



## **NOTICE OF MEETING**

22<sup>nd</sup> District Agricultural Association Board of Directors meeting  
January 14, 2025 at 1:30 p.m.

### **Boardroom**

Del Mar Fairgrounds  
2260 Jimmy Durante Boulevard  
Del Mar, California 92014

*While the 22nd District Agricultural Association Board of Director's meeting will be conducted in person, per Government Code section 11133, the 22<sup>nd</sup> DAA will also provide for remote participation by Board members and members of the public. If you prefer to participate remotely, please check the 22nd DAA's website ([Public Information](#)) for the ZOOM link and/or ZOOM dial-in instructions on how to participate and/or view this meeting.*

## **OUR PURPOSE**

We are a timeless community treasure where all can flourish, connect, and interact through year-round exceptional experiences.

## **OUR MISSION**

We connect our community through shared interests, diverse experiences, and service to one another in an inclusive, accessible, and safe place with an emphasis on **entertainment, recreation, agriculture, and education.**

## **22<sup>nd</sup> DAA BOARD OF DIRECTORS**

Frederick Schenk, President

Michael Gelfand, 1<sup>st</sup> Vice President

G. Joyce Rowland, 2<sup>nd</sup> Vice President

Mark Arabo, Director  
Lisa Barkett, Director  
Phil Blair, Director

Kathlyn Mead, Director  
Don Mosier, Director  
Sam Nejabat, Director

### **Secretary-Manager**

Carlene Moore  
Chief Executive Officer

### **22<sup>nd</sup> DAA Counsel**

Joshua Caplan  
Office of the California Attorney General

## OUR GOALS

### **THE LENS**

*Treat the campuses of the fairgrounds as one ecosystem where all activities are complementary and aligned with the purpose, mission, vision and values of the San Diego County Fair & Event Center.*

### **BUSINESS PLAN**

*Acknowledging the short-term need to plan for fiscal recovery and stabilization, create a 5-to-10-year business plan that rebuilds a strong financial base, contemplates new business activities and partnerships, provides program accessibility, and leads to a thriving San Diego County Fair & Event Center.*

### **MASTER PLAN**

*Create an environmentally and fiscally responsible land use plan for the San Diego County Fair & Event Center, aligning with purpose, mission, vision, and values of the organization.*

### **COMMUNITY ENGAGEMENT**

*Incorporate community engagement within the Business Plan and Master Plan processes to enhance understanding and expand opportunities.*

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Persons wishing to attend the meeting and who may require special accommodations pursuant to the provisions of the Americans with Disabilities Act are requested to contact the office of the Chief Executive Officer, (858) 755-1161, at least five working days prior to the meeting to ensure proper arrangements can be made.

Items listed on this Agenda may be considered in any order, at the discretion of the chairperson. This Agenda, and all notices required by the California Bagley-Keene Open Meeting Act, are available at [www.delmarfairgrounds.com](http://www.delmarfairgrounds.com). Public comments on agenda items will be accepted during the meeting as items are addressed.



## 22<sup>nd</sup> District Agricultural Association Board of Directors Meeting

### AGENDA

January 14, 2025 at 1:30 p.m.

1. **CALL TO ORDER** – PRESIDENT FREDERICK SCHENK

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 Board President.

2. **ROLL CALL**

3. **CONSENT CALENDAR** [Action Item]

All matters listed under the Consent Calendar are operational matters about which the Board has governing policies, implementation of which is delegated to the CEO. They 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 Consent Calendar items should notify the Chair of the Board at the time requested and be recognized by invitation of the Chair to address the Board.

- **Minutes, Regular Meeting – November 12, 2024** 5-9
- **Contract Awards & Approvals Exceeding CEO Delegated Authority** 155
  - **Standard Agreements from Competitive Solicitation** 156-161
    - 22-015 AM2 Fair Sign Production and Installation; 24-055 Commercial Production Services for 2025 San Diego County Fair
  - **Sponsorship Agreements** 162-170
    - SPO-25-007 Scootaround; SPO-25-053 Kahoots
- **Out-of-State Travel** 10

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

This item is for public comment on issues **NOT** on the current agenda. No debate by the Board shall be permitted 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 a docket item. Speaker's time is limited to **two** minutes and may be modified based on the number of public speakers. No speaker may cede their time to another speaker.

5. **GENERAL BUSINESS**

- A. **Audit & Governance Committee Report** – Sam Nejabat, Chair 11-12
  - 1. Presentation and vote to accept the 2023 Audit Report [Action Item] 13-60
- B. **Finance Committee Report** – Michael Gelfand, Chair 61-68
  - 1. Consideration and vote on Nilforushan Equisport Events LLC request to suspend Installment Payment Agreement indefinitely [Action Item] 78-93
    - Receive feedback on draft policies presented previously [Information Item] 69-77
- C. **Consideration and vote to approve the meeting minutes of October 2, 2024** 94-114  
[Action Item]

- D. **Discussion of existing District Bylaws and Board Member responsibilities under District Bylaws** [Information Item] 115-119
6. **EXECUTIVE REPORT** [Information Item] – CEO Carlene Moore Verbal
- **Operational Announcements**
    - IAFE Awards presented to the San Diego County Fair
    - Fair for All program update
    - Bank, credit card, and service fees update
  - **Construction & Facilities Updates**
  - **Industry News & Updates** 120-136
7. **MATTERS OF INFORMATION**
- **Correspondence** 137-154
  - **Contracts Executed per CEO Delegation of Authority** 171
    - **Standard Agreements** 172-205
      - 24-056 Grandstand Fire Watch Patrol; 24-057 Craft Brew Competition Assistant Coordinator; 24-058 Craft Brew Competition Coordinator; 24-059 Homemade Wine Competition and Toast of the Coast Assistant Coordinator; 24-060 Homemade Wine Competition and Toast of the Coast Coordinator; 24-061 Software and Business Development Training; 25-004 Records Management
    - **Individual Project Agreements (IPA) with California Construction Authority (CCA)** 206-207
      - 022-24-595634 FCO #002 Funding Change Order for Grandstand Fire Panel Replacement
8. **CLOSED EXECUTIVE SESSION (NOT OPEN TO THE PUBLIC)**  
 Pursuant to the authority of Government Code section 11126(a), (b), and (e) the Board of Directors will meet in closed executive sessions. The purpose of these executive sessions is:
- A. To confer with and receive advice from legal counsel regarding potential litigation involving the 22nd DAA. Based on existing facts and circumstances, there is significant exposure to litigation against the 22nd DAA. (Govt. Code, § 11126, subd. (e).)
  - B. To confer with and receive advice from legal counsel, regarding potential litigation involving the 22nd DAA. Based on existing facts and circumstances, the Board will decide whether to initiate litigation. (Govt. Code, § 11126, subd. (e).)
  - C. Personnel: The Board will meet in closed session to consider those items authorized under Section 11126 of the Government Code, including but not limited to the evaluation of performance of the CEO. [Gov. Code, § 11126, subd. (a)]
9. **RECONVENE TO OPEN SESSION**  
 Report on actions, if any, taken by the Board in closed executive session.
10. **ADJOURNMENT**





## **22<sup>nd</sup> DISTRICT AGRICULTURAL ASSOCIATION**

### **Board of Directors Meeting**

Del Mar Fairgrounds  
2260 Jimmy Durante Boulevard  
Del Mar, CA 92014  
**November 12, 2024**

### **MINUTES**

*The following minutes are a summary of the Board action and proceedings. For a full transcript please click on the link below or visit the [delmarfairgrounds.com](https://www.delmarfairgrounds.com) website:*

<https://www.delmarfairgrounds.com/p/public-information1>

### **OFFICERS PRESENT**

Michael Gelfand, 1<sup>st</sup> Vice President  
G. Joyce Rowland, 2<sup>nd</sup> Vice President

### **DIRECTORS PRESENT**

Mark Arabo  
Lisa Barkett (*via Zoom*)  
Phil Blair  
Kathlyn Mead  
Don Mosier  
Sam Nejabat (*via Zoom*)

### **OTHERS PRESENT**

Joshua Caplan, Deputy Attorney General  
Carlene Moore, Chief Executive Officer  
Katie Mueller, Chief Operations Officer  
Tristan Hallman, Chief Communications Officer  
Donna O'Leary, Office Manager

### **OFFICERS ABSENT**

Frederick Schenk, President

### **CALL TO ORDER**

Vice President Gelfand called the meeting to order at 1:34 p.m. with a quorum present.

### **ROLL CALL**

Vice Presidents Gelfand and Rowland and Directors Arabo, Barkett, Blair, Mead, Mosier, and Nejabat were present. President Schenk had an excused absence.

### **CONSENT CALENDAR**

PUBLIC COMMENT ON CONSENT CALENDAR (see pages 5-7 of transcript)

Martha Sullivan, Whitney Hodges

The October 2, 2024 meeting minutes and standard agreement 24-042 AM1 for Grandstand Fire Watch Patrol with Elite Show Services were removed from the Consent Calendar for further discussion.

Vice President Rowland moved to approve the Consent Calendar with the removal of the October 2 meeting minutes and standard agreement 24-042 AM1. Director Blair seconded the motion. Vice Presidents Gelfand and Rowland and Directors Arabo, Barkett, Blair, Mead, Mosier, and Nejabat were all in favor. The motion carried 8-0.

#### Minutes of October 2, 2024

Approval of the Minutes of October 2, 2024 was tabled to the next Board meeting to provide adequate time to review the correspondence received earlier today regarding the minutes.

#### Standard Agreement 24-042 AM1

CEO Moore outlined the ongoing work on the Grandstand fire suppression system, alarms, and controls, explaining that a 24-7 patrol is required by the State Fire Marshal while the project is under way to monitor for fire outbreak. The project was anticipated to finish at the end of September 2024, but an extension was needed as the project was not completed on time.

#### PUBLIC COMMENT ON STANDARD AGREEMENT 24-042 AM1 (see page 12 of transcript)

Martha Sullivan

Agreement 24-042 AM1 was withdrawn from consideration as the need for services in the month of October could have been executed under the CEO's delegation of authority as a matter of public exigency.

#### **PUBLIC COMMENT ON NON-AGENDA ITEMS** (see pages 18-24 of transcript)

Lori Saldaña, Chaun Reynolds, Martha Sullivan, Bonnie Croker

#### **EXECUTIVE REPORT**

- CEO Moore introduced Southwest Strategies CEO Chris Wahl to present an update on the District's Master Site Plan Outreach and Engagement roadmap. The listening session phase is set to continue through 2025.
- Mike Carson and Denise Steele of Premier Food Services recapped the food and beverage program offered at Breeders' Cup weekend in early November.
- COO Mueller unveiled the logo and branding for the 2025 San Diego County Fair and announced that the San Diego Humane Society will be a partner.
- On behalf of Board President Schenk, CEO Moore reminded the Board to complete any outstanding CDFA-required training before the end of the year.
- Event rental agreement 25-875 for the Del Mar Seaside Festival has been canceled and work is under way to renegotiate a new agreement for the event.
- COO Mueller and CCO Hallman gave a presentation highlighting recent visits to the Washington State Fair and State Fair of Texas.

#### PUBLIC COMMENT ON EXECUTIVE REPORT (see pages 87-91 of transcript)

Lori Saldaña, Darren Pudgil, Martha Sullivan

The meeting recessed for a short break at 3:35 p.m. and resumed at 3:47 p.m. Director Nejabat had to leave during the break and was absent for the remainder of the meeting.

## **GENERAL BUSINESS**

### **Item 6-A: Audit & Governance Committee Report**

Vice President Gelfand announced that Item 6-A is tabled until the next Board meeting when the committee chair is present.

### **Item 6-B: Finance Committee Report**

Vice President Gelfand introduced three action items and referred to the new draft policies on pages 100-108 of the meeting packet.

#### **Item 6-B-1: Consideration and vote on whether to approve the 2025 Operating Budget, including rates and out-of-state travel for employees and Board members**

CEO Moore presented the 2025 Operating Budget, which forecasts more than \$4.1 million in net proceeds from operations prior to payment of debt and capital expenses, with \$1.9 million overall to be reinvested.

#### **PUBLIC COMMENT ON ITEM 6-B-1 (see page 136 of transcript)**

Martha Sullivan

Director Blair moved to approve the 2025 Operating Budget. Director Mosier seconded the motion. Director Blair made a friendly amendment to approve the Operating Budget as presented with consideration for staff looking for cost saving opportunities regarding credit card, bank, and service fees and to return at a later date with more information. Director Barkett seconded the amended motion. Vice Presidents Gelfand and Rowland and Directors Arabo, Barkett, Blair, Mead, and Mosier were all in favor. The motion carried 7-0.

Director Mosier had to leave the meeting and was absent for the remainder of the meeting.

#### **Item 6-B-2: Consideration and vote on whether to approve the 2025 Capital Expenditures Budget**

CEO Moore referred to the report beginning on page 123 of the meeting packet and reviewed projects and improvements under way at the fairgrounds.

#### **PUBLIC COMMENT ON ITEM 6-B-2 (see pages 147-148 of transcript)**

Martha Sullivan

Director Arabo moved to approve the 2025 Capital Expenditures budget. Director Mead seconded the motion. Vice Presidents Gelfand and Rowland and Directors Arabo, Barkett, Blair, and Mead were all in favor. The motion carried 6-0.

#### **Item 6-B-3: Consideration and vote on the 2025 Delegation of Authority**

The delegation of authority provides for contract approval, expense and check signing authorities, and credit card usage for the purpose of conducting District business.

PUBLIC COMMENT ON ITEM 6-B-3 (see page 151 of transcript)

None

Director Mead moved to approve the 2025 Delegation of Authority. Vice President Rowland seconded the motion. Vice Presidents Gelfand and Rowland and Directors Arabo, Barkett, Blair, and Mead were all in favor. The motion carried 6-0.

CEO Moore introduced four new draft policies and noted that the Board and the public will have a chance to review the policies and provide feedback at subsequent meetings before a vote takes place.

PUBLIC COMMENT ON ITEM 6-B (see page 153 of transcript)

None

Item 6-C: DMTC Liaison Committee Report

Director Arabo introduced DMTC President and COO Josh Rubinstein to recap the Breeders' Cup World Championships.

PUBLIC COMMENT ON ITEM 6-C (see pages 161-169 of transcript)

Chaun Reynolds, Martha Sullivan, Mike Morton, Jim Coleman, Oscar De la Torre, Maria Luisa

Item 6-D: Nominating & Recruitment Committee Report

Vice President Gelfand referred to the report beginning on page 138 of the meeting packet.

Item 6-D-1: Consideration and vote to approve the slate of officers, effective November 15, 2024

Director Barkett reported that the committee recommended the following candidates to serve a second consecutive term in Board leadership positions: Frederick Schenk for Board Chair, Michael Gelfand for First Vice Chair, and Joyce Rowland for Second Vice Chair.

PUBLIC COMMENT ON ITEM 6-D-1 (see page 170 of transcript)

None

Director Arabo moved to approve the slate of officers, effective November 15, 2024. Director Blair seconded the motion. Vice Presidents Gelfand and Rowland and Directors Arabo, Barkett, Blair, and Mead were all in favor. The motion carried 6-0.

Item 6-E: Consideration and vote to approve the 2025 Board of Directors meeting schedule

Director Mead moved to approve the 2025 Board of Directors meeting schedule. Director Barkett seconded the motion.

PUBLIC COMMENT ON ITEM 6-E (see page 171 of transcript)

None

Vice Presidents Gelfand and Rowland and Directors Arabo, Barkett, Blair, and Mead were all in favor. The motion carried 6-0.

**MATTERS OF INFORMATION**

Correspondence can be found on pages 140-151 of the meeting packet.

**CLOSED EXECUTIVE SESSION**

Vice President Gelfand announced there would not be a Closed Executive Session.

**ADJOURNMENT**

There being no further business to discuss, Vice President Gelfand adjourned the meeting at 5:35 p.m.

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Carlene Moore  
Chief Executive Officer



## **Item 3, Consent Calendar – Out-of-State Travel**

### **Background:**

On September 13, 2023, Governor Newsom signed SB 447 into law authorizing GO-BIZ to establish the Building and Reinforcing Inclusive, Diverse, Gender-Supportive Equity Project (BRIDGE Project) to promote social equity, civil rights, and antidiscrimination through marketing and advertising campaigns. The new law repealed AB 1887, which previously prohibited state-sponsored travel to states with laws that discriminate against individuals on their sexual orientation and gender expression.

The California Department of Food and Agriculture requires board approval for work-related out-of-state travel.

On November 12, 2024, the 22nd District Agricultural Association (22nd DAA) Board of Directors approved the 2025 Operating Budget, as well as a list of out-of-state business development opportunities for 22nd DAA staff.

### **Request**

The 2025 Operating Budget included funding for approval to visit the Florida State Fair in Tampa, Florida, but the explicit request for approval for the travel was inadvertently left off the list of opportunities for the Board's consideration in November. Approval is now requested as part of the Board's January consent calendar.

### **Process/Approach**

#### **Florida State Fair**

The purpose of the visit to the Florida State Fair in February 2025 is to observe its carnival ticketing operation. The Florida State Fair uses the same carnival ticketing system as the San Diego County Fair but is implementing different support technology this year. The 22nd DAA's team plans to observe how the support software functions during its implementation in Florida. Additionally, the Florida State Fair uses a "ticket hub" in its midway as part of its operations. The 22nd DAA's team will observe the hub to gather insights into effectively establishing a similar concept for the carnival at the San Diego County Fair.

If approved for travel, CEO Moore will make the final determination regarding which employee(s) will participate in the opportunity, taking into consideration the operational needs and financial resources of the 22nd DAA at the time.

While staff has worked diligently to identify a comprehensive set of professional development opportunities for the coming year, new opportunities may be identified during the year. Should any new opportunities require out-of-state travel, they will be brought to the Board for approval.



## **Item 5-A, Audit & Governance Committee Report**

### **Background:**

The Audit & Governance Committee (Committee) is charged by the Board Chair with:

- Developing recommendations for mitigating risks to the 22nd District Agricultural Association (22nd DAA);
- Engaging with auditing firms as necessary to ensure 22nd DAA finances are audited in accordance with best practices and make recommendations to the Board;
- Developing and amending recommended policies for Board consideration; and
- Guiding the Board's annual self-assessment process, including:
  - The Board's progress in relation to the strategic plan.
  - The Board's performance as a body in terms of its capacity to function effectively and collaboratively.
  - The Board's strength of relationship/collaboration with the CEO and other members of the Executive Team.
  - Board Members' individual understanding and support of the organization's mission, values, and ethics, as well as Board-specific responsibilities.

This committee report accompanies the 2023 Audit Report conducted by LSL CPAs.

The 22nd DAA's Board engaged LSL CPAs for auditing services as the result of a competitive solicitation for audit services in late 2021. LSL CPAs has been the auditor of record for the 22nd DAA, Del Mar Race Track Authority, and State Race Track Leasing Commission, collectively "the District" for financial years 2020, 2021, 2022, and now 2023.

During the pandemic, the 22nd DAA's previous audit firm fell behind on the 2019 audit. That delay, combined with the competitive solicitation process for audit services, put timely auditing further behind. This was compounded by delays in GASB 68 and 75 (pension and OPEB liabilities) reporting information from the State Controller's Office via the Department of Food and Agriculture (CDFA). In the past three years, the 22nd DAA's internal accounting team and the independent auditors have worked diligently to complete five financial audits and two special audits.

Now, with the acceptance of the 2023 Audit Report, the 22nd DAA is up to date and timely with its audit reports. The 2024 audit will commence in early spring, following the end-of-year closure and submittal of the Statement of Operations to CDFA, with intentions to be completed by June 30.

As a reminder, unlike most other contracted services that report to 22nd DAA staff, the auditors work directly for the Board to ensure the integrity of financial information and protection of the financial assets.

**Process/Approach:**

While the 22nd DAA's accounting team works with the auditors and provides requested information to facilitate the audit process, the Committee also meets with the auditors independent of 22nd DAA employees.

Adam Odom, CPA, a partner in LSL's Audit & Assurance department, will walk the Board through the highlights of the 2023 Audit Report at its January 14, 2025 meeting.

**Recommendation:**

The Audit & Governance Committee recommends acceptance of the 2023 Independent Auditors' Report as presented in the meeting packet on pages 13 through 60.





22<sup>nd</sup> DISTRICT AGRICULTURAL  
ASSOCIATION AND ITS BLENDED  
COMPONENT UNITS  
DECEMBER 31, 2023

FINANCIAL STATEMENTS &  
INDEPENDENT AUDITORS' REPORT

Focused  
on YOU



22<sup>ND</sup> DISTRICT AGRICULTURAL  
ASSOCIATION AND ITS BLENDED  
COMPONENT UNITS

FINANCIAL STATEMENTS &  
INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2023

22<sup>ND</sup> DISTRICT AGRICULTURAL  
ASSOCIATION AND ITS BLENDED  
COMPONENT UNITS

FINANCIAL STATEMENTS &  
INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2023

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## INDEPENDENT AUDITORS' REPORT

22<sup>nd</sup> District Agricultural Association and its Blended Component Units  
Attn: Michael Sadegh  
Del Mar, California

### Report on the Financial Statements

#### Opinion

We have audited the accompanying financial statements of the 22<sup>nd</sup> District Agricultural Association and its Blended Component Units, (the "District") as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



22<sup>nd</sup> District Agricultural Association and its Blended Component Units  
Attn: Michael Sadegh  
Del Mar, California

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Other Reporting Responsibilities**

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required pension and other post-employment benefits schedules, as listed on the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we



22<sup>nd</sup> District Agricultural Association and its Blended Component Units  
Attn: Michael Sadegh  
Del Mar, California

obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and schedules (supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects in relation to the basic financial statements as a whole.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Irvine, California  
December 20, 2024

## 22nd District Agricultural Association and its Blended Component Units

### Management's Discussion and Analysis

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#### Overview

The 22nd District Agricultural Association (DAA) is a California state institution that owns and operates the Del Mar Fairgrounds (Fairgrounds). The DAA's nine-member Board of Directors is appointed directly by the Governor without Senate confirmation. However, while it must adhere to certain state policies and pay scales, the DAA does not normally receive state funding and must effectively operate as a business. The DAA's operations are primarily funded by revenues generated through hosting both public and private events across three distinct properties: the 212-acre main campus, the 48-acre Surf & Turf Recreational Facilities campus, and the 64-acre equestrian center campus known as Del Mar Horsepark.

