present: Chairperson Woran Deckard, Don Meyer, Bob Beck and CEO Carlene Moore. The meeting was called to order at 4:10 pm by Chairperson Deckard.

2. PUBLIC COMMENT

None

3. QUARTERLY FINANCIAL REPORTS

The committee reviewed the Balance Sheet through March 31, 2016, along with the Accounts Receivable detail, noting that it is significantly higher due to two large outstanding invoices: the County of Napa for final Valley Fire expenses and CFSA for the 2015 revenue protection claim. The Committee reviewed the amounts comprising the Deferred Income account, and intends to work with the auditor to identify funds that should have been recognized previously for revenues and to move those considered restricted to a separate account. The Committee also noted the change in Retained Earnings format made by the California Department of Food and Agriculture on our most recent Statement of Operations and requested that staff research and adjust the 2015 reporting on the Balance Sheet for similar comparison.

The committee began identifying information and metrics that would be helpful to include as key performance indicators in a management report.

In reviewing the Summary of Operations through March 31, 2015, the committee noted the following:

Revenues – comparing Current YTD to Prior YTD

- a. General – office space rent from City didn't start until May 2015; donations up
- b. Fair – Calistoga Christmas Faire start-up investment
- c. Golf – closed 15 days in January, 4 in February, 14 in March 2016 as compared to 0 days in January, 2 in February, 5 days in March 2015
- d. RV Park – change to accrual accounting as of June 1, 2015; Current YTD only reflects income earned and not daily receipts (as it did in the past)
- e. Events Center – 2015 included Pretty Muddy grant, parking, and concessions; cell tower – events that will not happen in 2016

Expenses – comparing Current YTD to Prior YTD

- f. General/Overhead
 - i. Water/sewer – underground leak causing 2-3x/month increase; 2015 thru Q1 \$6124.68, 2016 thru Q2 \$15,233.43
 - ii. Professional Services – master plan consultant expense recorded here
 - iii. Prior Year Expense - swamp coolers inspection/quote – possibly reimbursed by insurance
- g. Events Center – no Pretty Muddy expense for 2016

4. BUDGET REVIEW

The committee discussed the impact of the loss of three races so far this year, the World of Outlaws canceled due to weather and the motorcycles not returning at their choice, and the impact of weather on the golf course operations. **Motion by Meyer, second by Deckard to recommend a midyear budget adjustment to remove the revenue and expense impact of the three cancelled races, calculated at \$33,000 net. Motion passed unanimously, 2-0-0.**

5. KEY PERFORMANCE INDICATORS

The committee directed CEO Moore to develop a management report with key performance indicators and possible charts and graphs to present at the next committee meeting. Identified metrics/indicators include: # of donors, # of members, loan information, golf course days open vs. closed year-over-year, # rounds played, and RV park occupancy rates and ADR year-over-year.

6. ADJOURNMENT

The committee meeting adjourned at 5:50 pm.

Napa County Fair Association
Balance Sheet
March 31, 2016

	2016	2015
ASSETS		
Current Assets		
Cash	268,439	304,310
Accounts Receivable	35,888	1,809
Inventory	4,326	2,721
Deferred Charges	408	488
Total Current Assets	309,062	309,328
Fixed Assets		
Construction in Progress	27,524	29,226
Buildings & Improvements	2,921,846	2,865,221
Buildings & Improvements - Dep	(1,751,710)	(1,663,570)
Equipment	467,478	467,478
Equipment - Acc Dep	(273,207)	(249,610)
Total Fixed Assets	1,391,930	1,448,745
TOTAL ASSETS	1,700,992	1,758,074
LIABILITIES & RETAINED EARNINGS		
Liabilities		
Special Events Liability Ins	(445)	-
Accounts Payable	43,364	43,474
Payroll Withholdings	(2,880)	(6,533)
Deferred Income	270,928	143,008
Sales Tax	106	385
Refundable Deposits	2,961	7,273
Capital Improvements Fund	-	88,589
Compensated Absences	8,130	3,961
Workers Compensation	(2,092)	478
General Liability Insurance	-	-
Long Term Debt	154,390	131,437
Total Liabilities	474,462	412,070
Retained Earnings		
Capital Assets, Less Related Debt	1,295,356	-
Unrestricted Undesignated Net Resources	12,882	1,395,682
Unrestricted Designated Net Resources	-	-
Temporarily Restricted Net Resources	9,069	-
Permanently Restricted Net Resources	-	-
Projects funds	-	-
State Allocation	-	-
Supplemental Allocation	-	-
One Time Revenue Source	-	-
Net Income	(90,776)	(49,679)
Total Retained Earnings	1,226,530	1,346,003
TOTAL LIABILITIES & RETAINED EARNING	1,700,992	1,758,074