The DAA's largest event is the San Diego County Fair (the Fair), which, in 2023, was a 21 day-event that was themed "Get Out There". The Fair appeals to a very broad audience in San Diego County and beyond both county lines and country borders into Mexico. The Fairgrounds was the site of over 110 paid interim events in 2023, including car shows, concerts at The Sound, and many consumer shows. The Del Mar Thoroughbred Club also was fully operational without any restrictions during the 2023 summer and fall race season. In addition, starting in October of 2023, the DAA hosts top-quality rated horse shows in the country through its operating agreement with HITS Del Mar Leasing, LLC for the Horsepark campus.

The following analysis of the combined financial results of the DAA, Del Mar Race Track Authority (RTA) and State Race Track Leasing Commission (RTLCL) (collectively, the District) has been prepared to provide a more thorough understanding of the financial performance of these combined entities for the year ended December 31, 2023. Please read this analysis in conjunction with the financial statements that follow this section.

This annual financial report includes three items:

1. Management's discussion and analysis.
2. Independent auditor's report.
3. Financial statements and supplemental schedules for the year ended December 31, 2023, including notes that explain in more detail some of the information in the financial statements.

#### Required Financial Statements

**Statement of net position:** The statement of net position includes all of the District's assets, deferred outflow of resources, liabilities, deferred inflow of resources and net position, and provides information about the nature and amounts of investments in resources (assets) and the obligations to the District's creditors (liabilities), and net position—the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources—of the District and the changes in them. The statement of net position also provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

#### Analysis of the Statement of Net Position

Current assets of the District, excluding the current portion of restricted investments, increased due to cash flows generated from the San Diego County Fair, horse racing, the opening of The Sound in February 2023, and the reopening of Horsepark to equestrian shows in July 2023.

In accordance with the Pledge Agreement, the DAA has continuously maintained funds on account, which are legally available for the payment of the Bonds in an amount equal to at least Maximum Annual Debt Service (as defined in the Indenture pursuant to which the Bonds were issued).

At the end of 2023 financial year, The DAA's net position increased by 2% or about \$1,637,000.

## 22nd District Agricultural Association and its Blended Component Units

### Management's Discussion and Analysis

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**Statement of revenues, expenses, and changes in net position:** All of the District's revenues, expenses and other changes in net position are accounted for in the statement of revenues, expenses and changes in net position. This statement measures the success of the District's operations during the years presented and can be used to determine whether the District has successfully recovered all of its costs through its fees and other sources of revenue. It also shows profitability and creditworthiness. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating.

#### **Analysis of the statement of revenues, expenses and changes in net position:**

In comparison to 2022, revenues from operations were stronger in 2023 due to a one day increase in the annual county fair from 21 to 22 days. Similarly, paid attendance figures rose by about 8% to 781,710 in 2023 from 722,942.

Food and Beverage revenues improved to \$20,886,000 during 2023 as compared to \$17,521,000 during FY2022, in large part due to the opening and ongoing operation of The Sound.

The "Get Out There" fair event during the months of June and July realized revenues in Concession and Carnivals consisting of multiple revenue streams. Carnival attractions (rides and games) revenues increased by 16% and totaled \$19,519,000, Commercial space rental revenues increased by 44% and totaled \$4,644,000, and Concessions Food and Beverage revenues totaled \$5,036,000, an increase of 29% from 2022. Admissions revenues increased by 9% and totaled \$12,021,000 while Parking revenues increased by 36% and totaled \$6,565,000.

Facility Rentals revenues increased by 81% and totaled \$7,165,000 for 2023. Satellite Wagering revenues totaled \$514,000 in 2023 and increased by nearly 24% as compared to 2022.

Leases/Operating Agreements includes pledge agreement payments from the Del Mar Thoroughbred Club (DMTC) as a result of net horse racing operations, \$1,225,000 from DMTC in direct rent payments to the DAA, plus \$505,000 through the various operating agreements of the Surf & Turf Recreation Facilities campus, which is composed of an RV park, driving range, miniature golf, tennis courts, swim school, volleyball centers, and a golf pro shop.

Equestrian activities also resumed at Horsepark. In July 2023, the DAA entered into a five-year agreement with five, one-year options, with HITS Del Mar Leasing, LLC to operate Horsepark. The operator will make a guaranteed \$20,000 monthly payment and an additional amount equal to 18% of its gross monthly revenues at Horsepark to the DAA.

With the decline in attendance and revenue from off-track wagering, the DAA considered alternative uses for a large portion of its 90,000 square-foot satellite wagering facility. This repurposing included an entertainment venue with a capacity of 1,900 and eating areas. The renovation began in 2019, and the entertainment venue was expected to be complete in the summer of 2020. But due to the COVID-19 pandemic and disruptions to labor and supply chains, the opening date was delayed. The venue branded as The Sound started its operation in February of 2023. During the year, The Sound held 44 events, producing Food and Beverage revenues of \$1,695,000, Facility Rental Revenues of \$491,000 and related Parking Revenues of \$352,000.

In 2023, expenses from operations were higher mainly due to a substantial reduction in pension related costs resulting in \$15,966,000 savings in 2022 due to revised pension costs for the DAA's fulltime employees. In addition, the DAA increased its regular full-time employee count by 13 by the end of 2023. As result, payroll and related benefits (excluding pension costs) increased by about 15%, or \$1,826,000 to \$14,149,000 over 2022.



## 22nd District Agricultural Association and its Blended Component Units

### Management's Discussion and Analysis

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Variable costs such as Food and Beverage Expense increased by \$1,956,000 or 14%, and Entertainment cost increased by \$1,358,000 or about 10% when compared to 2022. Increase in these cost items were directly attributable to the increase in the revenues in Food and Beverage and Carnival (game and ride) revenue increases when compared to 2022.

Insurance costs for the District increased by \$617,000 or 57% for the year. This increase is associated with a general year-over-year insurance premium increase by the insurer. In addition, the DAA changed its Workers Compensation insurance carrier from a private market carrier to California Fair Services Authority (CFSA) starting in May of 2023 as required by the California Department of Food & Agriculture.

Depreciation expense increased \$2,940,000 or 39%. The increase is mostly attributable to The Sound improvements that were placed in service.

### Economic and Other Factors

**Civil service salaries and benefits:** On employment matters, the DAA, as a state institution, falls under the purview of the California Department of Human Resources (CalHR), which sets all pay scales and personal leave benefit thresholds and administers health benefits for civil service employees.

**Recruitment and retention:** These pay scales have posed challenges to the DAA to recruit and retain qualified, highly competent personnel. In 2006, the Department of Personnel Administration approved a recruiting and retention differential for the DAA's exempt employees to help offset salary levels that had fallen behind the San Diego market.

**Minimum wage:** The state of California increased its minimum hourly wage from \$15.00 to \$15.50 on January 1, 2023. In addition, the Fairgrounds is in a challenging location in terms of its proximity to the labor pool, and in many instances has to offer and pay higher rates than California's minimum wage in order to attract qualified temporary labor. These increases affect payroll and payroll tax expense, as well as workers' compensation and unemployment insurance. These increases also impact the cost of contracted labor and services.

**Employer pension costs:** The rates to the DAA for pension contributions for its tier one employees increased in July 2022 to 32.00% and remained the same for the financial year 2023. Rates are established by CalPERS.

**Legislation passed or pending:** On September 15, 2014, Assembly Bill 2490 was chaptered. This bill affects all District Agricultural Associations in California. It revised the responsibilities of the Department of Food and Agriculture and the Department of General Services as they related to District Agricultural Associations by providing greater authority and autonomy to District Agricultural Associations and local fair boards by eliminating preapproval requirements and streamlining procurement processes.

On July 10, 2017, Senate Bill 84 was signed into law. This law had the effect of borrowing \$6 billion from the state of California's PMIA to make a one-time supplemental payment to CalPERS as part of the 2018/19 fiscal year budget package. The intent of this one-time supplemental payment was to save the state money over the next few decades by slowing the pace of cost increases for the state's annual pension payments. Under SB 84, the Department of Finance was required to develop a repayment schedule for principal and interest on the amount borrowed from the PMIA. The Department of Finance calculated the proportionate share due from each CalPERS participant, based on fiscal year 2016/17 employer retirement contributions. The DAA's proportionate share of this obligation was determined to be \$3,403,924. This amount is to be paid over five fiscal years beginning in the state's fiscal year 2020/21, with four equal payments of \$619,895 and one final payment of \$924,344 in fiscal year 2024/25. No payments have been made as of the date of this report.

## 22nd District Agricultural Association and its Blended Component Units

### Management's Discussion and Analysis

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In October 2017, Assembly Bill 1499 was signed into law. Beginning July 1, 2018, every sales tax return filed would have to segregate and report the total gross receipts for sales and use tax purposes for all receipts that took place on the property of a state-designated fairground. Three-fourths of 1% of the gross sales generated would be allocated to fairgrounds for specific projects and subject to certain conditions. Under AB 1499, a fairground will not receive any funds unless it agrees to relinquish its recreational exemption under the Fair Labor Standards Act. The California Department of Food & Agriculture made the first distribution of funds in 2020, but nothing more in 2021 or 2022. A catch-up payment has been made in January of 2024 in the amount of \$1,484,500.

In May 2018, the United States Supreme Court ruled that the provision of the Professional and Amateur Sports Protection Act, which prohibited a governmental entity or a person from conducting betting or wagering on competitive games or performances in which amateur or professional athletes participate, violated the 10th Amendment of the U.S. Constitution. As a result, this statute is no longer enforceable against states, businesses, or individuals. Individual states are now free to pass statutes that would legalize sports wagering within their borders. Currently, 38 states have some form of a live and legal sports betting regulation offered through retail and/or online sportsbooks. California will require a state constitutional amendment for sports wagering to be legalized.

**Other changes in operations:** Beginning January 1, 2024, the District directly manages the RV camping operations on its property including the Surf & Turf RV Park, taking over from the previous operator whose contract expired December 31, 2023.

## 22nd DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENT UNITS

### STATEMENT OF NET POSITION

DECEMBER 31, 2023

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#### Assets and Deferred Outflows of Resources

##### Current Assets

Cash and cash equivalents	\$ 39,550,219
Current portion of restricted investments	2,644,931
Accounts receivable, net	2,569,014
Prepaid expenses and other	327,713

Total Current Assets	45,091,877
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Restricted Investments, Long-term Portion	6,927,612
Capital Assets, Net	111,683,859

Total Assets	163,703,348
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##### Deferred Outflows of Resources:

Deferred outflow of pension liability	6,207,166
Deferred outflow on OPEB	598,928

Total Deferred Outflows of Resources	6,806,094
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<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 170,509,442</b>
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See Notes to Financial Statements.

## 22nd DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENT UNITS

### STATEMENT OF NET POSITION

DECEMBER 31, 2023

#### Liabilities, Deferred Inflows of Resources and Net Position

Current Liabilities	
Accounts payable	\$ 7,859,125
Accrued interest	762,307
Accrued liabilities and other	3,715,697
Accrued compensated absences	1,361,019
Current portion of premier investment liability	100,000
Current portion of SB84 liability	619,895
Current portion of loan payable	931,674
Current portion of bonds payable	1,585,000
	<hr/>
Total Current Liabilities	16,934,717
	<hr/>
Long-Term Liabilities	
Premier investment liability, long-term portion	1,413,122
SB84 liability, long-term portion	924,344
Loan payable, long-term portion	23,246,914
Bonds payable, long-term portion	32,878,174
Net pension liability	13,808,977
Net OPEB liability	2,873,442
	<hr/>
Total Long-Term Liabilities	75,144,973
	<hr/>
Total Liabilities	92,079,690
	<hr/>
Deferred Inflows of Resources:	
Deferred gain on debt defeasance	97,971
Deferred inflow of pension liability	312,730
Deferred inflow on OPEB	726,107
	<hr/>
Total Deferred Inflows of Resources	1,136,808
	<hr/>
Net Position:	
Net investment in capital assets	40,745,619
Restricted for debt service	6,629,266
Unrestricted	29,918,059
	<hr/>
Total Net Position	77,292,944
	<hr/>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u><u>\$ 170,509,442</u></u>

See Notes to Financial Statements.

## 22nd DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENT UNITS

### STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED DECEMBER 31, 2023

Operating Revenues:	
Food and beverage	\$ 20,885,568
Concessions/carnivals	29,291,575
Admissions	12,021,025
Facility rentals	7,165,130
Satellite wagering	514,065
Parking	6,564,975
Leases/operating agreement	4,207,587
Sponsorships	572,020
State apportionment	58,820
Other	553,882
<b>Total Operating Revenues</b>	<b>81,834,647</b>
Operating Expenses:	
Payroll and related benefits, excluding pension cost	14,149,156
Pension cost and net pension liability adjustment	1,645,017
Food and beverage	15,454,687
Entertainment	15,114,034
Maintenance	8,499,175
Facilities and related supplies	1,108,354
Insurance	1,699,587
Depreciation	10,419,905
Professional services	9,377,137
Marketing	1,067,884
Other post-employment benefit cost and net OPEB liability adjustment	(1,190,966)
Other	2,244,497
<b>Total Operating Expenses</b>	<b>79,588,467</b>
Income from Operations	2,246,180
Nonoperating Revenues (Expenses):	
Interest income	1,862,259
Interest expense	(2,595,147)
Other	123,664
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(609,224)</b>
<b>Change in Net Position</b>	<b>1,636,956</b>
Net Position, Beginning of Year	75,655,988
<b>Net Position, End of Year</b>	<b>\$ 77,292,944</b>

See Notes to Financial Statements.

## 22nd DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENT UNITS

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2023

Cash Flows from Operating Activities:	
Receipts from operations	\$ 80,823,248
Payments to vendors	(53,093,667)
Payments to employees	(17,903,784)
<b>Net Cash Provided by (Used In) Operating Activities</b>	<b>9,825,797</b>
Cash Flows from Capital and Related Financing Activities:	
Purchases of capital assets	(2,187,186)
Payments on bonds	(2,630,000)
Payments on loans	(739,440)
Payments on premier investment	(286,878)
Payments on SB84	(619,895)
Interest paid on long-term debt	(2,769,955)
<b>Net Cash Provided by (Used In) Capital and Related Financing Activities</b>	<b>(9,233,354)</b>
Cash Flows from Investing Activities:	
Sales of investments	1,498,651
Interest income	1,862,259
Other investing income	123,664
<b>Net Cash Provided by (Used In) Investing Activities</b>	<b>3,484,574</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>4,077,017</b>
Cash and Cash Equivalents, Beginning of Year	35,473,202
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 39,550,219</b>
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities:	
Income from operations	\$ 2,246,180
Adjustments to reconcile income from operations to net cash provided by operating activities:	
Depreciation	10,419,905
Changes in assets and liabilities:	
Accounts receivable, net	(1,011,399)
Prepaid expenses and other	269,371
Accounts payable	1,202,317
Accrued liabilities and other	(1,505,992)
Accrued compensated absences	129,971
Net OPEB liability	(1,190,966)
Net pension liability	(733,590)
<b>Net Cash Provided by (Used In) Operating Activities</b>	<b>\$ 9,825,797</b>
Noncash Disclosure of Capital and Related Financing Activities:	
Amortization of bond premium	\$ 168,020

See Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

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**Note 1: Nature of Organization and Summary of Significant Accounting Policies**

**Nature of organization and reporting entity:**

The 22nd District Agricultural Association (the DAA), a component unit of the state of California, operates fairground facilities located in Del Mar, California. The DAA conducts an annual summer fair, operates an off-track horse race betting facility and rents the fairground facilities for various non-fair events. The board members of the DAA are appointed by the governor of the state of California. The state of California Department of Food and Agriculture (CDFA), through the Branch of Fairs and Expositions, provides fiscal and policy oversight of the network of California fairs.

The accompanying financial statements present a one-column combination of the accounts and activities of the DAA, the State Race Track Leasing Commission (RTLCL) and the Del Mar Race Track Authority (RTA) (collectively, the District). All inter-entity transactions have been eliminated.

The District evaluates its financial reporting entity in accordance with Governmental Accounting Standards Board (GASB) Codification Section 2100, Defining the Financial Reporting Entity, which sets the criteria for defining the reporting entity of a governmental unit for financial reporting. It states that, if certain criteria are met, the financial data of a separate governmental unit is to be included as part of the reporting entity. The RTLCL, created by the state of California in January 1968 to oversee capital improvement funds provided by the horse racing operating agreement described in Note 8, meets these criteria because of its financial interdependence with the District and, as such, is reported as a blended component unit. The RTLCL is managed by a commission consisting of six members, appointed by statute in the CDFA Code Section 4351, who are empowered to oversee the development of ground improvements and structures. Once constructed, the assets approved and funded by the RTLCL become the property of the District.

In addition, the RTA is included as part of the reporting entity as a blended component unit in the financial statements because it also meets the aforementioned criteria. The RTA is a joint powers authority created in August 1990 by a joint exercise of powers agreement between the RTLCL and the DAA to finance the construction of a new grandstand and related facilities at the Del Mar Fairgrounds (the Fairgrounds) of the DAA. The RTA is managed by a board of six directors, who are the six members of the RTLCL commission, who oversaw the financing for the grandstand construction project and who continue to oversee the financing and improvements at the Fairgrounds. The RTA is funded through operating transfers from the District and the RTLCL. The joint exercise of powers agreement expires in August 2040. Upon the termination of the joint powers agreement, title to the grandstand will vest to the District.

**A summary of the District's significant accounting policies are as follows:**

**Basis of accounting:** The District is reported similar to a special purpose government engaged in only business-type activities. As such, its financial statements are presented in accordance with the requirements established for enterprise funds. An enterprise fund is defined by the GASB as a fund related to an organization financed and operated similar to a private business enterprise where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Accordingly, the District's accounts are maintained on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred, regardless of when the related cash flow takes place. The District defines its operating revenues and expenses in the accompanying statement of revenues, expenses and changes in net position as consisting of all revenues and expenses, except those related to financing and investing activities (interest income and interest expense).

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

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**Note 1: Nature of Organization and Summary of Significant Accounting Policies (Continued)**

**Cash and cash equivalents:** Cash consists of cash on hand and cash in banks. For the purposes of the statement of cash flows, the District considers all investments with original maturities of 90 days or less, including pooled funds with the California Local Agency Investment Fund (LAIF), to be cash equivalents. Investments in LAIF are reported at amortized cost. Interest income is recognized when earned.

**Restricted investments:** Restricted investments relate to the Series 2015 Revenue Bonds (Series 2015 Bonds) as discussed in Note 4. Restricted investments are reported at fair value. As defined in GASB Statement No. 72, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Gains and losses are reported in the statement of revenues, expenses and changes in net position. Interest and dividend income is recognized when earned.

**Accounts receivable:** Accounts receivable are carried at original invoice amount less an estimate made for uncollectible receivables based on a review of outstanding amounts. Management determines the allowance for doubtful accounts by regularly evaluating individual customer receivables and considering a customer's financial condition, credit history and current economic conditions. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received.

**Prepaid expenses and other:** Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the accompanying statement of net position. Other items include interest receivable, inventory and deposits.

**Capital assets:** Capital assets are recorded at cost less accumulated depreciation, or acquisition value if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Useful lives range from three years for equipment to 40 years for buildings. The District has capitalized infrastructure assets, such as drainage systems and paving, which are depreciated over 20 to 40 years.

The District periodically evaluates whether events or circumstances have occurred that may have resulted in an impairment of its capital assets. No such impairment occurred in the year ended December 31, 2023.

Interest cost on borrowed funds during the period of construction of capital assets were expensed when incurred for the year ended December 31, 2023.

**Deferred gain on debt defeasance:** For debt refunding resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt (i.e., deferred charges) is reported as a deferred inflow of resources and amortized to interest expense based on the effective interest method over the remaining life of the old debt or the life of the new debt, whichever is shorter.

**Bond premium:** Bond premiums are reported as an addition to the outstanding debt balance and are amortized as interest expense over the life of the bond using the effective interest method.

**Compensated absences:** The DAA's compensated absences policies are set by the California Department of Human Resources. Employees who elect annual leave or vacation leave will be allowed to accumulate up to a maximum of 640 hours of leave as of January 1 of each year. Exceptions to this limit will not be allowed except in extremely unusual situations and must



**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**


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**Note 1: Nature of Organization and Summary of Significant Accounting Policies (Continued)**

be approved in advance by the director of the California Department of Human Resources. Upon separation or retirement, employees with accrued annual leave and vacation leave will receive a lump-sum payment at their current salary rate for their accumulated credits. Sick leave has no maximum accrual limit and can be converted to service credit upon retirement.

Compensated absences activity for the year ended December 31, 2023, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Compensated absences	\$ 1,231,048	\$ 250,728	\$ (120,757)	\$ 1,361,019

**Pensions:** The net pension liability, deferred outflows and inflows of resources related to pensions, pension expense, information about the fiduciary net position of the California Public Employees' Retirement System (CalPERS) and additions to/deductions from CalPERS' fiduciary net position have been determined on the same basis as reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

A deferred outflow of resources and deferred inflow of resources related to pensions result from changes in the components of the net pension liability and are applicable to a future reporting period. As noted in Note 10, deferred outflows and inflows of resources will be recognized as pension expense in future years; however, contributions subsequent to the measurement period will be recognized as a reduction of the net pension liability during the fiscal year ended December 31, 2023.

**Post-employment benefits other than pensions:** For purposes of measuring the net post-employment benefits other than pensions (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of CalPERS' OPEB plan and additions to/deductions from CalPERS' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Net position:** Net position represents the difference between assets and deferred outflows of resources, less liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances on debt, deferred outflows and deferred inflows that are attributable to the acquisition, and construction or improvement of capital assets. Net position is reported as restricted when there are limitations imposed on its use, either through legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws and regulations of other governments. Restricted resources are used first to fund applicable appropriations.

**Revenue recognition:** The District generally recognizes revenue when events take place, and when goods or services are provided.

- Food and beverage revenue is recognized at the time of sale.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

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**Note 1: Nature of Organization and Summary of Significant Accounting Policies (Continued)**

- Concessions/carnivals revenue consists of space rentals at the fair and ticket sales for carnival attractions. Revenue from space rentals is recognized when earned and revenue from ticket sales is recognized when the tickets are available to be used.
- Admissions revenue consists of ticket sales to events at the Fairgrounds and is recognized when the tickets are available to be used.
- Facility rentals revenue consists primarily facility rentals for the various events presented on the Fairgrounds. Revenue is recognized over the term of the rental contract.
- Satellite wagering revenue primarily consists of the District's share of off-track betting proceeds, which is recognized when the races occur at tracks around the world.
- Parking revenue consists of charges for parking spaces at the District and is recognized immediately after spaces are used.
- Leases/operating agreement revenue primarily consists of payments from the Del Mar Thoroughbred Club (DMTC) according to the operating agreement (see Note 8). Revenue from the direct payment (as defined in the operating agreement) is recognized pro rata over the year that the payment applies and remaining revenue charged is recognized when the net income of the DMTC is reported.
- Sponsorship revenue consists of sponsorship contracts for various events at the Fairgrounds. Revenue is recognized over the term of the sponsorship agreement.
- Other revenue consists of a variety of miscellaneous revenue accounts, including food and beverage revenue received from Premier Food Services, Inc. (Premier), ATM fees, interest income, RV pumping fees, recycling, miscellaneous exhibit fees and event entry fees.

**Use of estimates:** The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from those estimates. Significant estimates made by management include, but are not limited to, allowance for uncollectible receivables and assumptions used in the determination of pension liability.

**Future Implementation of accounting pronouncements:** The following Governmental Accounting Standards Board GASB pronouncements are effective in the following fiscal year. Manage is currently reviewing their potential impact for proper financial statements implementations.

**GASB Statement No. 99–** In April 2022, the GASB issued Statement No. 99, *Omnibus*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

## 22<sup>ND</sup> DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENT UNITS

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

#### Note 1: Nature of Organization and Summary of Significant Accounting Policies (Continued)

**GASB Statement No. 100**– In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. The objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

**GASB Statement No. 101**– In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

**GASB Statement No. 102**– In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerability due to certain concentrations or constraints.

**GASB Statement No. 103**– In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

**GASB Statement No. 104**– In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets.

#### Note 2: Condensed Financial Information

The following is the condensed combining detail for the statement of net position as of December 31, 2023:

	DAA	RTA	RTLC	Eliminations	Total
Current assets	\$ 42,446,946	\$ 2,644,931	\$ 697,377	\$ (697,377)	\$ 45,091,877
Restricted investments, long-term portion	-	6,927,612	-	-	6,927,612
Capital assets, net	46,753,619	64,930,240	-	-	111,683,859
Total assets	89,200,565	74,502,783	697,377	(697,377)	163,703,348
Deferred outflow of resources	6,806,094	-	-	-	6,806,094
Current liabilities	15,355,461	2,276,639	(6)	(697,377)	16,934,717
Long-term liabilities	42,266,799	32,878,174	-	-	75,144,973
Total liabilities	57,622,260	35,154,813	(6)	(697,377)	92,079,690
Deferred inflow of resources	1,038,837	97,971	-	-	1,136,808
Net investment in capital assets	5,972,165	34,773,454	-	-	40,745,619
Restricted for debt service	-	6,629,266	-	-	6,629,266
Unrestricted - other	31,373,397	(2,152,721)	697,383	-	29,918,059
Total net position	\$ 37,345,562	\$ 39,249,999	\$ 697,383	\$ -	\$ 77,292,944

## 22<sup>ND</sup> DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENT UNITS

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

#### Note 2: Condensed Financial Information (Continued)

The following is the condensed combining detail for the statement of revenues, expenses and changes in net position for the year ended December 31, 2023:

	DAA	RTA	RTLC	Eliminations	Total
Operating revenues:					
Operating revenues	\$ 79,356,647	\$ 2,478,000	\$ -	\$ -	\$ 81,834,647
Operating expenses:					
Operating expenses	72,796,257	6,129,342	1,242	-	78,926,841
(Loss) income from operations	6,560,390	(3,651,342)	(1,242)	-	2,907,806
Nonoperation (expenses) revenues:					
Nonoperation (expenses) revenues	(183,814)	(1,087,036)	-	-	(1,270,850)
Changes in net position	6,376,576	(4,738,378)	(1,242)	-	1,636,956
Net position, beginning of year	30,968,986	43,988,377	698,625	-	75,655,988
Net position, end of year	\$ 37,345,562	\$ 39,249,999	\$ 697,383	\$ -	\$ 77,292,944

The following is the condensed combining detail for the statement of cash flows for the year ended December 31, 2023:

	DAA	RTA	RTLC	Total
Net cash provided by (used in) operation activities	\$ 6,650,421	\$ 2,477,999	\$ 697,377	\$ 9,825,797
Net cash provided by (used in) capital and related financing activities	(4,619,552)	(4,613,802)	-	(9,233,354)
Net cash provided by (used in) investing activities	2,847,423	637,151	-	3,484,574
Cash and cash equivalents, beginning of year	34,905,422	(829,800)	1,397,580	35,473,202
Cash and cash equivalents, end of year	\$ 39,783,714	\$ (2,328,452)	\$ 2,094,957	\$ 39,550,219

#### Note 3: Joint Exercise of Power Agreements

California Fair Services Authority: The DAA is a member of the California Fairs Financing Authority, dba California Construction Authority (CCA), a joint powers authority created by a joint exercise of powers agreement between the counties of Solano and El Dorado, and the 22nd, 32nd and 46th District Agricultural Associations. The governing body of CCA is composed of five directors appointed by member entities.

The primary purpose of the CCA is to provide financing, planning, design and construction services for projects at Fairgrounds throughout California. Additionally, the CCA provides central administration for the common interests of the members and associated members for the financing and construction of satellite wagering facilities and any other projects authorized by the agreement. Ownership of each of the satellite wagering facilities or other projects remains with the respective entity for which the project was constructed and financed.

The joint exercise of powers agreement expires on December 31, 2040. The District had no interest in CCA's assets or liabilities at December 31, 2023.

CCA projects during 2023 included the Frontside Housing demolition, the DMTC HVAC project, the Sounds HVAC controls projects, replacement of the Wyland Skylights and replacement of the O'Brian Building roof. Costs incurred for these projects during the year ended December 31, 2023, are recorded in capital assets.

**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**


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**Note 4: Cash and Cash Equivalents, and Restricted Investments**

Cash and cash equivalents, and investments consisted of the following at December 31, 2023:

Cash on hand	\$ 600
Cash in banks	1,594,151
LAIF	37,955,468
Cash and cash equivalents	<u>39,550,219</u>
Restricted investments, money market accounts	9,572,543
Total cash and cash equivalents, and restricted investments	<u><u>\$ 49,122,762</u></u>

Cash and cash equivalents, and restricted investments are summarized on the financial statements as follows at December 31, 2023:

Cash and cash equivalents	\$ 39,550,219
Current portion of restricted investments	2,644,931
Long-term portion of restricted investments	6,927,612
	<u><u>\$ 49,122,762</u></u>

The California State Treasury makes available LAIF through which local governments may pool investments. The DAA is a participant in LAIF, which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the state of California. Investments in LAIF are highly liquid, as deposits can be converted to cash within 24 hours without loss of interest. Investments included in LAIF include primarily debt securities, including treasuries, commercial paper and agency debt, but also include real estate structured notes and asset-backed securities. As of December 31, 2023, the DAA had \$37,955,468 invested in LAIF. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with state statute.

Investments: The state of California Government Code Section 53601 generally authorizes the District to invest unrestricted and Board-designated assets in obligations of the U.S. Treasury and certain U.S. government agencies, obligations of the state of California and local government entities, bankers' acceptances, commercial paper, certificates of deposit, repurchase agreements and mortgage securities. Some of these investments may be purchased only in limited amounts, as defined in the Government Code.

The current portion of restricted investments in the amount of \$2,644,931 is restricted for bond projects only. Funds are distributed once a month upon the DAA's request to pay bond-project invoices. The long-term portion of restricted investments in the amount of \$6,927,612 represents the amount held in reserve in the event of default. The amount required to be held in reserve is \$3,297,000. The District is in compliance with this requirement.

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of the investment. Interest rate is also the risk that the value of fixed-income securities will decline due to increasing interest rates. The terms of a debt investment may cause its fair value to be highly sensitive to interest rate changes.

**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**


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**Note 4: Cash and Cash Equivalents, and Restricted Investments (Continued)**

Credit risk: Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investments. Fixed-income securities and investments in an external investment pool are subject to credit risk, which is the risk that an issuer will fail to pay interest or principal when due. Certain fixed-income securities, including obligations of the U.S. government or those explicitly guaranteed by the U.S. government, are not considered to have credit risk. LAIF is not rated. The District does not currently hold investments that are subject to credit risk.

Custodial credit risk, bank deposits: The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District maintains its cash balances at California Bank & Trust. These deposits are insured up to \$250,000 per bank by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2023, \$2,150,074 of the District's bank balance of \$2,400,074 was exposed to custodial credit risk as it was uninsured and uncollateralized. The District follows the state's policies on permitted investments and does not have a policy for custodial credit risk.

Custodial credit risk, investments: The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

Concentration of credit risk: Concentration of credit risk is the risk associated with a lack of diversification, such as having substantial investments in a few individual issuers, thereby exposing the District to greater risks resulting from adverse economic, political, regulatory, geographic or credit developments. Investments issued or guaranteed by the U.S. government and investments in external investment pools, such as LAIF, are not considered subject to concentration of credit risk.

The District categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are quoted prices for similar assets or liabilities in active markets; and Level 3 inputs are significant unobservable inputs.

The District did not have any investments as of December 31, 2023, that were subject to the fair value hierarchy as the money market investments are carried at amortized cost.

**Note 5: Accounts Receivable**

Accounts receivable as of December 31, 2023, are summarized as follows:

Accounts receivable	\$ 2,996,466
Less allowance for doubtful accounts	(427,452)
Accounts receivable, net	<u>\$ 2,569,014</u>



## 22<sup>ND</sup> DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENT UNITS

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

#### Note 6: Capital Assets

A summary of changes in capital assets, net, for the year ended December 31, 2023, is as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital assets not being depreciated:					
Land	\$ 6,322,333	\$ -	\$ -	\$ -	\$ 6,322,333
Construction in progress	30,729,782	1,743,245	-	(30,666,415)	1,806,612
Total capital assets not being depreciated	37,052,115	1,743,245	-	(30,666,415)	8,128,945
Capital assets being depreciated:					
Building and improvements	197,145,152	-	-	20,418,881	217,564,033
Equipment and fixtures	38,304,259	443,941	-	93,320	38,841,520
Land improvements	28,689,566	-	-	10,154,214	38,843,780
Total capital assets being depreciated	264,138,977	443,941	-	30,666,415	295,249,333
Less accumulated depreciation and amortization:					
Building and improvements	(126,760,324)	(7,591,369)	-	-	(134,351,693)
Equipment and fixtures	(35,424,659)	(709,145)	-	-	(36,133,804)
Land improvements	(19,089,531)	(2,119,391)	-	-	(21,208,922)
	(181,274,514)	(10,419,905)	-	-	(191,694,419)
Net capital assets being depreciated	82,864,463	(9,975,964)	-	30,666,415	103,554,914
Total capital assets, net	\$ 119,916,578	\$ (8,232,719)	\$ -	\$ -	\$ 111,683,859

#### Note 7: Long-Term Debt

Long-term debt activity during the fiscal year ended December 31, 2023, is as follows:

	Beginning Balance	Additions	Payments	Amortization of Premium	Ending Balance	Due Within One Year
Series 2015 Revenue Bonds	\$ 35,700,000	\$ -	\$ (2,630,000)	\$ -	\$ 33,070,000	\$ 1,585,000
Series 2015 Unamortized Premium	1,561,194	-	-	(168,020)	1,393,174	-
2019 Energy Efficiency Loan	3,441,841	-	(4,101)	-	3,437,740	172,324
2018 IBank Loan	7,417,559	-	(398,817)	-	7,018,742	410,781
2019 IBank Loan	14,058,628	-	(336,522)	-	13,722,106	348,569
Total Long-Term Debt	\$ 62,179,222	\$ -	\$ (3,369,440)	\$ (168,020)	\$ 58,641,762	\$ 2,516,674

**Series 2015 Revenue Bonds:** On August 1, 2015, the RTA issued \$44,435,000 in Series 2015 Bonds at a premium of \$2,969,958 and net issuance costs of \$666,741. The Series 2015 Bonds have fixed interest rates of 2.00% to 5.00% and mature annually on October 1 from 2016 to 2038. These bonds were issued for the purpose of refinancing the \$25,460,000 outstanding principal amount of the Authority's Revenue Bonds, Series 2005 and to provide additional funds for grandstand improvements and other long-term improvements including electrical, sewer, roofing and elevator improvements. The refunding resulted in the recognition of an accounting net gain of \$568,233 for the year ended December 31, 2015. The unamortized balance of the net gain is \$97,971 at December 31, 2023. The source of repayment of these bonds includes pledged revenues and the interest or profits from the investment of money in any account or fund established under the Series 2015 Bond Indenture (the Indenture). Pledged revenues consist of race track net revenues and concession net revenues up to \$4 million.

**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**
**Note 7: Long-Term Debt (Continued)**

Future scheduled principal and interest payments as of December 31, 2023, are as follows:

Years Ending December 31,	Principal	Interest	Total
2024	\$ 1,585,000	\$ 1,709,750	\$ 3,294,750
2025	1,665,000	1,630,500	3,295,500
2026	1,745,000	1,547,250	3,292,250
2027	1,835,000	1,460,000	3,295,000
2028	1,925,000	1,368,250	3,293,250
2029-2033	11,175,000	5,297,250	16,472,250
2034-2038	13,140,000	2,209,750	15,349,750
	<u>\$ 33,070,000</u>	<u>\$ 15,222,750</u>	<u>\$ 48,292,750</u>

**Source or repayment:** Pursuant to the Indenture between the RTA and the Trustee, the Trustee must establish and maintain a project fund and a bond fund. The bond fund contains an interest account, principal account, redemption account, reserve account and surplus account. All money in each of such accounts shall be invested by the Trustee and shall be used only for the purposes authorized by the Indenture. All money in the project fund must be used solely for the improvements at the Fairgrounds. All money in the interest and principal accounts shall be used solely for the purpose of paying the interest and principal on the Series 2015 Bonds as it shall become due and payable. All money in the redemption account must be held in trust by the Trustee and will be applied, used and withdrawn either to redeem bonds pursuant to an optional redemption or extraordinary redemption. Any insurance or eminent domain proceeds, which are to be used to redeem bonds, will be deposited by the Trustee in the redemption account. All money in the reserve account shall be used solely for the purpose of paying the interest on, or principal of, or redemption premiums, if any, on the Series 2015 Bonds in the event that no other money of the RTA is lawfully available henceforth, or for the retirement of all Series 2015 Bonds then outstanding. The Trustee, if the RTA is not then in default hereunder and upon the written request of the RTA, shall apply amounts in the surplus account to redeem Series 2015 Bonds, to pay for project costs as defined, or to pay for any lawful purpose of the RTA.

As of December 31, 2023, the total principal and interest remaining to be paid on the bonds is \$48,292,750. The next interest and principal payments for the Series 2015 Bonds are due on April 1, 2024, and October 1, 2024, respectively, with the final payment occurring on October 1, 2038.

Upon issuance of the Series 2015 Bonds, a portion of the proceeds were required to be deposited in the reserve account with the Trustee and a minimum balance must be maintained in this account. The minimum balance is the lesser of the maximum annual debt service payment over the life of the bond (\$3,297,000), 10% of total bond proceeds (\$4,443,500) or 125% of average annual debt service (\$4,117,861). At December 31, 2023, the District held \$4,358,413 in a reserve fund for the debt reserve requirement. Pledged revenues are deposited monthly into the bond fund accounts in a specific order and certain minimum balances are maintained, as indicated by the Indenture.



**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**


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**Note 7: Long-Term Debt (Continued)**

On or prior to January 15 of each bond year, commencing January 15, 2017, the District shall determine in writing and submit to the Trustee the total amount of coverage test revenues for the preceding bond year. The District submitted written representation confirming the total amount of coverage test revenues for the 2023 bond year on December 27, 2023.

**2018 IBank loan:** On May 24, 2018, the DAA entered into an installment sale agreement with IBank. The total amount borrowed from IBank was \$8,900,000. The interest rate is 3.30% per annum, which includes the annual fee of 0.30% of the outstanding principal balance. The money was borrowed to pay for a new facility, which is necessary to improve the Fairgrounds' storm water quality system and to install chiller equipment. \$8,411,000 will be utilized for the Environmental Remediation project, \$400,000 will be utilized to pay for the chiller equipment installation and \$89,000 will be used to pay for the IBank origination fee. The Project's estimated completion date is no later than June 1, 2022. Final principal and interest payments are due on August 1, 2037.

Future scheduled principal and interest payments as of December 31, 2023, are as follows:

Years Ending December 31,	Principal	Interest	Total
2024	\$ 410,781	\$ 210,562	\$ 621,343
2025	423,105	198,239	621,344
2026	435,798	185,546	621,344
2027	448,872	172,472	621,344
2028	462,338	159,006	621,344
2029-2033	2,528,253	578,464	3,106,717
2034-2037	2,309,595	175,779	2,485,374
	<u>\$ 7,018,742</u>	<u>\$ 1,680,068</u>	<u>\$ 8,698,810</u>

**2019 IBank loan:** On May 1, 2019, the DAA entered into an installment sale agreement with IBank. The total amount borrowed from IBank was \$15,000,000. The interest rate is 3.58% per annum, which includes the annual fee of 0.30% of the outstanding principal balance. The interest and principal payments start on February 1, 2021, and August 1, 2021, respectively. The money was borrowed to finance and refinance the costs of its 1,900 person capacity concert venue. The funds will be used for improving and converting a portion of the Surfside Raceplace (SSRP) into a concert venue, together with food and beverage service facilities, and all associated necessary design, architecture, engineering, construction, equipping, machinery installation, construction contingency, environmental review, permitting, entitlement, construction management, administration and general development activities. The Project's estimated completion date is no later than February 26, 2021. Final principal and interest payments are due on August 1, 2048.

## 22<sup>ND</sup> DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENT UNITS

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

#### Note 7: Long-Term Debt (Continued)

Future scheduled principal and interest payments as of December 31, 2023, are as follows:

Years Ending December 31,	Principal	Interest	Total
2024	\$ 348,569	\$ 491,252	\$ 839,821
2025	361,048	478,772	839,820
2026	373,973	465,848	839,821
2027	387,362	452,458	839,820
2028	401,229	438,592	839,821
2029-2033	2,232,170	1,966,934	4,199,104
2034-2038	2,661,380	1,537,722	4,199,102
2039-2043	3,173,119	1,025,984	4,199,103
2044-2048	3,783,256	415,844	4,199,100
	<u>\$ 13,722,106</u>	<u>\$ 7,273,406</u>	<u>\$ 20,995,512</u>

**2019 Energy Efficiency:** In May 2019, the DAA entered into an Energy Efficiency Loan with California Department of General Services (DGS). DGS is a state agent that offers low interest loans. The total amount borrowed from DGS was \$3,769,883. The interest rate is 2.50% per annum. The principal and interest payments start on November 1, 2022. The money was borrowed to upgrade air handling units, interior and exterior lighting and residential appliances. The money was also used to replace kitchen equipment and repair duct leakage, RCx HVAC units and DHW lock controls. Furthermore, funds were used to install variable frequency drives (VFD) on condenser water pumps. The project was completed in 2020. Final principal and interest payments are due on November 1, 2040.

Future scheduled principal and interest payments as of December 31, 2023, are as follows:

Years Ending December 31,	Principal	Interest	Total
2024	\$ 172,324	\$ 85,944	\$ 258,268
2025	176,633	81,635	258,268
2026	181,048	77,220	258,268
2027	185,575	72,693	258,268
2028	190,214	68,054	258,268
2029-2033	1,024,823	266,517	1,291,340
2034-2038	1,159,493	131,847	1,291,340
2039-2040	347,630	11,142	358,772
	<u>\$ 3,437,740</u>	<u>\$ 795,052</u>	<u>\$ 4,232,792</u>

#### Note 8: Operating Leases and Agreements

**Del Mar Thoroughbred Club (DMTC):** Under an operating agreement with the RTALC and the DAA, the DMTC operates and controls the operations of the Del Mar race track and grandstand structures during the summer and fall race meets.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

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**Note 8: Operating Leases and Agreements (Continued)**

Revenues associated with the DMTC operating agreement totaled \$1,225,000 for the year ended December 31, 2023. Included in the revenue associated with the DMTC operating agreement are the direct payment amounts noted below:

- Direct payment of \$1,225,000 per year to the DAA, to be used by the DAA for the annual fair or other authorized purpose.
- Basic payment equal to final net earnings less the sum of (1) any amount in excess of funds available to DMTC, which, subject to the approval of the District, is sufficient to pay or provide for projected operating capital from January 1 through to the commencement of the next race meet, and (2) the direct payment amount. The basic payment totaled \$2,478,000 for the year ended December 31, 2023.

The DMTC guarantees the performance of all of the terms, covenants and conditions of the operating agreement through a \$500,000 letter of credit.

The RTALC may, at its sole discretion, elect to extend the new operating agreement for three five-year option periods. In February 2015, the RTALC elected to extend the operating agreement for the first five-year option period. RTALC elected to extend the operating agreement for the second five-year option period. In the event legislation is enacted by the California legislature authorizing a sale of the Fairgrounds, the RTALC has the option to terminate the contract by giving at least 180 days' written notice. The termination would be effective on December 31 in the year the notice is given unless the notice is given less than 180 days before the end of the year. In that event, the termination would be effective December 31 of the following year.

DMTC is not included as part of the District's reporting entity because it is governed by a separate Board of Directors and is fiscally independent of the District.