Napa County Fair Association
SUMMARY OF OPERATIONS
 March 31, 2016

	Budget 2016	Current Mo. 2016	Current YTD 3/31/2016	Prior YTD 3/31/2015
Revenues				
General/Overhead	33,200	1,548	9,970	4,994
Fair	405,761	5,900	8,955	0
Speedway	112,904	0	0	0
Golf Course	193,850	5,078	35,364	51,443
RV Park	432,250	22,383	59,128	123,278
Events Center	126,801	14,909	36,922	63,148
Emergency Response	0	0	0	0
	1,304,765	49,817	150,339	242,864
Expenditures				
General/Overhead	279,625	32,103	88,271	78,944
Fair	436,075	6,659	37,766	25,251
Speedway	76,615	4,317	9,646	8,941
Golf Course	235,507	9,062	29,806	43,083
RV Park	164,917	8,166	28,515	32,560
Events Center	107,986	7,758	19,364	76,165
Emergency Response	0	0	149	0
	1,300,725	68,065	213,517	264,945
Net Gain/(Loss) Operations				
General/Overhead	(246,425)	(30,556)	(78,301)	(73,950)
Fair	(30,314)	(759)	(28,810)	(25,251)
Speedway	36,289	(4,317)	(9,646)	(8,941)
Golf Course	(41,657)	(3,984)	5,558	8,360
RV Park	267,333	14,216	30,613	90,718
Events Center	18,815	7,151	17,557	(13,017)
Emergency Response	0	0	(149)	0
	4,040	(18,249)	(63,178)	(22,081)
State Allocations	38,190	0	0	0
Other Allocations	2,419	0	0	0
Net Gain/(Loss)	44,649	(18,249)	(63,178)	(22,081)
Depreciation	116,789	9,199	27,598	27,598
Net Gain/(Loss) after Depreciation	(72,140)	(27,448)	(90,776)	(49,679)
Resulting Net Gain/(Loss) AFTER Allocation of General/Overhead Expense				
General/Overhead	0	0	0	0
Fair	(89,456)	(8,092)	(47,603)	(42,999)
Speedway	11,647	(7,373)	(17,476)	(16,336)
Golf Course	(73,692)	(7,957)	(4,621)	(1,254)
RV Park	205,726	6,577	11,038	72,231
Events Center	(50,184)	(1,404)	(4,367)	(33,723)
Emergency Response	0	0	(149)	0

For the period of January 1, 2016 to December 31, 2016	SUMMARY				As of 6/9/16
	Actual	Budgeted	Estimated	Proposed	Adjusted
	2014	2015	2015	2016	2016
TOTAL NET RESOURCES, January 1					
Unrestricted net resources	\$58,905	\$102,299	\$489,470	\$521,886	\$521,886
Restricted resources	0	0	0	0	\$0
Investment in Capital Assets, Net of Related Debt	906,624	1,330,331	906,624	1,272,169	\$1,272,169
Prior Year Audit Adjustment(s)	477,356				\$0
Subtotal (Total Net Resources)	1,442,885	1,432,630	1,396,094	1,794,055	\$1,794,055
RESOURCES ACQUIRED:					
Administration	(21,783)	7,100	55,719	33,200	\$33,200
Fair	335,413	436,615	331,001	405,761	\$405,761
Speedway	137,343	132,663	115,757	112,904	\$70,443
Golf Course	198,797	203,648	191,060	193,850	\$193,850
RV Park	379,211	450,805	423,199	432,250	\$432,250
Events Center	148,633	153,931	179,417	126,801	\$126,801
Emergency Response	0	0	108,342	0	\$0
Operating Revenues	1,177,613	1,384,763	1,404,495	1,304,765	\$1,262,305
State (Local/Base) Allocations:	30,000	30,000	30,000	38,190	\$38,190
Other (Flex Capital, Perf Rating)	50,000			2,419	\$2,419
TOTAL RESOURCES AVAILABLE	2,700,498	2,847,393	2,830,589	3,139,429	\$3,096,968
RESOURCES APPLIED:					
Administration	290,589	276,361	321,504	279,625	\$279,625
Fair	363,332	456,616	414,392	433,193	436,075
Speedway	85,495	79,670	68,205	76,614	\$67,084
Golf Course	200,776	229,855	215,282	235,506	\$235,506
RV Park	140,363	190,038	138,008	164,917	\$164,917
Events Center	111,651	151,693	168,493	107,986	\$107,986
Emergency Response	0	0	104,170	0	\$0
Operating Expenses	1,192,205	1,384,233	1,430,054	1,297,843	\$1,291,195
Depreciation Expense	112,199	116,789	111,531	116,789	\$116,789
TOTAL RESOURCES APPLIED	1,304,404	1,501,023	1,541,584	1,414,632	\$1,407,984
TOTAL NET RESOURCES, DECEMBER 31:	\$1,396,094	\$1,346,371	\$1,794,055	\$1,783,056	\$1,747,243
Unrestricted Net Resources Available for Operations	489,470	469,658	521,886	498,798	\$462,986
Restricted Net Resources	0	0	0	38,190	\$38,190
Investment in Capital Assets (From Schedule 7)	906,624	876,713	1,272,169	1,246,068	\$1,246,068
Subtotal (Total Net Res Check Figure - should equal #29100)	\$1,396,094	\$1,346,371	\$1,794,055	\$1,783,056	\$1,747,243
Reserve Percentage	41.1%	33.9%	36.5%	41.4%	38.8%
NET PROFIT					
Administration	(312,372)	(269,261)	(265,785)	(246,425)	(246,425)
Fair	(27,919)	(20,000)	(83,391)	(27,432)	(30,314)
Speedway	51,848	52,993	47,552	36,289	3,359
Golf Course	(1,980)	(26,207)	(24,222)	(41,656)	(41,656)
RV Park	238,848	260,767	285,191	267,333	267,333
Events Center	36,982	2,239	10,924	18,815	18,815
Emergency Response	0	0	4,172	0	0
TOTAL NET PROFIT (less State Alloc)	(14,592)	530	(25,559)	6,923	(28,890)
OTHER					
State (Local/Base) Allocations:	30,000	30,000	30,000	38,190	38,190
Other (Flex Capital, Perf Rating)	50,000	-	-	2,419	2,419
NET PROFIT (after State Alloc.)	\$ 65,408	\$ 30,530	\$ 4,441	\$ 47,532	\$ 11,719

Chair, Board of Directors

Date

Chief Executive Officer

Date