**Premier Food Services, Inc.:** The DAA has a management agreement granting the use of food and beverage services equipment to Premier Food Services, Inc. (Premier). Management fees related to this contract were \$604,962 for the year ended December 31, 2023. During 2011, through a competitive bidding process, a new four-year contract was awarded to Premier with up to two additional three-year terms upon approval of the DAA. This original contract was set to expire on December 31, 2015; however, on August 26, 2015, the DAA approved and renewed the contract for another three-year term.

On November 14, 2018, the DAA approved and renewed the contract for a third three-year term plus an additional five years. The new contract is set to expire on December 31, 2026. Per the new agreement, the DAA retains control over the operations. The daily gross receipts are deposited in the name and interest of the DAA and the DAA reimburses Premier for all reimbursable costs, as defined in the agreement, and pays a management fee equal to 12.50% of all net profits from the food and beverage operation. Furthermore, the DAA, in cooperation with Premier/SMG, obtained a \$2 million capital investment to convert the satellite wagering facility to include a music and entertainment venue. Premier agreed to provide event and entertainment booking and production company services, acceptable to and in compliance with specific terms and conditions requested by the DAA. In consideration of its \$2 million capital investment, Premier and the DAA have agreed on a five-year extension of the agreement from December 31, 2021, to December 31, 2026, with an additional five-year mutual option and with new terms and conditions specifically relating to the operation of the Del Mar Satellite Wagering Facility to include a music and entertainment venue. The payment of \$2 million shall be made to the DAA in two installments as follows: \$750,000 on or before December 31, 2018, and the

## 22<sup>ND</sup> DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENT UNITS

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

#### Note 8: Operating Leases and Agreements (Continued)

balance of \$1,250,000 on January 3, 2020. The DAA agrees to pay annually to Premier 30.00% of net profits from the music and entertainment events conducted at the SSRP Music and Entertainment Venue or \$100,000, whichever is greater, until such payments equal \$2 million. Activity relating to this new agreement is as follows:

	Beginning Balance	Additions	Payments	Ending Balance	Due Within One Year
Premier Investment Liability	\$ 1,800,000	\$ -	\$ (286,878)	\$ 1,513,122	\$ 100,000

Future scheduled of minimum payments as of December 31, 2023, are as follows:

Years Ending December 31,	Payments	Interest	Total
2024	\$ 100,000	\$ -	\$ 100,000
2025	100,000	-	100,000
2026	100,000	-	100,000
2027	100,000	-	100,000
2028	100,000	-	100,000
2029-2033	500,000	-	500,000
2034-2038	500,000	-	500,000
2039	13,122	-	13,122
	<u>\$ 1,513,122</u>	<u>\$ -</u>	<u>\$ 1,513,122</u>

**Other:** The DAA owns a recreational park that is operated by an unrelated management company. Beginning January 1, 2021, the DAA entered into an agreement with Del Mar Golf Course Management Inc. (DMGC) DBA Surf & Turf Rec Center to operate the recreational park and RV park. The DAA recognized net revenues from DMGC of \$1,034,337 for the year ended December 31, 2023.

#### Note 9: Other Liabilities

Activity of other liabilities during the fiscal year ended December 31, 2023, is as follows:

	Beginning Balance	Additions	Payments	Ending Balance	Due Within One Year
Senate Bill No. 84 Liability	\$ 2,164,134	\$ -	\$ (619,895)	\$ 1,544,239	\$ 619,895

See Note 10 for information related to Senate Bill No. 84 (SB 84).

#### Note 10: Public Employees' Retirement System

Plan description: The DAA participates in the state of California—Miscellaneous Plan, an agent multiple-employer defined benefit pension plan (the Plan) administered by CalPERS. The Plan, part of the public agency portion of CalPERS, acts as a common investment and administrative agent for participating member agencies within the state of California. A menu of benefit provisions, as well as other requirements, is established by state statutes within the Public Employees' Retirement Law. The state of California selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS' annual financial report may be obtained by contacting the CalPERS Fiscal Services Division.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

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**Note 10: Public Employees' Retirement System (Continued)**

**Benefits provided:** All employees who work half-time or more are eligible to participate in the Plan. CalPERS provides retirement, death, disability and survivor benefits. Vesting occurs after five years. The benefit provisions are established by the Public Employees' Retirement Law and the Public Employees' Pension Reform Act of 2013, and are summarized in Appendix B of the state's June 30, 2021, Actuarial Valuation Report, which may be found at <https://www.calpers.ca.gov/docs/forms-publications/2021-state-valuation.pdf>.

In general, retirement benefits are based on a formula using a member's years of service credit, age at retirement and final compensation (average salary for a defined period of employment). Retirement formulas are based on membership category and specific provisions in the employees' contracts.

The three basic types of retirement are:

**Service retirement:** The normal retirement is a lifetime benefit. In most cases, employees become eligible for service retirement as early as age 50 with five years of service credit. If the employee became a member on or after January 1, 2013, he or she must be at least 52 years old with at least five years of service to retire. Second-tier employees become eligible at age 55 with at least 10 years of service credit.

**Vested deferred retirement:** Vested members who leave employment but keep their contribution balances on deposit with CalPERS are eligible for this benefit.

Disability retirement: Vested members who can no longer perform the usual duties of their current position due to illness or injury may receive this credit.

**Contributions:** Participating employers and active members are required to contribute a percentage of covered salary to the Plan. Section 20814(c) of the Plan requires that employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount necessary to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Those rates reflect Section 20683.2, which mandates that certain employees must contribute more as of July 1, 2015. Furthermore, any reduction in employer contributions due to the increase in employee contributions must be paid by the employer toward the unfunded liability.

The employee contribution rate for the year ended December 31, 2023, was 10% for the skilled craftsmen and 8% for all other employees. The employer contribution rate for the year ended December 31, 2023, was 30.71% for State Miscellaneous Member employees. The required contributions and the amount paid by the DAA for the year ended December 31, 2023, was \$3,144,014. The DAA's employer contributions were equal to the required employer contributions for the year ended December 31, 2023.

**Pension liability:** At December 31, 2023, the DAA reported a net pension liability of \$13,808,977 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension

**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**
**Note 10: Public Employees' Retirement System (Continued)**

liability was determined by an actuarial valuation as of June 30, 2021, rolled forward to June 30, 2022. The DAA's portion of the net pension liability was based on a projection of the DAA's pensionable compensation relative to the pensionable compensation of all participating employers, as determined by CalPERS. At June 30, 2022, the DAA's proportion was 0.03653%

For the year ended December 31, 2023, the DAA recognized pension expense of \$(733,590). At December 31, 2023, the DAA reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Change in Assumptions	\$ 1,045,283
Difference between expected and actual experience	218,350
Net difference between projected and actual earnings on pension plan investment	1,799,519
District contributions subsequent to the measurement date	3,144,014
	<u>\$ 6,207,166</u>

At December 31, 2023, the DAA reported deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 312,730
	<u>\$ 312,730</u>

The amount reported as deferred outflows of resources related to pensions resulting from DAA contributions subsequent to the measurement date totaled \$3,144,014 and will be recognized as a reduction of the net pension liability in the year ending December 31, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending December 31,	
2024	\$ 661,321
2025	555,217
2026	372,309
2027	1,161,575
	<u>\$ 2,750,422</u>



**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**


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**Note 10: Public Employees' Retirement System (Continued)**

Actuarial methods and assumptions: The total pension liability was measured as of June 30, 2022 (measurement date), by rolling forward the total pension liability determined by the June 30, 2021, actuarial valuation (valuation date), based on the actuarial assumptions shown in the table below:

Valuation date	June 30, 2021
Actuarial cost method	Entry age normal in accordance with the requirements
Discount rate	6.90%
Inflation	2.30%
Salary increases	Varies by entry age and service
Investment rate of return	6.90% net of pension plan investment expense but without reduction for administrative expenses; includes inflation
Mortality (1)	Derived using CalPERS' Membership data for all funds
Post-retirement benefit adjustments(COLA)	Contract COLA or 2.30% until the purchasing power protection allowance floor on purchasing power applies, 2.30% thereafter

(1) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

Discount rate: The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CalPERS is scheduled to review all actuarial assumptions as part of its regular asset liability management review cycle, scheduled to be completed in February 2022. Any changes to the discount rate will require action on the part of CalPERS' Board of Administration and proper stakeholder outreach. No changes to the discount rate were made as of the measurement date of June 30, 2022.

The long-term expected rate of return on pension plan investments was determined using the building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the

**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**


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**Note 10: Public Employees' Retirement System (Continued)**

same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as followed:

Asset Class (1)	Assumed Asset Allocation	Real Return Years (1,2)
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity - Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-back Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
	<u>100.0%</u>	

(1) An expected inflation rate of 2.30% is used for this period.

(2) Figures are based on the 2021 Asset Liability Management study.

In December 2016, the CalPERS Board of Administration voted to lower the discount rate used in its actuarial assumptions from 7.50% to 7.00% (net of 0.15% administrative expenses) effective July 1, 2017. A similar reduction to the discount rate in accordance with GASB Statement No. 68 will increase the net pension liability. This increase will be amortized over the expected remaining service lives of all employees provided with benefits through the pension plans. This period ranges from 3.5 to 5.2 years.

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.



**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**
**Note 10: Public Employees' Retirement System (Continued)**

**Sensitivity of the DAA's proportionate share of the state's net pension liability to changes in the discount rate:** The following table presents the DAA's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the DAA's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.90%) or one percentage point higher (7.90%) than the current rate:

	Discount Rate -1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate +1% (7.90%)
District's proportionate share of the net pension liability	\$ 19,870,134	\$ 13,808,977	\$ 8,748,823

**Pension plan fiduciary net position:** Detailed information about the Plan's fiduciary net position is available in the separately issued CalPERS financial report at [www.CalPERS.ca.gov](http://www.CalPERS.ca.gov).

**SB 84:** On July 10, 2017, Governor Brown signed SB 84 into law, which had the effect of borrowing \$6 billion from the PMIA to make a one-time supplemental payment to CalPERS as part of the 2017 to 2018 fiscal year budget package. The intent of this one-time supplemental payment was to save the state money over the next few decades by slowing the pace of cost increases for the state's annual pension payments.

Under SB 84, the Department of Finance (the DOF) was required to develop a repayment schedule for the loan principal and interest accrued from the \$6 billion that was borrowed from the PMIA. As part of its requirement, the DOF was tasked with determining the proportionate share of the obligation attributable to the DAAs. The DOF has informed the DAA that the liability allocated to the DAA is \$3,403,924. This obligation was calculated by the DOF based on the 2016 to 2017 CalPERS employer retirement contributions. The amount is to be repaid over five fiscal years beginning in 2020 and ending in 2025. The repayment schedule is as follows:

Years Ending December 31,	
2024	\$ 619,895
2025	924,344
	<u>\$ 1,544,239</u>

**Note 11: Other Post-Employment Benefit Obligations**

During fiscal year 2018, the DAA adopted GASB Statement No. 75, Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions. The primary objective of this statement is to improve information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all post-employment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This OPEB plan is considered an agent- multiemployer plan.

**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**
**Note 11: Other Post-Employment Benefit Obligations (Continued)****General information about the OPEB plan:**

**Plan description:** The DAA contributes to the Plan and CalPERS administers the plan. CalPERS provides lifetime retiree medical coverage to eligible employees and their dependents. In most cases, the employee can retire at age 50 with five years of service credit. If the employee became a member on or after January 1, 2013, they must be at least 52 years old to retire. The medical plan benefits are contracted with CalPERS under the Public Employees' Medical and Hospital Care Act, and dental benefits under the State Employees' Dental Care Act.

**Benefits provided:** The state of California provides medical, prescription drug and dental benefits (health care benefits) to retired statewide employees through a single-employer defined benefit plan. The state participates in the CERBT, an agent multiple-employer plan consisting of an aggregation of single- employer plans, including over 531 contributing employers. The state also offers life insurance, long-term care and vision benefits to retirees; however, because these benefits are completely paid for by retirees, there is no GASB Statements No. 74 or 75 liability to the state on behalf of such benefits.

**Contributions:** The DAA adopted the entry age normal actuarial cost method pre-funding prospectively. The entry age normal actuarial cost method, with the contributions determined as a percent of payroll, is a projected benefit cost method, which takes into account those benefits that are expected to be earned in the future, as well as those already accrued. The plan uses a 6.75% discount rate, assuming the DAA continues prefunding 100% of each future year's annual required contribution. The DAA assumes a 30-year amortization of the unfunded actuarial liability, with certain adjustments for changes in the net OPEB obligation.

The premium apportionment is set by the Craft and Maintenance Bargaining Unit (BU12), the Stationary Engineers Bargaining Unit (BU13), the Service Employees International Union (SEIU) and the Exempt Excluded Executive (EEE). The DAA currently pays the medical plan premiums for both retirees and active employees and their dependents at a rate set by contract at CalPERS.

The DAA has voluntarily opted for a funding policy under which it will contribute 100% of its actuarially determined annual required contribution. Contributions to the OPEB Plan from the DAA for the year ended December 31, 2023, was \$318,673.

**California state employees covered by benefit terms:** At December 31, 2023, the following California state employees for each respective valuation group were covered by the benefit terms:

	Exempt Excluded Executive (EEE)	Other	Service Employees International Union (SEIU)	Craft and Maintenance (BU12)	Stationary Engineers (BU13)
Inactive employees or beneficiaries					
currently receiving benefit payments	4,323	8,803	77,976	10,609	1,009
Active employees	7,932	4,438	115,637	12,956	947
	<u>12,255</u>	<u>13,241</u>	<u>193,613</u>	<u>23,565</u>	<u>1,956</u>

**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**


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**Note 11: Other Post-Employment Benefit Obligations (Continued)*****OPEB liabilities, OPEB expense and deferred outflows of resources related to OPEB:***

The DAA's net OPEB liability was \$2,873,442 at December 31, 2023. The DAA's net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

For the year ended December 31, 2023, the DAA recognized OPEB expense (benefit) of \$(1,190,966) and included in other post-employment benefit costs and net OPEB liability adjustment on the statement of revenues, expenses and changes in net position.

At December 31, 2023, the DAA reported deferred inflows of resources and deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 140,377
Change of assumptions	-	319,018
Net difference between projected and actual earnings on OPEB Plan investment	13,543	-
Contributions subsequent to the measurement date	318,673	-
	<u>\$ 332,216</u>	<u>\$ 459,395</u>

Of the total amount reported as deferred outflows related to OPEB, \$318,673 resulting from DAA contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the net OPEB liability in the year ending December 31, 2024. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Years Ending December 31,</u>	
2024	\$ (120,766)
2025	(81,253)
2026	(78,826)
2027	(79,772)
2028	(64,730)
Thereafter	(20,505)
	<u>\$ (445,852)</u>

**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**


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**Note 11: Other Post-Employment Benefit Obligations (Continued)**

**Actuarial assumptions:** The total OPEB liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2023
Actuarial cost method	Entry age normal in accordance with the requirements of GASB Statement No. 75
Actuarial assumptions:	
Discount rate	Blended rate for each valuation group, consisting of 6.00% when assets are available to pay benefits, otherwise 20-year Municipal G.O. Bond AA Index rate of 3.69%
Amortization period	Five years
Asset valuation method	Market value of assets as of the measurement date
Inflation	2.30%
Salary increases	Varies by entry and service
Investment rate of return	6.00%, net of OPEB plan investment expenses but without reduction for OPEB plan administrative expenses.
Healthcare cost trend rates	Pre-Medicare coverage: Actual rates for 2023, increasing to 7.00% in 2024, grading down to 4.50% from 2029 to 2037, and 4.25% for 2038 and later years. Post-Medicare coverage: Actual rates for 2023, increasing to rates ranging from 7.00% to 8.06% in 2024, grading down to 4.50% from 2031 to 2037, and 4.25% for 2038 and later years. Dental coverage: 0.03% for 2023, 2.00% for 2024, 3.00% for 2025, 4.00% for 2026, and 4.25% for 2027 and later years.
Mortality rate table	Derived using CalPERS' membership data for all members.

The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using the Society of Actuaries 80% Scale MP 2020. For more details on this table, refer to the 2021 CalPERS Experience Study and Review of Actuarial Assumptions report (the Experience Study) for the period from 2000 to 2019. Other demographic assumptions used in the June 30, 2021, valuation were also based on the results of the 2021 Experience Study, including updates to termination, disability, and retirement rates. The 2021 Experience Study report is available at [www.CalPERS.ca.gov](http://www.CalPERS.ca.gov).

The retirement rates that were used in the most recent CalPERS Public Agency Miscellaneous 2.00% at 60 for actives hired before January 1, 2013, and 2.00% at 62 for actives hired on or after January 1, 2013.

The long-term expected rate of return on OPEB plan investments was determined by Gabriel, Roeder, Smith & Company using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. Expected compound (geometric) real returns were calculated over a closed period. Based on separate expected real returns for the short-term (first 5 years) and the long-term (6-20) years, and an average inflation assumption of 2.30%, a single expected nominal return rate of 6.00% was calculated for the combined short-term and long-term periods. If applied to expected cash flows during that period, the resulting present value of benefits is expected to be consistent with the present value of benefits that would be determined by applying the short and long-term expected rates to the same cash flows.

**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**
**Note 11: Other Post-Employment Benefit Obligations (Continued)**

As of December 31, 2023, the long-term expected real rate of return for each major asset class in the Plan's portfolio are as follows:

Investment Class	Target Asset Allocation	Real Return Years 1-5	Real Return Years 6-20
Global equity	49.0%	4.40%	4.50%
Fixed income	23.0%	-1.00%	2.20%
Treasury inflation-protected securities	5.0%	-1.80%	1.30%
Real estate investment trusts	20.0%	3.00%	3.90%
Commodities	3.0%	0.80%	1.20%
	<u>100.0%</u>		

In the fiscal year 2020-21, the blended discount rates used in the actuarial assumptions changed from the prior year. Please refer to the prior year report on the State Controller's Office website.

Discount rate: The blended rates used to measure the June 30, 2021 total OPEB liability consist of the 20-year Municipal G.O. Bond AA Index rate of 1.92% as of June 30, 2021, as reported by Fidelity, when prefunding assets are not available to pay benefits, and 6.00% when prefunding assets are available to pay benefits. The cash flow projections used to calculate the blended discount rates were developed assuming that prefunding agreements in which actuarial determined normal costs are shared between employees and the State will continue and that the required contributions will be made on time and as scheduled in future years. The actuarial valuation as of June 30, 2021 includes the impact of the temporary suspensions of employee contributions under the Personal Leave Program that was in effect during the fiscal year ended June 30, 2021. The prefunding agreements are subject to collective bargaining and legislative approval. Detailed information on the blended discount rates by valuation group is available in the State of California Retiree Health Benefits Program GASB Nos. 74 and 75 Actuarial Valuation Report as of June 30, 2022, on the State Controller's Office website, at [www.sco.ca.gov](http://www.sco.ca.gov).

Sensitivity of the net OPEB liability to changes in the discount rate: The following table presents the net OPEB liability of the DAA as of the measurement date, calculated using the discount rate for the DAA, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.00%) or one percentage point higher (7.00%) than the current discount rate:

	1% Decrease (5.00%)	Discount Rate (6.00%)	1% Increase (7.00%)
Net OPEB liability	\$ 3,363,979	\$ 2,873,442	\$ 2,474,421

**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**


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**Note 11: Other Post-Employment Benefit Obligations (Continued)**

Sensitivity of the net OPEB liability to changes in the health care cost trend rates: The following presents the net OPEB liability of the DAA, as well as what the DAA's net OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower (3.25%) or one percentage point higher (5.25%) than the current health care cost trend rate:

	Health Care Cost Trend Rate 1% Decrease (6.00%, Decreasing to 3.25%)	Health Care Cost Trend Rate (7.00%, Decreasing to 4.25%)	Health Care Cost Trend Rate 1% Increase (8.00%, Decreasing to 5.25%)
Net OPEB liability	\$2,528,896	\$ 2,873,442	\$3,309,703

**Note 12: Deferred Compensation**

The DAA offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all DAA employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to the employees until termination, retirement, death or emergency.

All amounts of compensation deferred under the plan are submitted to the state of California after each pay period. Thus, no assets or liabilities associated with the plan are included in the DAA's financial statements.

**Note 13: Contingencies**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has obtained insurance to cover these risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The District is subject to various claims and legal actions relating to a range of matters that are incidental to the conduct of its operations. The District's management believes, after reviewing such matters and consulting with the District's legal counsel, that the aggregate effect of these matters will not have a material adverse effect on the District's financial position or results of operations.

## REQUIRED SUPPLEMENTARY INFORMATION

THE 22<sup>ND</sup> DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENTS

PROPORTIONATE SHARE OF NET PENSION LIABILITY  
STATE OF CALIFORNIA - MISCELLANEOUS PLAN  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2015	2016	2017	2018	2019
DAA's proportion of net pension liability	0.09858%	0.09647%	0.09486%	0.09378%	0.09656%
DAA's proportionate share of net pension liability	\$ 23,470,069	\$ 27,245,770	\$ 31,413,325	\$ 34,264,531	\$ 30,334,440
DAA's covered payroll	9,584,111	10,165,779	10,645,864	10,922,111	11,621,146
DAA's proportionate share of net pension liability as a percentage of its covered payroll	244.89%	268.01%	295.08%	313.72%	261.03%
Plan's fiduciary net position as a percentage of total pension liability	74.17%	70.68%	66.81%	66.42%	71.83%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only nine years are shown.



THE 22<sup>ND</sup> DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENTS

PROPORTIONATE SHARE OF NET PENSION LIABILITY  
STATE OF CALIFORNIA - MISCELLANEOUS PLAN  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2020	2021	2022	2023
DAA's proportion of net pension liability	0.09940%	0.08926%	0.03690%	0.03653%
DAA's proportionate share of net pension liability	\$ 33,432,199	\$ 31,028,963	\$ 8,221,540	\$ 13,808,976
DAA's covered payroll	12,512,491	11,829,657	5,130,672	5,151,102
DAA's proportionate share of net pension liability as a percentage of its covered payroll	267.19%	262.30%	160.24%	268.08%
Plan's fiduciary net position as a percentage of total pension liability	71.34%	71.51%	82.39%	71.63%

THE 22<sup>ND</sup> DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENTS

SCHEDULE OF CONTRIBUTIONS, STATE OF CALIFORNIA - MISCELLANEOUS PLAN  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2015	2016	2017	2018	2019
Actuarially Determined Contribution	\$ 2,116,483	\$ 2,506,349	\$ 2,662,820	\$ 2,891,680	\$ 3,314,443
Contribution in Relation to the Actuarially Determined Contribution	(2,125,650)	(2,516,766)	(2,673,670)	(2,902,564)	(6,802,127)
Contribution Deficiency (Excess)	<u>\$ (9,168)</u>	<u>\$ (10,417)</u>	<u>\$ (10,851)</u>	<u>\$ (10,884)</u>	<u>\$ (3,487,684)</u>
Covered Payroll	\$ 9,584,111	\$ 10,165,779	\$ 10,645,864	\$ 10,922,111	\$ 11,621,146
Contributions as a Percentage of Covered Payroll	22.18%	24.76%	25.11%	26.58%	58.53%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only nine years are shown.

**Note to Schedule:**

Valuation Date: June 30, 2020

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Asset valuation method	Direct rate smoothing
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.0% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	

Mortality

All other actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report may be accessed on the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov) under Forms and Publications. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the 2017 experience study report.

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<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 3,742,147	\$ 3,730,833	\$ 1,389,425	\$ 1,545,309
(3,754,675)	(4,470,722)	(1,394,172)	(1,866,570)
<u>\$ (12,528)</u>	<u>\$ (739,889)</u>	<u>\$ (4,747)</u>	<u>\$ (321,261)</u>
\$ 12,512,491	\$ 11,829,657	\$ 5,130,672	\$ 5,151,102
30.01%	37.79%	27.17%	36.24%

THE 22<sup>ND</sup> DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENTS

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2018	2019	2020	2021	2022	2023
<b>Total OPEB Liability</b>						
Service cost	\$ 13,340	\$ 155,433	\$ 242,067	\$ 154,833	\$ 169,082	\$ 96,253
Interest on the total OPEB liability	15,744	181,065	260,895	136,394	120,705	123,601
Actual and expected experience difference	(32,828)	(87,443)	(199,071)	(325,199)	140,920	11,364
Changes in assumptions	(15,187)	4,258,083	2,428,581	(2,760,135)	(823,500)	30,268
Benefit payments	(10,412)	(130,860)	(207,519)	(126,960)	(136,800)	(967,375)
<b>Net change in total OPEB liability</b>	<b>(29,343)</b>	<b>4,376,278</b>	<b>2,524,953</b>	<b>(2,921,067)</b>	<b>(529,593)</b>	<b>(705,889)</b>
<b>Total OPEB liability - beginning</b>	<b>393,881</b>	<b>364,538</b>	<b>4,740,816</b>	<b>7,265,769</b>	<b>4,344,702</b>	<b>3,815,109</b>
<b>Total OPEB liability - ending (a)</b>	<b>364,538</b>	<b>4,740,816</b>	<b>7,265,769</b>	<b>4,344,702</b>	<b>3,815,109</b>	<b>3,109,220</b>
<b>Plan Fiduciary Net Position</b>						
Contribution - employer	11,166	144,331	248,023	126,960	173,594	139,312
Contribution - employees	754	13,471	40,504	31,865	69,751	29,529
Net investment income	93	2,220	3,057	23,222	(30,942)	13,011
Benefit payments	(10,412)	(130,860)	(207,519)	(126,960)	(136,800)	(109,783)
Administrative expense	(1)	(13)	(45)	(33)	(46)	(55)
Other miscellaneous income/expense	(7)	8,672	(7,972)	(42,826)	(2)	(40,382)
<b>Net change in plan fiduciary net position</b>	<b>1,593</b>	<b>37,821</b>	<b>76,048</b>	<b>12,228</b>	<b>75,555</b>	<b>31,632</b>
<b>Plan fiduciary net position - beginning</b>	<b>901</b>	<b>2,494</b>	<b>40,315</b>	<b>116,363</b>	<b>128,591</b>	<b>204,146</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>2,494</b>	<b>40,315</b>	<b>116,363</b>	<b>128,591</b>	<b>204,146</b>	<b>235,778</b>
<b>Net OPEB Liability - Ending (a) - (b)</b>	<b>\$ 362,044</b>	<b>\$ 4,700,501</b>	<b>\$ 7,149,406</b>	<b>\$ 4,216,111</b>	<b>\$ 3,610,963</b>	<b>\$ 2,873,442</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</b>	0.68%	0.85%	1.60%	2.96%	5.35%	7.58%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

Notes to Schedule: None

**Changes in Assumptions:** In 2019, the mortality improvement scale was updated to the Society of Actuaries Scale MP-2019. In December 2019, the ACA Excise Tax was repealed and removed from the actuarial assumptions.

THE 22<sup>ND</sup> DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENTS

SCHEDULE OF CONTRIBUTIONS - OPEB  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$ 19,101	\$ 225,512	\$ 332,432	\$ 209,124	\$ 174,534	\$ 149,854
Contribution in Relation to the Actuarially Determined Contributions	(11,166)	(144,331)	(248,023)	(158,825)	(206,550)	(139,312)
Contribution Deficiency (Excess)	<u>\$ 7,935</u>	<u>\$ 81,181</u>	<u>\$ 84,409</u>	<u>\$ 50,299</u>	<u>\$ (32,016)</u>	<u>\$ 10,542</u>
Expected return on assets	\$ 120	\$ 1,707	\$ 6,510	\$ 6,019	\$ 10,862	\$ 11,570
Percentage of ADC made by employer	58.46%	64.00%	74.61%	75.95%	118.34%	92.97%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

**Methods and Assumptions Used to Determine Contributions:**

Valuation Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal
Discount Rate	6.00%
General Inflation	2.30%
Payroll Growth	Varies by age and service
Mortality, Disability, Termination, Retirement	2021 CalPERS Experience Study; Mortality Improvement - Mortality projected fully generational with Scale MP-2020
Medical Trend	Pre-Medicare - Actual rates for 2023, increasing to 7.00% in 2024, grading down to 4.50% from 2029 to 2037, and 4.25% for 2038 and later years. Post-Medicare - Actual rates for 2023, increasing to rates ranging from 7.00% to 8.06% in 2024, grading down to 4.50% from 2031 to 2037, and 4.25% for 2038 and later years. Dental - 0.03% for 2023, 2.00% for 2024, 3.00% for 2025, 4.00% for 2026, and 4.25% for 2027 and later years.

## **SUPPLEMENTARY INFORMATION**

22nd DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENT UNITS

COMBINING STATEMENT OF NET POSITION  
DECEMBER 31, 2023

	DAA	RTA	RTLC	Eliminations	Total
<b>Assets and Deferred Outflows of Resources</b>					
Current Assets					
Cash and cash equivalents	\$ 39,550,219	\$ -	\$ -	\$ -	\$ 39,550,219
Current portion of restricted investments	-	2,644,931	-	-	2,644,931
Accounts receivable, net	2,569,014	-	697,377	(697,377)	2,569,014
Prepaid expenses and other	327,713	-	-	-	327,713
Total Current Assets	42,446,946	2,644,931	697,377	(697,377)	45,091,877
Restricted investments, long-term portion	-	6,927,612	-	-	6,927,612
Capital assets, net	46,753,619	64,930,240	-	-	111,683,859
Total Assets	89,200,565	74,502,783	697,377	(697,377)	163,703,348
Deferred Outflows of Resources:					
Deferred outflow of pension liability	6,207,166	-	-	-	6,207,166
Deferred OPEB	598,928	-	-	-	598,928
Total Deferred Outflows of Resources	6,806,094	-	-	-	6,806,094
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 96,006,659</b>	<b>\$ 74,502,783</b>	<b>\$ 697,377</b>	<b>\$ (697,377)</b>	<b>\$ 170,509,442</b>
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>					
Current Liabilities					
Accounts payable	\$ 8,478,448	\$ 78,054	\$ -	\$ (697,377)	\$ 7,859,125
Accrued interest	336,971	425,336	-	-	762,307
Accrued liabilities and other	3,527,454	188,249	(6)	-	3,715,697
Accrued compensated absences	1,361,019	-	-	-	1,361,019
Current portion of premier investment liability	100,000	-	-	-	100,000
Current portion of SB84 liability	619,895	-	-	-	619,895
Current portion of loan payable	931,674	-	-	-	931,674
Current portion of bonds payable	-	1,585,000	-	-	1,585,000
Total Current Liabilities	15,355,461	2,276,639	(6)	(697,377)	16,934,717
Long-Term Liabilities					
Premier investment liability, long-term portion	1,413,122	-	-	-	1,413,122
SB84 liability, long-term portion	924,344	-	-	-	924,344
Loan payable, long-term portion	23,246,914	-	-	-	23,246,914
Bonds payable, long-term portion	-	32,878,174	-	-	32,878,174
Net pension liability	13,808,977	-	-	-	13,808,977
Net OPEB liability	2,873,442	-	-	-	2,873,442
Total Long-Term Liabilities	42,266,799	32,878,174	-	-	75,144,973
	57,622,260	35,154,813	(6)	(697,377)	92,079,690
Deferred Inflows of Resources:					
Deferred gain on debt defeasance	-	97,971	-	-	97,971
Deferred inflow of pension liability	312,730	-	-	-	312,730
Deferred inflow on OPEB	726,107	-	-	-	726,107
Total Deferred Inflows of Resources	1,038,837	97,971	-	-	1,136,808
Net Position:					
Net investment in capital assets	5,972,165	34,773,454	-	-	40,745,619
Restricted for debt service	-	6,629,266	-	-	6,629,266
Unrestricted	31,373,397	(2,152,721)	697,383	-	29,918,059
Total Net Position	37,345,562	39,249,999	697,383	-	77,292,944
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 96,006,659</b>	<b>\$ 74,502,783</b>	<b>\$ 697,377</b>	<b>\$ (697,377)</b>	<b>\$ 170,509,442</b>

22nd DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENT UNITS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2023

	DAA	RTA	RTLC	Eliminations	Total
Operating Revenues:					
Food and beverage	\$ 20,885,568	\$ -	\$ -	\$ -	\$ 20,885,568
Concessions/carnivals	29,291,575	-	-	-	29,291,575
Admissions	12,021,025	-	-	-	12,021,025
Facility rentals	7,165,130	-	-	-	7,165,130
Satellite wagering	514,065	-	-	-	514,065
Parking	6,564,975	-	-	-	6,564,975
Leases/operating agreement	1,729,587	2,478,000	-	-	4,207,587
Sponsorships	572,020	-	-	-	572,020
State apportionment	58,820	-	-	-	58,820
Other	553,882	-	-	-	553,882
<b>Total Operating Revenues</b>	<b>79,356,647</b>	<b>2,478,000</b>	<b>-</b>	<b>-</b>	<b>81,834,647</b>
Operating Expenses:					
Payroll and related benefits, excluding pension cost	14,149,156	-	-	-	14,149,156
Pension cost and net pension liability adjustment	1,645,017	-	-	-	1,645,017
Food and beverage	15,454,687	-	-	-	15,454,687
Entertainment	15,114,034	-	-	-	15,114,034
Maintenance	8,499,175	-	-	-	8,499,175
Facilities and related supplies	1,108,354	-	-	-	1,108,354
Insurance	1,699,587	-	-	-	1,699,587
Depreciation	4,327,306	6,092,599	-	-	10,419,905
Professional services	9,343,122	32,773	1,242	-	9,377,137
Marketing	1,067,884	-	-	-	1,067,884
Other post-employment benefit cost and net OPEB liability adjustment	(1,190,966)	-	-	-	(1,190,966)
Other	2,240,527	3,970	-	-	2,244,497
<b>Total Operating Expenses</b>	<b>73,457,883</b>	<b>6,129,342</b>	<b>1,242</b>	<b>-</b>	<b>79,588,467</b>
Income (Loss) from Operations	<b>5,898,764</b>	<b>(3,651,342)</b>	<b>(1,242)</b>	<b>-</b>	<b>2,246,180</b>
Nonoperating Revenues (Expenses):					
Interest income	1,225,108	637,151	-	-	1,862,259
Interest expense	(870,960)	(1,724,187)	-	-	(2,595,147)
Other	123,664	-	-	-	123,664
<b>Total Nonoperating Revenues (Expenses)</b>	<b>477,812</b>	<b>(1,087,036)</b>	<b>-</b>	<b>-</b>	<b>(609,224)</b>
Change in Net Position	<b>6,376,576</b>	<b>(4,738,378)</b>	<b>(1,242)</b>	<b>-</b>	<b>1,636,956</b>
Net Position, Beginning of Year	<b>30,968,986</b>	<b>43,988,377</b>	<b>698,625</b>	<b>-</b>	<b>75,655,988</b>
<b>Net position, End of Year</b>	<b>\$ 37,345,562</b>	<b>\$ 39,249,999</b>	<b>\$ 697,383</b>	<b>\$ -</b>	<b>\$ 77,292,944</b>





## **Item 5-B, Finance Committee Report**

### **Background**

The Finance Committee ("the Committee") is charged by the Board Chair with the following:

- Reviewing and monitoring financial data and information pertaining to 22nd DAA.
- Reviewing the CEO's proposed budget prior to presentation to the Board.
- Making recommendations to the Board regarding financial matters, including day-to-day land use decisions, to improve 22nd DAA's financial health.
- Developing and amending recommended financial policies for Board consideration.
- Reviewing and recommending insurance policies and programs for board consideration.

### **Process/Approach:**

Accompanying this Committee Report are preliminary financial reports for 2024 through October 31. These reports are subject to change as the 22nd District Agricultural Association (22nd DAA) works to review and close out the month.

The Balance Sheet is consolidated and inclusive of 22nd DAA, State Race Track Leasing Commission (SRTLCL), and Del Mar Race Track Authority (RTA).

The Income Statement is inclusive of 22nd DAA programs and operations only.

As previously discussed, due to the proximity of the Board meeting dates to the end of the month immediately prior, there is approximately a six (6)-week lag between the financial report presentation and current activity. Therefore, the Committee reviews and presents financial reports to the Board from two months prior (March financials in May, April financials in June, etc.).

### **Executive Summary**

**Overview:** The October financial reports reflect the full impact of a previously announced settlement agreement to repay the federal loan that helped rescue the 22nd DAA during the pandemic. As was previously reported, 22nd DAA reached an amicable settlement with the local office of the United States Department of Justice to repay the full amount of a Paycheck Protection Plan (PPP) loan that was applied for, obtained from a bank and subsequently forgiven through normal and appropriate procedures, as per the guidelines. The loan principal amount (\$4,713,700), plus interest (\$903,142) and processing

fees (\$47,173) — a total of \$5,664,015 —were paid to the United States Treasury Department without penalty on October 18, 2024. The repayment agreement allowed the 22nd DAA to avoid the costs and risks of potential litigation, as well as unnecessary distractions. The impact of the repayment is reflected as a reduction of cash on the Balance Sheet and an increase in non-operating expense on the Income Statement.

Factoring out the settlement, through the first ten months of the year, 22nd DAA operations performed better than expected by approximately \$4.2 million. A total savings of \$8.1 million were achieved from reduced Payroll & Related Expense (\$1.878 million) and Professional Services (\$6.386 million) for the year. The 22nd DAA also received the New Fair Funds (AB1499) in the amount of \$1,484,500 in January 2024. The New Fair Funds were unanticipated at the time the budget was developed and approved, and 22nd DAA is utilizing the New Fair Funds for a portion of the capital expenditure items this year.

### **Detail & Analysis of the Income Statement:**

**Strengths:** Through October 2024, the 22nd DAA outperformed its budget projections in the following categories:

**Facility Rentals Revenues:** Through the first ten months of the year, this category is higher than forecast by nearly 18%, or \$1,271,000. For the month of October, this element exceeded the forecast by nearly 14% or \$44,000.

Through the first ten months of the year, **Total Operating Expenses** were lower than forecast by nearly 12% or \$9,566,000 which may be due to timing differences between amounts budgeted and actual services performed.

**Payroll & Related Expenses** are indicative of the ability to fill full-time, civil service vacancies within any given month as well as actual hours incurred versus those anticipated for temporary employees working during events. For the month, 22nd DAA is trending lower than the budgeted amount by 22%, or \$287,000. Through the ten months of the year, this element is lower than the budget by about 11%, or \$1,879,000.

**Professional Services** consists of a multitude of services, the largest being food and beverage. The actual timing of expenditures in this category may differ from the budgeted amounts, resulting in variances

between the months during the year. For the month of October, this category is trending lower than forecast by 6%, or \$57,000. Through the first ten months of the year, this category is lower than the budget by nearly 21%, or \$6,686,000. The accounting team is researching the savings in this category to determine if these savings will be realized for the year or are the result of timing issues when the budget was developed.

**Food and Beverage Expenses** as a subcategory of the Professional Services Expense is trending higher than the budget estimate by nearly 6%, or \$308,000, for the month due to preparation work relating to the Breeders' Cup event on November 1<sup>st</sup> and 2<sup>nd</sup>. Through the first ten months of the year, this cost element is lower than the budget by nearly 13% or \$2,225,000.

**Challenges:** Through October 2024, the 22<sup>nd</sup> DAA did not meet expectations in the following categories:

**Total Operating Revenues** for the month were lower than expectations by 18%, or about \$236,000. Through October, total operating revenues are lower than forecast by about 11% or \$8,762,000, in large part due to actual revenue earned versus what was anticipated during the budget process for the Fair, The Sound, and the Summer Race Meet.

**Concessions Revenues:** Food and Beverage sales fell short of expectations for the month of October by 34%, or nearly \$164,000.

**Parking Revenues** for the month of October is short of the forecast by nearly 30% or \$117,000. For the year, this element fell short of the forecast by nearly 16%, or \$1,134,000. The cancellation of KAABOO Festival in September contributed to year-to-date shortfall by \$521,250.

**Total Revenue:** For the year and through the month of October is lower than originally anticipated by \$6,486,000 or nearly 8%.

**Total Operating Expenses** were higher than expected by 26%, or \$750,000 for the month. Interest payment associated with the PPP Loan payment in the amount of \$903,000 contributed to the excess operating cost over the budget amounts.

**Facility-Related Expenses** for the month have exceeded budget amount

by nearly \$305,000 due to differences between anticipated utility costs and the actual amounts incurred. For the year, this category is lower than expectation by 1.5%, or \$90,000.

#### Debt Service Activity

In addition, in October, RTA made a payment in the amount of \$2,391,875 in principal and interest toward its existing revenue bond obligation.

In November, 22nd DAA is scheduled to make a debt service payment to the Department of General Services in the amount of \$258,268 for principal and interest toward its Energy Efficiency improvement loan obligation.

### **About the Financial Statements**

#### Balance Sheet:

Data for fiscal years 2022 and 2023 are included for comparison purposes to the current year, 2024.

#### Income Statement (All Programs & Operations):

Revenues are recognized in the month in which they are earned while expenses are recognized in the month incurred. For example, revenues for the San Diego County Fair were reflected in the June and July financial reports, while expenses for producing and preparing for the Fair are reflected in the months leading up to and after the Fair.

The first three columns of figures represent the month's activity — Actual, Budget, and Variance of Actual vs. Budget. The middle grouping of columns represents the year-to-date activity, while the last column presents the complete 2024 Operating Budget goals.

**October Performance:** The Net Income activity for the month of October was lower than the forecast due to the PPP loan repayment.

**The Sound:** Eight events were produced at The Sound in October, matching the monthly forecasted events but fell short by one event when considering Finance Committee's challenge. For the first ten months of the year, The Sound is trending behind the forecasted number of shows — 45 events actual versus the forecasted 62 —but due to the popularity of the shows held, the Year-to-Date Net Income is higher than the budget by about \$122,000 of budget. Awareness of the venue is growing among artists, agents, and promoters. Though Belly Up will not achieve the number of shows for the year anticipated in the budget (80), the shows produced so far have been well attended, and expectations are that the venue will operate near 22nd DAA's financial goals for the year.

## Definitions

**Restricted Cash RTA:** This reflects the cash available for the Race Track Authority bond obligations. This includes:

- 1) maintaining a reserve fund held in trust equivalent to one year's debt obligation;
- 2) the current year's debt obligation;
- 3) the minimum cash balance requirement for 22nd DAA (the equivalent of one year's debt obligation); and
- 4) when applicable, surplus funds contributed that revert to 22nd DAA.

As a reminder, Net Horse Racing Revenues and/or Net Concession Revenues are transferred to the trustee by January 15 each year. The trustee makes withdrawals in April and October for the payment of the current year debt.

**Deferred Revenue:** This consists of advance payments received for scheduled activities in the future, such as event rentals and the San Diego County Fair. As each event occurs, the revenue is realized in the same month as the event.

**Accrued Employee Leave Liabilities:** This reflects the current value of the leave balances due to employees upon separation from 22nd DAA. Balances continue to be managed to remain within the state-mandated thresholds.

## Other Work by the Committee:

### **RTA Bonds Refinance:**

As directed by the Board during the August meeting, 22nd DAA's CEO and Director of Finance are continuing to work with the RTA's counsel, banker, and public finance firm to the bonds with the goal of returning with a recommendation to the Board in the coming months.

### **Financial Policies:**

Particular attention is being given to the development of financial policies that strategically develop "rainy day," reserves, and capital improvement funds. Initial draft policies were brought forward in November 2024 with the 2025 budgets and are currently being reviewed by the public finance firm to the bonds.

**22nd DAA**  
**Consolidated Balance Sheet (DAA, RTA, RTLC)**  
**As of October 31, 2024**

	2024	2023	2022
<b>Assets</b>			
Cash	\$ 30,387,697	\$ 37,219,721	\$ 35,760,544
Restricted Cash - JLA	79,212	58,631	44,269
1 Restricted Cash - F&B Equipment Fund	236,660	46,467	270,119
2 Restricted Cash - RTA	9,269,743	10,334,578	9,612,678
<b>Total Cash and Cash Equivalents</b>	<b>39,973,312</b>	<b>47,659,397</b>	<b>45,687,611</b>
Accounts Receivable	2,329,187	1,912,902	1,942,123
Prepaid Expenses	678,081	635,922	681,120
3 Deferred Outflows Pension	5,298,571	5,298,571	5,298,571
<b>Total Current Assets</b>	<b>8,305,840</b>	<b>7,847,395</b>	<b>7,921,814</b>
Land and Land Improvements	45,166,113	45,166,113	35,011,899
Building and Improvements	217,564,033	217,564,033	197,145,152
Equipment	39,456,721	38,823,915	38,132,104
Capital Projects in Process	5,684,530	1,806,615	30,626,169
Accumulated Depreciation	(191,722,134)	(189,997,999)	(180,053,376)
<b>Total Capital Assets</b>	<b>116,149,264</b>	<b>113,362,677</b>	<b>120,861,948</b>
<b>Total Assets</b>	<b>\$ 164,428,416</b>	<b>\$ 168,869,469</b>	<b>\$ 174,471,373</b>
<b>Liabilities</b>			
Accounts Payable	5,931,858	6,312,405	9,214,432
Payroll Liabilities	1,067,252	741,622	497,836
Accrued Liabilities	1,657,615	1,903,107	1,968,759
Other Current Liabilities	856,172	(103,351)	1,077,094
5 Deferred Revenue	1,747,569	1,276,850	2,100,867
4 Current Long Term Debt	1,829,258	2,612,472	3,129,255
6 Accrued Employees Leave Liabilities	1,141,648	1,349,579	1,237,266
7 Long Term Debt	54,545,122	58,148,477	61,716,928
Reserve - F&B Equipment Fund	232,844	197,259	582,593
Reserve - JLA	43,292	36,607	16,305
3 Pension Liability	40,309,443	40,108,357	39,895,456
3 Deferred Inflows - Pension	1,754,199	1,754,199	1,754,199
<b>Total Liabilities</b>	<b>111,116,272</b>	<b>114,337,585</b>	<b>123,190,991</b>
<b>Net Resources</b>			
Contributed Capital	78,877,171	78,877,171	78,877,171
Less Contributed Capital to RTA	(34,358,470)	(34,358,470)	(34,358,470)
Net Resources - Unrestricted	11,515,553	11,783,919	(5,921,909)
Investment in Capital Assets	(3,891,786)	(3,891,786)	(3,891,786)
	52,142,468	52,410,834	34,705,006
Net Proceeds from Operations	1,169,675	2,121,050	16,575,377
<b>Total Net Resources</b>	<b>53,312,143</b>	<b>54,531,884</b>	<b>51,280,382</b>
<b>Total Liabilities and Net Resources</b>	<b>\$ 164,428,416</b>	<b>\$ 168,869,469</b>	<b>\$ 174,471,373</b>

- 1- Per Food & Beverage Services agreement, 1.50% of all Gross Revenues for unexpected or emergency expenses, including repair and maintenance of equipment.
- 2- Per bond Pledge Agreement, maintain Reserve account and District cash separately equal to at least Maximum Annual Debt Service.
- 3- Information provided by CDFA/State Controllers Office; results from changes in components of net pension liability; applicable to a future reporting period.
- 4- Current portion of long-term debt due within the next 12 months.
- 5- Advance payments for events/activities in the future.
- 6- Due to employees at time of separation for paid leave balances.
- 7- RTA Bonds \$29.0M; Ibank WQI \$6.2M; Ibank Sound \$13.0M; Premier \$1.5M; Energy Efficiency \$3.3M; CalPers SB84 \$1.5M.

**22nd DAA**  
**Income Statement**  
For the Period Ending October 31, 2024  
**DAA**

	October 2024			Year-to-Date			Full 2024
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
<b>REVENUES</b>							
Admissions Revenue	0	0	0	11,710,488	13,649,053	(1,938,565)	13,649,053
Gates	0	0	0	11,710,488	13,649,053	(1,938,565)	13,649,053
Concessions Revenue	343,213	510,124	(166,911)	40,270,117	47,286,725	(7,016,608)	53,102,000
Food & Beverage Contra	321,248	485,124	(163,876)	17,599,765	22,200,730	(4,600,965)	27,994,405
Other Food & Beverage	0	0	0	4,612,594	4,944,911	(332,317)	4,944,911
Midway	0	0	0	17,919,167	20,060,139	(2,140,972)	20,060,139
Facility Rentals Revenue	363,759	319,498	44,261	8,248,809	6,977,750	1,271,059	8,896,646
Commercial	0	0	0	3,584,970	2,501,590	1,083,380	2,501,590
Racetrack	0	0	0	500,000	500,000	0	1,825,000
Leases Revenue	49,168	48,781	387	469,903	480,289	(10,386)	577,851
Program Revenues	312,694	426,415	(113,721)	6,853,830	7,921,261	(1,067,431)	8,149,861
JLA	0	0	0	44,391	22,500	21,891	22,500
Parking	276,680	393,615	(116,935)	5,978,366	7,112,161	(1,133,795)	7,303,861
Participation Fees	0	0	0	339,700	335,000	4,700	335,000
Satellite Wagering	36,014	32,800	3,214	491,374	451,600	39,774	488,500
<b>OPERATING REVENUE TOTALS</b>	<b>1,068,833</b>	<b>1,304,818</b>	<b>(235,985)</b>	<b>67,553,147</b>	<b>76,315,078</b>	<b>(8,761,931)</b>	<b>84,375,411</b>
Contributions	3,900	4,600	(700)	3,796,175	2,807,910	988,265	2,273,110
Government Funding	0	0	0	1,484,500	0	1,484,500	0
Sponsorships	3,900	4,600	(700)	2,297,670	2,804,410	(506,740)	2,269,610
Other Non-Operating Revenue	5,927	8,041	(2,114)	1,608,101	982,330	625,771	1,258,512
Interest Earnings	0	0	0	1,243,937	765,000	478,937	1,020,000
Reimbursed Costs	231,765	680,082	(448,317)	1,826,501	1,206,310	620,191	1,412,314
Prior Year Revenue	0	0	0	41,953	0	41,953	0
<b>NON-OPERATING REVENUE TOTALS</b>	<b>241,592</b>	<b>692,723</b>	<b>(451,131)</b>	<b>7,272,730</b>	<b>4,996,550</b>	<b>2,276,180</b>	<b>4,943,936</b>
<b>TOTAL REVENUE</b>	<b>1,310,425</b>	<b>1,997,541</b>	<b>(687,116)</b>	<b>74,825,877</b>	<b>81,311,628</b>	<b>(6,485,751)</b>	<b>89,319,347</b>
<b>EXPENSES</b>							
Payroll & Related Expense	1,051,531	1,338,951	287,420	15,641,523	17,520,168	1,878,645	20,021,458
Professional Developer	5,911	14,724	8,813	121,408	311,686	190,278	354,509
Professional Services Expense	996,607	938,985	(57,622)	23,406,553	29,792,699	6,386,146	35,271,131
Food & Beverage Expens	855,294	547,011	(308,283)	14,630,164	16,855,025	2,224,861	21,081,505
Insurance Expense	156,882	127,123	(29,759)	1,634,594	1,593,934	(40,660)	1,877,804
Facility & Related Expense	397,380	324,255	(73,125)	6,264,404	6,174,843	(89,561)	6,967,696
Equipment & Small Ware	524	0	(524)	139,604	330,000	190,396	330,000
Telephone & Internet	10,642	8,379	(2,263)	83,870	83,980	110	101,998
Repairs & Maintenance	18,494	54,941	36,447	951,127	649,010	(302,117)	748,456
Utilities	357,283	253,000	(104,283)	3,656,010	3,361,000	(295,010)	4,020,000
- Electricity	194,414	-	-	2,183,241	-	-	-
- Water	141,964	-	-	611,491	-	-	-
Supplies Expense	22,669	31,100	8,431	1,460,293	1,678,934	218,641	1,740,934
Marketing & Related Expense	3,487	20,000	16,513	1,242,092	1,489,150	247,058	1,499,150
Program Expenses	20,931	16,767	(4,164)	15,393,641	16,889,478	1,495,837	16,939,508
Prizes & Premiums	0	0	0	18,197	0	(18,197)	0
Artists & Entertainment	0	0	0	5,020,791	5,411,350	390,559	5,411,350
Midway Operator Expen.	0	0	0	10,024,157	11,117,754	1,093,597	11,117,754
Other Operating Expense	984,578	86,644	(897,934)	3,308,871	2,778,710	(530,161)	2,937,616
Bank & Service Fees	12,886	18,004	5,118	1,623,940	2,042,210	418,270	2,064,546
Interest Expense	971,717	68,640	(903,077)	1,606,945	705,000	(901,945)	841,570
<b>OPERATING EXPENSE TOTALS</b>	<b>3,634,064</b>	<b>2,883,825</b>	<b>(750,239)</b>	<b>68,351,971</b>	<b>77,917,916</b>	<b>9,565,945</b>	<b>87,255,297</b>
Other Non-Operating Expense							
Prior Year Expense	4,760,873	0	(4,760,873)	4,521,032	0	(4,521,032)	0
<b>NON-OPERATING EXPENSE TOTALS</b>	<b>4,760,873</b>	<b>0</b>	<b>(4,760,873)</b>	<b>4,521,032</b>	<b>0</b>	<b>(4,521,032)</b>	<b>0</b>
<b>TOTAL EXPENSE</b>	<b>8,394,937</b>	<b>2,883,825</b>	<b>(5,511,112)</b>	<b>72,873,003</b>	<b>77,917,916</b>	<b>5,044,913</b>	<b>87,255,297</b>
<b>NET INCOME (LOSS)</b>	<b>(7,084,512)</b>	<b>(886,284)</b>	<b>(6,198,228)</b>	<b>1,952,875</b>	<b>3,393,712</b>	<b>(1,440,837)</b>	<b>2,064,050</b>

Note: Positive variances in this report denote better than expected results for that element.

Note1: Government funding of AB-1499 was unanticipated; these funds are reserved for CAPX.

## Food & Beverage Report Oct-24

October 2024 Food Service Revenues were \$351,338. Budgeted Revenues for October 2024 were \$449,113

Net distribution to the District for October 2024 was (\$508,222) or -144.65%. Budgeted distribution for October 2024 was (\$97,898) or -21.8%.

Year-to-date 2024 distribution to the District is \$2,852,558 or 16.1%. The budgeted distribution for YTD 2024 was \$5,134,815 or 23.4%.

Oct-24	2024 ACTUAL	%	2024 BUDGET	%	2023 ACTUAL	%
TOTAL REVENUE	351,338	100.0%	449,113	100.0%	496,276	100.0%
TOTAL COGS	52,379	14.9%	86,473	19.3%	102,072	20.6%
GROSS MARGIN	298,959	85.1%	362,640	80.7%	394,204	79.4%
TOTAL PAYROLL	640,308	182.2%	339,873	75.7%	400,994	80.8%
OPERATING EXPENSES	239,475	68.2%	134,650	30.0%	101,577	20.5%
NET PROFIT	(580,824)	-165.3%	(111,883)	-24.9%	(108,367)	-21.8%
CLIENT DISTRIBUTION	(508,221)	-144.7%	(97,898)	-21.8%	(94,821)	-19.1%

YTD	2024 ACTUAL	%	2024 BUDGET	%	2023 ACTUAL	%
TOTAL REVENUE	17,776,147	100.0%	21,967,840	100.0%	18,148,269	100.0%
TOTAL COGS	3,710,616	20.9%	4,761,005	21.7%	3,823,508	21.1%
GROSS MARGIN	14,065,531	79.1%	17,206,835	78.3%	14,324,761	78.9%
TOTAL PAYROLL	8,516,449	47.9%	8,834,201	40.2%	7,553,155	41.6%
OPERATING EXPENSES	2,289,015	12.9%	2,504,274	11.4%	2,016,240	11.1%
NET PROFIT	3,260,067	18.3%	5,868,360	26.7%	4,755,366	26.2%
Y-T-D CLIENT DISTRIBUTION	2,852,559	16.0%	5,134,815	23.4%	4,160,945	22.9%



## 22nd District Agricultural Association **Policies**

### **Policy 4.04: Financial Stewardship**

Date Adopted/Last Revised:

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Note: Capitalized terms not otherwise defined in this Policy have the meanings set forth in the Definitions section of Policy 1.01. Should any provision in this Policy contradict any provision of California law, California law shall control.

#### **Purpose**

The purpose of this Policy is to establish guidelines and expectations for the Board and CEO related to financial stewardship of the 22nd DAA and the ability to maintain operations, invest in Personnel, and enhance programs while simultaneously reinvesting into the design, construction, maintenance, and replacement of current capital assets and equipment to maintain the grounds and facilities in good working condition.

#### **Policy**

This Policy is designed to establish the process for developing and reviewing the organization's annual operating and capital investment budgets and monitoring performance to the financial plan. It is the Policy of the 22nd DAA that the Board is responsible for approving and overseeing the organization's financial plan to ensure that it is:

- Aligned with and supports the organization's purpose, mission, vision, values, and strategic objectives; and
- Financially sustainable, responsible, and compliant with all applicable laws and regulations.

The CEO is responsible for planning, coordinating, analyzing, preparing, and reviewing the operating and capital investment budgets in consultation with the Finance Committee and for making the final recommendation of the proposed financial plan to the Board.

The 22nd DAA must have an operating budget for each fiscal year—which runs from January 1 through December 31. As such, the Board must adopt a new budget on an annual basis. It is a best management practice to also have a capital investment plan and budget. The budget is a flexible document that provides a comprehensive framework of resource allocations for implementation of the 22nd DAA’s strategic initiatives for the fiscal year.

### **Monitoring Financial Performance**

The Finance Committee will review financial reports and analyses provided by the CEO each month showing the year-to-date revenue and expenditures and variation from budget estimates, indicating any significant deviations. An executive summary will accommodate the report to the Board detailing reasons for variations, what effect any variations will have on the budget forecasts, and recommendations for corrective action should that be required.

## 22nd District Agricultural Association **Policies**

### **Policy 4.05: Financial Reserves**

Date Adopted/Last Revised:

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Note: Capitalized terms not otherwise defined in this Policy have the meanings set forth in the Definitions section of Policy 1.01. Should any provision in this Policy contradict any provision of California law, California law shall control.

#### **Purpose**

The purpose of this Policy is to provide guidelines for the Board and CEO to use in making financial decisions to withstand economic variations while ensuring the long-term ability of the 22nd DAA to meet its mission, maintain core operations, and the Board's vision for the future is achieved.

The 22nd DAA will maintain reserves to achieve the following objectives:

- To create the ability for matching fund programs such as private/grants for master site plan development;
- To enable the organization to sustain operations through catastrophic conditions;
- To pay for one-time, nonrecurring expenses that will build capacity or provide long-term benefits;
- To provide an internal source of funds during seasonal deficits;
- To responsibly invest in its property and infrastructure.

The Reserve Fund is not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of the 22nd DAA for reserves to be used and replenished within one year.

#### **Policy**

It is the Policy of the Board to establish minimum fund balances and reserve levels that assure the community that the 22nd DAA is maintained in sound financial condition including a Minimum Operating Fund Balance, Capital Replenishment Fund, and Reserve Fund.

Minimum Operating Fund Balance: The 22nd DAA shall maintain a Minimum Operating Fund Balance equivalent to at least double the average of total negative cash flow months in the preceding three years, excluding any amounts held in reserves or otherwise committed funds.

Capital Replenishment Fund: The 22nd DAA acknowledges that eventually, all structures and improvements will ultimately require replacement or upgrades. The useful life of each asset shall be tracked and reasonable reserves established to fund those projects when applicable.

Reserve Fund: The Reserve Fund is funds set aside by action of the Board of Directors. Its ongoing operation and oversight are the responsibility of the Finance Committee. The target minimum amount shall be an amount sufficient to keep the organization viable for eighteen months, during a catastrophic failure or fiscal hardship such as another global pandemic, natural disaster, year without a fair, etc. The Reserve Fund shall be equivalent to a minimum of 25% of ongoing annual operating revenues, excluding any amounts held in reserves or otherwise committed funds.

The Reserve Fund serves a dynamic role and will be reviewed and adjusted annually in response to internal and external changes.

### **Funding Reserves and Replenishment**

To establish the Reserve Fund, the Board shall designate \$## of existing accumulated liquid unrestricted net assets as the beginning balance of the Reserve Fund. The remaining amount is to be funded over the next ten (10) years through funding strategies incorporated into annual budget planning. The Reserve Fund and Capital Replenishment Fund will be funded annually from 50% of the surplus unrestricted operating funds after the Minimum Operating Fund balance is reached. The remaining surplus unrestricted operating funds may be used toward annual capital expenditures. The Board may from time to time direct that a specific source of revenue be set aside for the Reserve Fund.

The balance of the Funds will be included in the regular financial reports to the Board.

### **Investing**

The Reserve Fund will be funded and available in cash or cash equivalent funds, in accordance with the risk preferences, liquidity needs, and investment objectives of the 22nd DAA.

The Reserve Fund will be maintained in a segregated bank account or investment fund, in accordance with the organization's Investment Policy. Policies and procedures for handling deposits, reconciling statements, safeguarding access, etc. will be the same as for any of the organization's other bank accounts.

### **Shortfalls**

Once the fund balances have been achieved, if the Reserve Fund is and has been less than 90% of the target minimum amount for two consecutive years, the Board of Directors will adopt an operational budget with a projected surplus sufficient to rebuild the Reserve Fund to its targeted minimum amount over a prescribed period of time.

### **Accounting for the Reserve and Replenishment Funds**

The Reserve Fund and Capital Replenishment Fund will be listed separately in the unrestricted net assets section of the statement of financial position as “Board-Designated Reserve” and the status of borrowings from the Reserve Fund will be provided in financial reports to the Board.

### **Using Reserves or Replenishments**

The CEO will identify reasons for accessing the Reserve Fund and/or Capital Replenishment Fund and confirm that the use is consistent with the purpose as described in this Policy and as part of this process, will do the following:

- Analyze the reason for the needed funds;
- Assess the availability of any other sources of funds before using the Reserve Fund or Capital Replenishment Fund; and
- Evaluate the period that the funds will be required and then replenished.

In consultation with the Finance Committee, the CEO may access the Reserve Fund or Capital Replenishment Fund for purposes as outlined above, as long as sufficient funds are available to repay such usage within six months’ time. Any funds borrowed for longer than six months requires Board approval.

The CEO will inform the Board in writing if the Reserve Fund or Capital Replenishment Fund has been accessed, and such notification will include the analysis and determination for the use of funds and plans for refurbishment.

### **Report and Monitor Use of Reserve and Replenishment Funds**

The CEO is responsible for ensuring that the Reserve Fund and Capital Replenishment Fund is maintained and used only as described in this Policy and for maintaining records of the use of funds and plan for refurbishment. The CEO will provide regular reports to the Finance Committee and Board of progress to restore the fund to the target minimum amount.

## 22nd District Agricultural Association **Policies**

### **Policy 6.02: Event Ticket Purchase**

Date Adopted/Last Revised:

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Note: Capitalized terms not otherwise defined in this Policy have the meanings set forth in the Definitions section of Policy 1.01. Should any provision in this Policy contradict any provision of California law, California law shall control.

#### **Purpose**

Online ticketing platforms require a policy to establish clear guidelines that protect both the venue and the customer. By clarifying the terms and conditions associated with the ticket purchase to customers — such as refund and exchange policies, entry requirements, the authentication of the ticket payments, and ticket limits — the venue sets clear rules and guidelines that help manage ticketing transactions and expectations. As a result, customers understand ticketing rules and agree to ticketing rules and terms at the time of purchase, which can reduce confusion, potential disputes, and questions for the venue's customer care representatives.

Additionally, a clear ticketing policy protects the venue. By agreeing to the policy at the time of purchase, customers enter into an agreement that can help reduce issues that may occur, such as credit card disputes, refunds for cancellations, and disputes over ticket limits and validity of tickets.

The purpose of this Policy is to minimize risk, provide clarity to ticket-buyers, and protect the 22<sup>nd</sup> DAA and its customers from fraudulent consumer activities.

## **Policy**

The purchase of a ticket grants a revocable, non-exclusive, and non-transferable license to attend the specified event at the 22nd DAA. The CEO is authorized to develop and implement a disclosure to be acknowledged by the customer prior to each purchase that further addresses the items outlined in this Policy.

The license does not confer any rights beyond admission and is subject to all terms and conditions outlined in the disclosure.

Tickets must be presented for admission. The code on each ticket allows redemption of the item described.

All ticket sales are final. Lost or stolen tickets will not be replaced. The 22nd DAA does not offer refunds or exchanges except in cases where a concert or event is canceled or postponed, at which time ticket holders will be notified promptly of their options.

The 22nd DAA accepts major credit and debit cards for payment. All transactions are processed securely.

All information on orders must be valid and subject to verification.

Transactions shall be limited to a specific number of tickets for purchase per customer/household.

Tickets purchased through the 22nd DAA websites are intended for personal use only. The 22nd DAA does not endorse or support ticket purchases from third-party sellers.

The resale of tickets for profit or in violation of this Policy is strictly prohibited.

Tickets have no cash redemption value and cannot be exchanged for cash or any other items.

In the event of a pricing error, the 22nd DAA reserves the right to cancel orders placed at incorrect prices and either issue a refund or offer tickets at the correct price.

Ticketholders agree that they will not attempt to evade, avoid, or circumvent any refund prohibitions regarding the tickets purchased.

By purchasing a ticket, permission is granted to the 22nd DAA and its affiliates to use personal information for event-related communications, including ticketing, promotions, and updates.

By attending an event at the 22nd DAA, ticketholders consent to the use of their image, likeness, and voice in photographs, video recordings, or other media taken during the event.

The 22nd DAA reserves the right to refuse entry or eject any person who does not comply with 22nd DAA policies or engages in disruptive or inappropriate behavior. No refunds or exchanges will be issued in such cases.

All attendees are subject to search upon entry. Prohibited items, including weapons, and illegal substances may be confiscated. Failure to comply with security measures may result in denial of entry or ejection from the event. No refunds or exchanges will be issued in such cases.

The 22nd DAA is not responsible for any loss, injury, or damage to persons or property while attending the event. By purchasing a ticket, ticketholders agree to hold harmless and indemnify the 22nd DAA, its affiliates, and its employees from any claims arising out of their attendance.



## 22nd District Agricultural Association **Policies**

### **Policy 6.03: Cashless Fair Operations**

Date Adopted/Last Revised:

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Note: Capitalized terms not otherwise defined in this Policy have the meanings set forth in the Definitions section of Policy 1.01. Should any provision in this Policy contradict any provision of California law, California law shall control.

#### **Purpose**

Cashless operations, or electronic payment operations, deliver transactions that are seamless, frictionless, and low-cost and address a growing expectation amongst consumers for fast digital payments.

The purpose of this policy is to establish payment methods accepted at the San Diego County Fair for the enhancement of safety, security, theft-prevention, and guest experience while still providing equitable access to services, activities, and experiences at the San Diego County Fair.

#### **Policy**

Pursuant to this Policy, all 22nd DAA operations during the San Diego County Fair, including those provided by the 22nd DAA's contracted food and beverage operator, are limited to accept electronic forms of payment only (cashless operation).

Additionally, any independent operation at the San Diego County Fair that pays commission (percent of sales) to the 22nd DAA is required to accept electronic forms of payment only (cashless operation).

To maintain accessibility for all customers of the San Diego County Fair, the 22nd DAA shall provide a means for customers to exchange cash for an acceptable form of electronic payment.



## **Item 5-B-1, Finance Committee Report - Nilforushan Equisport Events, LLC Request to Suspend Installment Payment Agreement Indefinitely**

### **Background**

Following the success of the 2023 Seaside Equestrian Tour, and at the request of Nilforushan Equisport Events, LLC, ("Nilforushan"), the 22<sup>nd</sup> District Agricultural Association (22nd DAA) Board of Directors approved multi-year Event Rental Agreement 24-4002 with Nilforushan, in October 2023, for a horse show to be held in the first quarter of 2024 at the Fairgrounds' Del Mar Arena. The Agreement included options to renew each year for the following four (4) consecutive years in the 22nd DAA's sole and absolute discretion.

The 2024 event was held from February 7 through March 24, 2024. Due to weather conditions and challenges in the horse show industry, the 2024 event did not meet Nilforushan's financial expectations. Since the event concluded, Nilforushan has owed the 22nd DAA a balance of \$297,950.

In September 2024, the 22nd DAA entered into a Payment Plan Installment Agreement with Nilforushan for the balance due on the 2024 event financed at five percent (5%) interest over a period of five years. The Payment Plan Installment Agreement required Nilforushan to remit payments to the 22nd DAA in accordance with the following repayment plan schedule:

<b>Payment Due Date</b>	<b>Payment Amount</b>
November 15, 2024	\$59,590.00 (no interest)
February 15, 2025	\$62,594.00 (\$59,590 plus \$3,004 in interest)
February 15, 2026	\$68,858.50 (\$59,590 plus \$8,938.50 in interest)
February 15, 2027	\$65,549.00 (\$59,590 plus \$5,959 in interest)
February 15, 2028	\$62,569.50 (\$59,590 plus \$2,979.50 in interest)

### **Subsequent Activity and Discussions**

Apart from the Installment Payment Agreement, Nilforushan also expressed interest in continuing to work with the 22nd DAA under a new rent structure for future

events that would reduce Nilforushan's direct payment to the 22nd DAA in exchange for making capital investments in the 22nd DAA's facilities. The 22nd DAA fully explored this interest in good faith, meeting with Nilforushan and California Construction Authority (CCA) — tasked with the administration of the California Code of Regulation, also known as the California Building Standards Code — by the Department of General Services to represent the California Network of Fairs.

To date, Nilforushan has not provided a scope of work for any potential capital investment plan in exchange for reduced rents on future events and instead pivoted to requesting a single-year agreement to produce a show in 2025. The 22nd DAA provided Nilforushan a new, single-year Event Rental Agreement for \$250,000 to cover the rent and stalls and miscellaneous charges of \$205,130 – a \$310,649 reduction from a single-year of the canceled 5-year agreement. Nilforushan rejected the contract. The 22nd DAA then submitted a further reduced counter offer. Nilforushan rejected the counteroffer.

On November 15, 2024, Nilforushan was required to remit payment for the 2024 event to the District in the amount of \$59,590, in accordance with Section 3 of the Payment Plan Installment Agreement. However, Nilforushan failed to make that payment.

The next day, November 16, 2024, Nilforushan sent an email to the Board (enclosed) requesting "a moratorium on any further payments" claiming that Nilforushan is "facing significant financial challenges."

On December 6, 2024, Equine Network, LLC announced in a press release its acquisition of a controlling interest in Nilforushan Equisport Events.

On December 20, 2024, Nilforushan posted "Breaking News" on its Facebook page that it is taking over management of the USEF Hunter/Jumper horse shows at the Rancho Mission Viejo Riding Park at San Juan Capistrano in 2025, along with Equine Network, LLC. The announcement included dates for shows from April through September 2025 and a quote from Ali Nilforushan saying he was "excited to infuse new energy and innovative ideas into the facility, ensuring it continues to thrive as a hub for horse lovers and spectators alike."

Two days later, another Nilforushan Facebook post announced a series of dates for the 2025 Temecula Valley National Horse Show.

Nilforushan has not communicated with the 22nd DAA since sending the November 16 letter and still has not met its obligations to make an initial \$59,590 payment, per its agreement. The next payment is due in February.

**Recommendation**

The Finance Committee recommends 1) no moratorium or suspension of the payments due under the Installment Payment Agreement; and 2) authorizing CEO Moore to pursue all legal rights and remedies to collect all unpaid amounts due and owing from Nilforushan under the Installment Payment Agreement.

## PAYMENT PLAN INSTALLMENT AGREEMENT

This Payment Plan Installment Agreement (“Agreement”) is entered into between the 22nd District Agricultural Association (“Association” or “Creditor”) and Nilforushan Equisport Events, LLC (“Debtor”) on September 18, 2024 (the “Effective Date”). Association and Debtor are sometimes referred to collectively as the “Parties” in this Agreement.

### RECITALS

1. Association and Debtor were parties to Event Agreement No. 24-4002 (“Event Agreement”), under which Association provided Debtor certain rights and privileges, including the use of a portion of the Association’s premises, located at 2260 Jimmy Durante Blvd., Del Mar, California (the “Premises”) during certain specified dates from December 2023 through April 2024. A true and correct copy of the Event Agreement is attached to this Agreement as **Attachment “A”** and incorporated into this Agreement by this reference.

2. By signing the Event Agreement, Debtor agreed to make certain payments to Association, including rental fees, event-related equipment and service fees, a security deposit, and other fees required for use of the Premises. During the term of the Event Agreement, Debtor failed to make certain payments to Association required under the Agreement, totaling two-hundred ninety-seven thousand nine hundred and fifty dollars (\$297,950.00) (the “Event Agreement Balance”).

3. Because of Debtor’s failure to make all payments required under the Event Agreement, on August 13, 2024, the Parties terminated the Event Agreement and initiated discussions related to Debtor’s payment of the Event Agreement Balance through an installment payment plan.

NOW THEREFORE, in consideration of the above recitals, the mutual covenants and promises contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Parties, Association and Debtor agree as follows:

### AGREEMENT

1. Event Agreement Balance. As of the Effective Date, the Event Agreement Balance is equal to two-hundred ninety-seven thousand nine hundred and fifty dollars (\$297,950.00), which amount is equal to the balance owed by Debtor to Association under the Event Agreement.

2. Interest Rate. In addition to the Event Agreement Balance, Debtor shall also pay Association interest on the Event Agreement Balance at an interest rate equal to five percent (5.0%), compounded annually.



3. Repayment Plan. Debtor agrees to repay to the Association the Event Agreement Balance under the following payment schedule:

Payment Due Date	Payment Amount
November 15, 2024	\$59,590.00 (no interest)
February 15, 2025	\$62,594.00 (\$59,590 plus \$3,004 in interest)
February 15, 2026	\$68,528.50 (\$59,590 plus \$8,938.50 in interest)
February 15, 2027	\$65,549.00 (\$59,590 plus \$5,959 in interest)
February 15, 2028	\$62,569.50 (\$59,590 plus \$2,979.50 in interest)

The sum of the total payments due under this Agreement equals three hundred nineteen thousand eight hundred thirty-one dollars (\$319,831.00) (the "Total Repayment Amount").

4. Payment Instructions for Total Repayment Amount. Debtor shall remit payment to the Association in the form of a business or cashier's check, in accordance with the Repayment Plan schedule set forth in Section 3 of this Agreement. Debtor shall deliver all payments to Association under this Agreement via personal or overnight delivery to the following address: **22<sup>nd</sup> District Agricultural Association, 2260 Jimmy Durante Boulevard, Del Mar, California 92014; Attn: Carlene Moore.**

5. Late Payment. If Debtor fails to make any payment required under this Agreement by more than five (5) calendar days from the date the payment is due (in accordance with the repayment schedule set forth at Section 3 of this Agreement), Association shall provide Debtor with written notice of the failure to make the required payment. If Debtor does not transmit the required payment to Association within three (3) business days after Association provides written notice of the failure, Debtor is deemed to be in material breach of this Agreement and Association may elect to cancel this Agreement, which cancellation will be effective immediately upon the Association's provision of written notice of cancellation to Debtor. Upon termination of this Agreement, Association reserves all available rights and remedies available at law and equity.

6. Security. As part of this Agreement, Debtor agrees to secure this Agreement by pledging the collateral identified in the Debtor's collateral inventory, attached to this Agreement as **Attachment "B"** and incorporated into this Agreement by this reference ("Debtor's Collateral Inventory"). In the event Association cancels this Agreement in accordance with the terms hereof, Association shall obtain possession of all collateral identified in the Debtor's Collateral Inventory equal to the amount owed to Association by Debtor, of which a sale of certain collateral identified in Debtor's Collateral Inventory may be required.

7. Remedies. No delay or omission by Association in exercising any right under this Agreement shall operate as a waiver of any such right or of any other right of Association, nor shall any delay, omission, or waiver on any one occasion by Association be deemed a bar to or waiver of the same or any other right on any future occasion. The rights and remedies of

Association shall be cumulative and may be pursued singly, successively, or together, at the sole discretion of the Association.

8. Prohibition Against Assignment. Debtor agrees it may not sell, encumber, assign, or transfer this Agreement, or any rights, obligations, privileges, or duties contained in this Agreement, without the express written consent of the Association. The Association's consent shall be given, if at all, in its sole and exclusive discretion.

9. Disputes. In the event any payment under this Agreement is not paid when due, Debtor agrees to pay, in addition to the principal and interest hereunder, reasonable attorney's fees, plus all other reasonable expenses incurred by Association in exercising any of its rights and remedies upon default of this Agreement.

10. Integration Clause. This is an integrated Agreement. The terms of this Agreement are contractual, and not merely a recital. This Agreement supersedes all prior representations and agreements, if any, between the Parties or their legal counsel regarding its subject matter.


11. Written Amendment Required. This Agreement constitutes the entire understanding between the Parties to this Agreement and relating to its subject matter, and may not be modified, amended, or terminated except by written agreement signed by all of the Parties to this Agreement.

12. Controlling Law; Venue. This Agreement is being made and delivered and is intended to be performed in the State of California and the execution, validity, construction, and performance of this Agreement shall be construed and enforced in accordance with the laws of California. This Agreement shall be deemed made and entered into in San Diego County, which shall be the exclusive venue for any action relating to this Agreement.

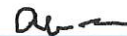
**REMAINDER OF PAGE INTENTIONALLY LEFT BLANK**

13. Timeliness; Binding Effect. Time is of the essence of each of the provisions of this Agreement, and the provisions of this Agreement shall extend to and be binding upon and insure to the benefit of the heirs, executors, administrators, successors, and assigns of the Parties hereto, subject to any prohibitions on assignment or transfer, contained in this Agreement.

22<sup>nd</sup> DISTRICT AGRICULTURAL ASSOCIATION  
2260 Jimmy Durante Boulevard  
Del Mar, CA 92014

By:   
Carlene Moore (Sep 19, 2024 12:48 PDT)  
Carlene Moore  
Chief Executive Officer

NILFORUSHAN EQUISPORT EVENTS, LLC  
16235 Via De Santa Fe  
Rancho Sante Fe, CA 92067

By:   
Ali Nilforushan (Sep 18, 2024 15:57 PDT)  
Ali Nilforushan  
Managing Member

**GUARANTOR ADDENDUM TO PAYMENT PLAN (INSTALLMENT) AGREEMENT**

The Guarantor, known as Ali Nilforushan (“Guarantor”), agrees to be liable and pay the Total Repayment Amount (as defined in Section 3 of this Agreement), which includes the Event Agreement Balance and accrued interest thereon, in the event of the Debtor’s default. The Guarantor agrees to be personally liable under the terms and obligations of the Debtor in this Agreement.

Guarantor’s Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Print Name: Ali Nilforushan



**ATTACHMENT "A" TO PAYMENT PLAN INSTALLMENT AGREEMENT**

EVENT AGREEMENT NO. 24-4002

**ATTACHMENT "B" TO PAYMENT PLAN INSTALLMENT AGREEMENT**

**DEBTOR'S COLLATERAL INVENTORY**

<u>Collateral Item</u>	<u>Location</u>
Storage containers: 16 measuring approximately 8'(w)x40'(l)x9.5'(h)	Red Lot
Black Rubber Flooring Mats: approximately 217 pallets of 47"x34" mats	Training Track Infield
Peet Gravel: approximately 40 cubic yards	Training Track Infield
Footing: approximately 1,000 cubic yards	Training Track Infield

---

## Seaside Equestrian Tour

---

**From** Ali Nilforushan [REDACTED]

**Date** Sat 11/16/2024 12:57 PM

**To** Carlene Moore <cmoore@sdfair.com>; Joyce Rowland (SDFair) <jrowland@sdfair.com>; Michael Gelfand (SDFair) <mgelfand@sdfair.com>; Frederick Schenk (SDFair) <fschenk@sdfair.com>; Lisa Barkett (SDFair) <lbarkett@sdfair.com>; Don Mosier (SDFair) <dmosier@sdfair.com>; Mark Arabo (Sdfair) <marabo@sdfair.com>; Phil Blair (SDFair) <pblair@sdfair.com>; Kathlyn Mead (SDFair) <kmead@sdfair.com>; Sam Nejabat (SDFair) <snejabat@sdfair.com>

Dear 22nd DAA Board Members,

I want to start off by expressing my deep appreciation for being part of the Del Mar family and for this wonderful venue. As many of you know, I entered the equestrian landscape a few years ago with a strong motivation to create one of the premier winter equestrian destinations in the country. However, as I became more involved, it became clear that there were significant issues beneath the surface.

We encountered problems such as leaks in the roof and standing water in the barn aisles, which highlighted that the facility was not in the condition I remembered. These issues have affected my ability to secure appropriate ratings for high-level competitions, leading to a substantial financial setback for Seaside, amounting to \$7 million so far.

Despite numerous conversations and requests for improvements, progress has been slow. I understand that a state-run facility operates like a large machine and doesn't pivot quickly, but with November upon us, I find myself without a viable deal moving forward. While I requested a significant rent discount, the counter offered simply does not align with the current state of the facility.

Regrettably, I must announce that I will not be running Seaside in 2025. This decision represents a significant financial blow to my company, but I remain hopeful and optimistic for 2026 and beyond. Del Mar is an iconic equestrian venue that deserves top-tier amenities. The equestrian community is a demographic that any community would want to attract. They contribute to the local economy, frequenting the best hotels and restaurants, and they bring a high-income demographic with low crime rates.

I truly believe there is a bright future for show jumping at Del Mar Arena, but it requires commitment and collaboration from both sides. Therefore, I respectfully request a moratorium on any further payments from Seaside to the district. I am currently facing significant financial challenges in this venture, and I hope you recognize the mutual benefits of supporting me today and in the future.

Thank you for your time and understanding.

Ali Nilforushan

Sent from my iPhone

## Nilforushan Equisport Events's post



Nilforushan Equisport Events is at Temecula Valley National Horse Show.

22 December 2024 at 13:51 · Temecula, CA · 🌐

...

We couldn't be more excited to announce our updated schedule for the 2025 Temecula Valley National Horse Show 🐾 We have now included our dates for TVN Fall in October! 🙌

- April 18-20
- April 23-27
- May 21-25
- May 28-June 1
- June 4-8
- Oct 1-5\*
- Oct 8-12\*
- Oct 15-19\*

\*Pending USEF approval

Mark your calendars 📅 We cannot wait to welcome you all back to Galway Downs in 2025 for a show experience unlike any other! See you there 🙌

# 2025 TEMECULA VALLEY NATIONAL



↘ **APRIL 16 - 20**

↘ **APRIL 23 - 27**

↘ **MAY 21 - 25**

↘ **MAY 28 - JUNE 1**

↘ **JUNE 4 - 8**

↘ **OCT 1 - 5\***

↘ **OCT 8 - 12\***

↘ **OCT 15 - 19\***

\*PENDING USEF APPROVAL

👍❤️ 52

2 comments 5 shares

👍 Like

💬 Comment

🔗 Share



Nilforushan Equisport Events is at Rancho Mission Viejo Riding Park at San Juan Capistrano · Follow

20 December 2024 at 13:36 · San Juan Capistrano, CA · 🌐

**BREAKING NEWS !!** We are proud to announce we will be taking over management of the USEF Hunter/Jumper horse shows at the Rancho Mission Viejo Riding Park in 2025. The Equine Network and Nilforushan Equisport Events are excited to provide an incredible competition experience once again called "The Oaks" in San Juan Capistrano 🐾

"We are thrilled to announce we have received the licenses for the horse shows to be held at the Rancho Mission Viejo Riding Park, a cherished cornerstone of our equestrian community in California," shared Ali Nilforushan. "As we take the reins, we are excited to infuse new energy and innovative ideas into the facility, ensuring it continues to thrive as a hub for horse lovers and spectators alike. We look forward to building on the strong foundation and invite everyone to join us in this exciting new chapter."

Mark your calendars for 2025 at The Oaks 📅

→ 4/2-4/6  
→ 4/9-4/13  
→ 5/7-5/11  
→ 5/14-5/18  
→ 6/11-6/15  
→ 6/18-6/22  
→ 6/25-6/29  
→ 7/16-7/20  
→ 7/23-7/27  
→ 9/10-9/14  
→ 9/17-9/21

Get ready for the 2025 season on the West Coast unlike any other 🐾



👍❤️ 490

86 comments 72 shares

👍 Like

💬 Comment

🔗 Share

# *Equine Network Acquired a Controlling Interest in Nilforushan Equisport Events to Enhance West Coast Equestrian Shows in Temecula*

December 6, 2024(<https://equinenetwork.com/2024/12/06/>)

Equine Network(<https://equinenetwork.com/author/equine-network/>)

News (<https://equinenetwork.com/category/news/>)



**FOR IMMEDIATE RELEASE****Equine Network Acquired a Controlling Interest in Nilforushan Equisport Events to Enhance West Coast Equestrian Shows in Temecula**

**Albuquerque, NM—December 5, 2024** – Equine Network, LLC, a leading provider of best-in-class competitions, content, products, and services to the equine community, is excited to announce the acquisition of a controlling interest in Nilforushan Equisport Events. This collaboration aims to further enhance the competitor experience in Southern California and make the West Coast the preferred destination for Hunter/Jumper events.

Equine Network's CEO, Tom Winsor, shared his excitement on the new endeavor. "We have been looking for a partner in the Hunter/Jumper market that shares our values. We feel strongly Ali Nilforushan and his team have the vision to create exceptional experiences in and out of the show ring."

Nilforushan Equisport Events is known for producing world-class horse shows at Galway Downs in Temecula, CA that cater to both competitors and spectators alike. They produce USEF rated shows with prize money classes, affordable showing options, and first-class VIP experiences. The company's inventive management style ensures each event is fun and memorable, featuring lively entertainment, game nights and social events in addition to top-tier competition.

Ali Nilforushan, President of Nilforushan Equisport Events and former Olympian, also expressed enthusiasm for the collaboration: "Looking forward to joining forces with Equine Network, as we share a common vision for the future of equestrian sport in California."

Equine Network's majority stake in Nilforushan Equisport Events aligns with its expansive growth plans. The company has positioned itself as a leading resource for riders and their horses through strategic acquisitions within the equine industry. Its offerings include competitions, roadside

assistance for horse owners, subscription-based training and care products, online learning channels, and inclusive communities. This adds a new dimension to their robust Sports Group offerings, with the creation of the Premier Equisport Group.

This collaboration also promises to attract more participants and spectators to Temecula's Galway Downs, making the already popular equestrian venue a destination for riders of all levels. Galway Downs is the proposed equestrian venue for the LA28 Olympic Games.

For more information about Nilforushan Equisport Events, visit [Jump-nee.com](https://jump-nee.com/) (https://jump-nee.com/).

To learn more about Equine Network and its services, visit [EquineNetwork.com](https://equinenetwork.com/)

(https://equinenetwork.com/).

### **Media Contact:**

Jenny Harris

President, Premier Equisport Group

[jharris@equinenetwork.com](mailto:jharris@equinenetwork.com)

### **About Nilforushan Equisport Events:**

Nilforushan Equisport Events is a premier horse show management company dedicated to producing world-class events that enhance the West Coast equestrian scene. They offer great sport, prize money classes, affordable showing options, and a series of VIP and entertainment experiences in Temecula, California.

### **About Equine Network:**

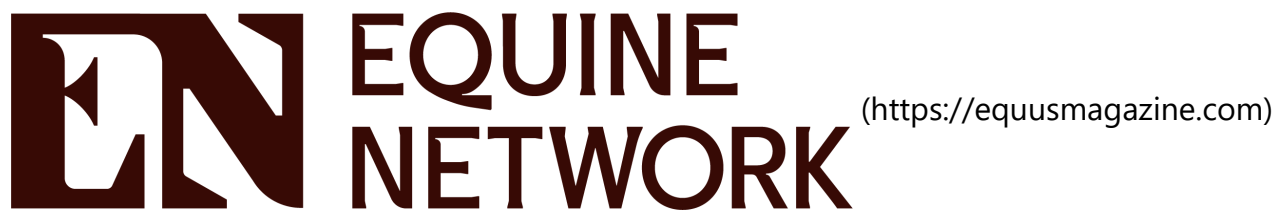
The Equine Network is the largest membership-based organization delivering content, competition, commerce and community for the equine world, and those that do business in it.



## About Growth Catalyst Partners:

Growth Catalyst Partners is a middle-market private equity firm investing in information, marketing and tech-enabled services businesses. GCP's strategy involves targeting growth segments of industries and identifying and building market-leading companies with breakout potential. GCP partners with company founders and owners, along with top executives within those industries, and provides capital, proprietary deal origination and operating expertise to the management teams. GCP's team has deep sector expertise and has led hundreds of transactions and successful investments in services businesses for over 20 years. Since the firm's founding in 2015, GCP has completed over 110 acquisitions across its industry-leading platform companies. For more information, visit [growthcatalystpartners.com](https://www.growthcatalystpartners.com/) (<https://www.growthcatalystpartners.com/>).

## SHARE THIS ARTICLE



The Equine Network is the largest subscription and membership-based organization delivering content, competition, commerce and community for the equine world, and those that do business in it.

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## **Item 5-C, Consideration and Vote to Approve the Meeting Minutes of October 2, 2024**

### **Background:**

During the November 12, 2024, meeting of the 22<sup>nd</sup> District Agricultural Association (22nd DAA) Board of Directors (Board), the minutes from the October 2024 meeting were pulled from the Consent Calendar at the request of a member of the public claiming that the meeting minutes were inaccurate, that the District violated the Bagley-Keene Open Meeting Act (the Act), or that CEO Moore was unauthorized to re-engage with the City of Del Mar regarding affordable housing. The item was deferred for consideration at next Board meeting.

The October 2, 2024, meeting minutes as originally presented — but not yet approved — are attached.

The two issues raised by the member of the public's request is for 1) the Board to take action "to correct and remedy any noncompliance with the Act" or 2) for the Board to withhold action "if the decision to re-engage with the City of Del Mar was made by Ms. Moore without being brought before the Board." The full letter received from a member of the public just hours before the Board meeting is attached.

### **Process/Approach:**

On November 20, 2024, the 22nd DAA's counsel responded to the first issue raised by the member of the public — the allegation regarding compliance with the Bagley-Keene Open Meeting Act — asserting that "the Board of Directors has complied at all times with the Bagley-Keene Open Meeting Act, including but not limited to, properly noticing all discussions and actions related to the District's rights and obligations arising out of the Exclusive Negotiating Rights Agreement entered into by and between the District and the City of Del Mar." [response attached]

The second issue raised by the member of the public is whether CEO Moore acted within her authority when resuming Affordable Housing discussions with the City.

At its meeting of July 15, 2024, the Board authorized and directed CEO Moore to, among other things, "pause affordable housing discussions with the City of Del Mar **until and unless** the Del Mar City Council officially opposes Alternative A in accordance with the city's December 2023 Guiding Principles." [emphasis added. July 15, 2024 minutes attached]

In August 2024, and as reported in the September 2024 Board meeting packet (excerpt attached)– the Board’s Strategic Planning Committee and CEO Moore met with representatives from the City of Del Mar (“the City”) to discuss the Board’s July 15 direction and to find a path forward.

At the September 10, 2024 meeting, the Board adopted a joint resolution with the City of Del Mar and the City of Solana Beach pertaining to the LOSSAN Rail Realignment Project. The resolution (attached), which was partially shaped with input from 22nd DAA staff, is in line with District’s previous positions opposing Alternative A and the City’s amended December 2023 Guiding Principles regarding the LOSSAN project.

Accompanying the joint resolution was a letter from City of Del Mar Mayor Dave Druker (attached) reiterating the City’s amended guiding principle adopted in 2023 that states, ‘With regard to study of a potential fairgrounds rail alignment SANDAG must respect and protect the operational, economic, environmental and planning needs of the 22nd DAA and of the proposed Del Mar housing Program on the fairgrounds and as a key stakeholder the 22nd DAA must be proactively engaged by SANDAG throughout the process.’

Based upon the previous direction given by the Board, CEO Moore had the authority to re-engage with the City.

22nd DAA remains committed to ensuring an open and transparent process in the conduct of its official business.

### **Recommendation**

Because the minutes are an accurate representation of the October 2, 2024 meeting, the recommendation is to approve the October 2, 2024 meeting minutes as presented.

Further action by the Board is not warranted as CEO Moore acted within the authority delegated by the Board to re-engage with the City of Del Mar on Affordable Housing discussions.



## **22<sup>nd</sup> DISTRICT AGRICULTURAL ASSOCIATION**

### **Board of Directors Meeting**

Del Mar Fairgrounds  
2260 Jimmy Durante Boulevard  
Del Mar, CA 92014  
**October 2, 2024**

### **MINUTES**

*The following minutes are a summary of the Board action and proceedings. For a full transcript please click on the link below or visit the [delmarfairgrounds.com](https://www.delmarfairgrounds.com) website:*

<https://www.delmarfairgrounds.com/p/public-information1>

#### **OFFICERS PRESENT**

Frederick Schenk, President  
Michael Gelfand, 1<sup>st</sup> Vice President  
G. Joyce Rowland, 2<sup>nd</sup> Vice President (via Zoom)

#### **DIRECTORS PRESENT**

Mark Arabo  
Lisa Barkett  
Phil Blair  
Sam Nejabat

#### **DIRECTORS ABSENT**

Kathlyn Mead  
Don Mosier

#### **OTHERS PRESENT**

Joshua Caplan, Deputy Attorney General  
Carlene Moore, Chief Executive Officer  
Melinda Carmichael, Chief Administrative Officer  
Katie Mueller, Chief Operations Officer  
Tristan Hallman, Chief Communications Officer  
Donna O'Leary, Office Manager  
Matthew Goldman, Office of the Attorney General

#### **CALL TO ORDER**

President Schenk called the meeting to order at 9:35 a.m. with a quorum present.

#### **ROLL CALL**

President Schenk, Vice Presidents Gelfand and Rowland, and Directors Arabo, Barkett, Blair, and Nejabat were present. Directors Mead and Mosier were absent.

President Schenk announced a change in the order of the agenda, noting that the Closed Executive Session would take place following Item 4, Public Comment for Matters Not on the Agenda.

#### **CONSENT CALENDAR**

PUBLIC COMMENT ON CONSENT CALENDAR (see pages 6-8 of transcript)  
Martha Sullivan, Breanna Carmichael

Standard agreement 23-068 AM1 for Strategic Communication with Southwest Strategies was removed from the Consent Calendar for further discussion under General Business.

Director Barkett moved to approve the Consent Calendar with the removal of 23-068 AM1. Vice President Gelfand seconded the motion. President Schenk, Vice Presidents Gelfand and Rowland, and Directors Arabo, Barkett, Blair, and Nejabat were all in favor. The motion carried 7-0.

#### Standard Agreement 23-068 AM1

CEO Moore explained that the amendment to the contract with Southwest Strategies serves two purposes: to exercise the first set of option years in the agreement, and to increase the cost for the first year to account for the public outreach program at the 2024 San Diego County Fair. The public outreach services were not anticipated at the time the agreement was approved, so the additional budget is required for the District to continue the anticipated services with Southwest Strategies.

PUBLIC COMMENT ON STANDARD AGREEMENT 23-086 AM1 (see pages 11-12 of transcript)  
Martha Sullivan

Vice President Gelfand moved to approve standard agreement 23-068 AM1. Director Blair seconded the motion. President Schenk, Vice Presidents Gelfand and Rowland, and Directors Arabo, Barkett, Blair, and Nejabat were all in favor. The motion carried 7-0.

**PUBLIC COMMENT ON NON-AGENDA ITEMS** (see pages 24-32 of transcript)  
Jane Cartmill, Martha Sullivan, Breanna Carmichael, Lynn Freudenberg

#### **RECESS TO CLOSED EXECUTIVE SESSION**

The Board recessed to Closed Executive Session at 10:07 a.m.

#### **RECONVENE TO OPEN SESSION**

The Board reconvened to Open Session at 12:04 p.m. President Schenk stated that the District Board of Directors considered the advice of Counsel on the items listed on the Closed Session portion of the agenda and there is nothing to report. Directors Blair and Nejabat had to leave after Closed Session and were not present for the remainder of the meeting.

#### **GENERAL BUSINESS**

##### Item 5-A: Audit & Governance Committee Report

President Schenk announced that Item 5-A is tabled until the next Board meeting, when both committee members are present.

PUBLIC COMMENT ON ITEM 5-A (see pages 36-37 of transcript)  
Martha Sullivan

Item 5-B: DMTC Liaison Committee Report

Director Arabo introduced DMTC President and COO Josh Rubinstein to recap the summer race meet and preview the upcoming fall race season and Breeders' Cup World Championships. The District is projected to receive an estimated \$1.9 million in additional rent and food and beverage from hosting the Breeders' Cup, which will generate about \$300 million for the local community.

PUBLIC COMMENT ON ITEM 5-B (see pages 50-60 of transcript)

Lynn Freudenberg, Jane Cartmill, Martha Sullivan, Oscar de la Torre, Maria Luisa

Item 5-C: Finance Committee Report

CEO Moore referred to the financial reports beginning on page 125 of the meeting packet.

Item 5-C-1: Consideration and vote to approve out-of-state travel

CEO Moore requested approval of out-of-state travel for District staff members to attend the Prepare2Respond summit in Washington and the Adobe MAX conference in Florida.

PUBLIC COMMENT ON ITEM 5-C (see page 62 of transcript)

None

Vice President Rowland moved to approve out-of-state travel. Vice President Gelfand seconded the motion. President Schenk, Vice Presidents Gelfand and Rowland, and Directors Arabo and Barkett were all in favor. The motion carried 5-0.

Item 5-D: Community & Government Relations Committee Report

Vice President Gelfand reported that the committee met with local community leaders this month. CEO Moore announced that the Community and Government Relations Committee has been sunset as part of the restructuring of the committees. The duties and responsibilities will be absorbed by other committees, and CEO Moore will meet with the Del Mar and Solana Beach city managers monthly to maintain communication.

PUBLIC COMMENT ON ITEM 5-D (see page 67 of transcript)

None

**EXECUTIVE REPORT**

CEO Moore referred to the report beginning on page 137 of the meeting packet and reported that:

- Policy development continues to move forward across several Board committees.
- The 2023 audit is under way and a report will be presented at a future Board meeting.
- A values analysis study has begun in relation to the LOSSAN Rail Realignment Project, involving stakeholders from cities and transit agencies to work with SANDAG to consider the best options to re-route train tracks off the bluff in Del Mar. The study is anticipated to be completed by the end of the year.

- The Department of Food and Agriculture is resuming its collaborative exchange program.
- The California Fairs Alliance Board met recently to discuss legislative priorities for the next two years and will present their report at the annual CFA conference in November.
- Affordable housing talks have resumed between the District and the City of Del Mar following the joint resolution in opposition to all three of SANDAG's plans to re-route the LOSSAN railroad tracks through the city, one of which would involve aligning the tracks through the Fairgrounds.

PUBLIC COMMENT ON EXECUTIVE REPORT (see pages 74-75 of transcript)  
Martha Sullivan

CEO Moore introduced the management team from Premier Food Services, including Jorge Adames, the new interim general manager.

President Schenk and CEO Moore clarified that the 22nd District Agricultural Association, a state institution, owns the fairgrounds property.

**MATTERS OF INFORMATION**

Correspondence can be found on pages 155-156 of the meeting packet.

**ADJOURNMENT**

There being no further business to discuss, President Schenk adjourned the meeting at 12:54 p.m.

---

Carlene Moore  
Chief Executive Officer

November 12, 2024

File Number: 47WF-387822

**VIA CERTIFIED MAIL AND E-MAIL**

Frederick Schenk  
President,  
22nd District Agriculture Association  
2260 Jimmy Durante Boulevard  
Del Mar, California 92014

Re: November 12, 2024 22<sup>nd</sup> DAA Board of Directors Meeting: Agenda Item No 3 – Meeting Minutes (Consent Calendar)

Dear President Schenck and Honorable Board of Directors:

In reviewing the materials for today's 22<sup>nd</sup> District Agriculture Association Board of Directors ("Board") meeting, it has come to our attention that the meeting minutes prepared for the October 2, 2024 Board meeting are inaccurate. Specifically, it should be noted that minutes related to the "Executive Report" presented at the October 2<sup>nd</sup> meeting do not properly reflect the presentation given to the Board.

As demonstrated in the agenda materials provided in advance of this meeting, the minutes include the following as the last bullet point under the Executive Report:

"Affordable housing talks have resumed between the District and the City of Del Mar following the joint resolution in opposition to all three of SANDAG's plans to re-route the LOSSAN railroad tracks through the city, one of which would involve aligning the tracks through the Fairgrounds."

However, a review of the comments provided by CEO Carlene Moore demonstrates that the scenario is not nearly as definitive or clear as presented in the meeting minutes. The transcript reflects that it remains ambiguous as to whether the aforementioned discussions have actually resumed between 22<sup>nd</sup> DAA and the City of Del Mar. Additionally, following the portion of the presentation related to the above-referenced summary, Ms. Moore fielded related questions from the Board. The meeting minutes do not reflect these exchanges.

The California Department of Food & Agriculture, Division of Fairs & Expositions's Handbook on the Recommended Guidance for Fair Board Directors ("Handbook") highlights the importance of taking and maintaining meeting minutes. (See Handbook § 601, Exhibit A.) Meeting minutes are of critical importance to the Board's informational system and, therefore, must accurately represent the discourse and decisions of each Board meeting in order to be effective and reliable.



(See Handbook § 401.) As such, it is respectfully requested that the Board pull the meeting minutes from the Consent Calendar and require the appropriate revisions be incorporated before being presented back to the Board for consideration and approval.

Aside from the above-described inaccuracies, the October 2<sup>nd</sup> meeting minutes reflect a bigger issue. The discussion whether to re-engage in discussions with the City of Del Mar related to the siting of housing units on the Fairgrounds is a decision that is required to be made by the Board – not the CEO – and should be subject to public notice and comment. As there is no evidence of compliance with these basic requirements, if this decision was made by Board as required, it must have occurred during a closed session.

If such action occurred, it would be in violation of the Bagley-Keene Open Meeting Act (Govt. Code §§ 11120 *et seq.*) (the “Act”) As this Board is no doubt aware, the Act directs that meetings conducted by a state body – like the Board – are open and public to allow the public to attend and participate as fully as possible in the state body’s decision-making. (103 Ops.Cal.Atty.Gen. 42 (2020).) The public’s right to open meetings is not only guaranteed by the Act but is enshrined in the California Constitution. (Cal. Const., art. I, § 3(b).)

The Act has rules for both the timing and the content of the notice and agenda for any hearing of the Board. The rules give advance information to the public regarding the Board’s planned business, so that those who are interested may attend the meeting or take other action. (103 Ops.Cal.Atty.Gen. at 49.) At least ten (10) calendar days before a regular meeting, the Board must send the notice and agenda to any person who requests it and post it on its website. (Govt. Code § 11125(a); see 78 Ops.Cal.Atty.Gen. 327, 330-331 (1995).) In addition to the requisite administrative information, a notice must also include substantive information about the meeting, including an agenda describing each item of business that the Board will consider at the meeting. (Govt. Code § 11125(a)-(b).) The description of each agenda item must give the average person enough information to understand the Board’s intended action. (Govt. Code § 11125(b); 67 Ops.Cal.Atty.Gen. 84, 88 (1984) [the public should not have to be “clairvoyant or have had collateral information” to understand Board’s intended action].) To this end, the description must not be misleading and should convey the whole scope of a matter. (67 Ops.Cal.Atty.Gen. at 88.) The Board may not deliberate or act upon on any item not described, or inadequately described, on the agenda. (Govt. Code §§ 11125(a), 11125.3; see also *Moreno v. City of King* (2005) 127 Cal.App.4th 17, 26-27; *Carlson v. Paradise Unified School District* (1971) 18 Cal.App.3d 196, 200; *San Joaquin Raptor Rescue v. County of Merced* (2013) 216 Cal.App.4th 1167, 1176-1179; *Hernandez v. Town of Apple Valley* (2017) 7 Cal.App.5th 194, 207-209.)

These notice and agenda rules also apply to closed sessions. For closed session items, the agenda must show that the state body will meet in closed session on that item, describe generally the topic of the closed session, and cite the statutory authority for the closed session. (Govt. Code § 11125(b).)

Generally, the public is entitled to speak at meetings with few restrictions. (Govt. Code § 11125.7(a).) Therefore, at a meeting, the Board must give the public an opportunity to comment on each agenda item before voting on the item. (Govt. Code § 11125.7 (a).) Allowing public comment on each item immediately before the body considers the item ensures the body “has a

clear and complete understanding of the public concern” regarding the item. (*Olson v. Hornbrook Community Services Dist.* (2019) 33 Cal.App.5th 502, 528.) To preserve robust public debate on governmental issues, during public comment the public is entitled to criticize the Board’s programs, policies, services, acts, or omissions. (Govt. Code § 11125.7(d).)

The Board may hold a closed session not open to the public, but only for reasons expressly authorized by statute. (Govt. Code § 11132; 85 Ops.Cal.Atty.Gen. 145, 149 (2002).) During an authorized closed session, a state body may deliberate and vote. Under the California Constitution, all closed-session exceptions must be narrowly construed. (Cal. Const., art. I, § 3(b)(2).) Moreover, a closed session must comply with specific procedures. (Govt. Code § 11126.3; *S. Cal. Edison Co. v. Peevey* (2003) 31 Cal.4th 781, 800.) For example, as discussed above, the meeting agenda must show that the Board will hold a closed session, must identify generally the topic of the closed session, and must cite the statutory authority for the closed session. (Govt. Code § 11125(b).) Unlike the Ralph M. Brown Act (Govt. Code §§ 54950 *et seq.*), the Act has no “safe harbor” templates that assist avoidance in a violation. (*Castaic Lake Water Agency v. Newhall County Water Dist.* (2015) 238 Cal.App.4th 1196, 1206-1207.)

Additionally, at an open meeting, before reconvening in closed session, the Board must publicly announce the issues it will discuss during the closed session. (Govt. Code § 11126.3(a).) The public’s right to comment at open meetings includes the right to comment on closed session items. (Govt. Code § 11125.7 (a); *Galbiso v. Orosi Public Utility Dist.* (2008) 167 Cal.App.4th 1063, 1080.) Therefore, before convening in closed session, the Board must provide an opportunity for the public to comment at the open meeting on a closed-session item.

In a closed session, the Board may only discuss those matters noticed on the agenda and announced at the open meeting. (Govt. Code § 11126.3(b).) After the closed session, the Board must reconvene in an open session before ending the meeting and report on its action. (Govt. Code § 11126.3(f).)

A state body must designate a clerk, officer, or employee to attend a closed session, and keep and enter in a minute book a record of the topics discussed and decisions made at the closed session. (Govt. Code § 11126.1; *Hamilton v. Town of Los Gatos* (1989) 213 Cal.App.3d 1050.) A court may view the minute book in an action challenging the legality of a closed session. (*Register Div. of Freedom Newspapers, Inc. v. County of Orange* (1984) 158 Cal.App.3d 893, 898, fn. 3.) If the court determines that the closed session violated the Act, it may order the state body to record its closed sessions in the future. (Govt. Code § 11130 (b).) If a closed session is not authorized, then its minutes are not confidential. (*Register Div. of Freedom Newspapers, Inc.*, 158 Cal.App.3d at pp. 907-908.)

If the Board met in closed session to discuss and approve the re-engagement of negotiations with the City of Del Mar for use of the Fairgrounds for satisfaction of its housing requirements, this was done in Government Code sections 11125 (b) (notice) and 11126.3(b) (prohibition to discuss items not agendaized). Additionally, this is not a proper subject for discussion at closed session, as this decision is not a statutorily recognized exception under the Act or the California Constitution. If challenged, the meeting minutes for closed session would be subject to review by court in order to assess whether a violation has, in fact, occurred.

The Act provides for criminal penalties, civil remedies, and attorneys' fee awards in connection with violations of the Act. Specifically, the Act authorizes misdemeanor criminal penalties against any OCFEC Board member who violates the Act intending to deprive the public of information to which the member knows, or has reason to know, the public is entitled. (Govt. Code § 11130.7; see Pen. Code §§ 19, 19.2) The Act also authorizes various civil remedies, for which the Attorney General, a district attorney, or any interested person<sup>1</sup> may seek mandamus, injunctive, or declaratory relief in a superior court to prevent or stop violations or threatened violations of the Act. (Govt. Code § 11130(a); see also *Galbisio*, 182 Cal.App.4th at 668-669.) A prevailing plaintiff in an open-meeting action may recover reasonable attorneys' fees, but only from the state body, not from the members who violated the Act. (Govt. Code § 11130.5.)

The Act does allow the Board to cure or correct an open-meeting violation. (Govt. Code § 11130.3(a).) To do so, the Board would need to identify a point before the violation occurred, and then repeat the process from that point forward. To the extent the Board already engaged in discussions or received information related to the re-engagement of negotiations with the City of Del Mar, the Board should include such events on the record to make sure that everyone is aware and has an opportunity to respond. (See *Julian Volunteer Fire Co. Assn. v. Julian-Cuyamaca Fire Protection Dist.* (2021) 62 Cal.App.5th 583, 601 [a "cure" generally requires that the action be thoroughly reconsidered at a properly noticed meeting, not merely ratified].) Therefore, we request the Board re-agendize, re-notice, and re-hear both the October 2<sup>nd</sup> meeting minutes in its decision to re-engage with the City of Del Mar in order to address the aforementioned violations of the Act.

Thank you for your prompt attention to this important matter. We look forward to your response and the steps the Board intends to take to correct and remedy any noncompliance with the Act if the decision was in fact made by the Board. If the decision to re-engage with the City of Del Mar was made by Ms. Moore without being brought before the Board, we respectfully request that the matter not be decided until it is subject to a noticed meeting and public comment in accordance with the Act.

Sincerely,



Whitney A. Hodges  
for SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

SMRH:4856-9397-0680.1

cc: 1<sup>st</sup> Vice President Michael Gelfand  
2<sup>nd</sup> Vice President G. Joyce Rowland  
Director Mark Arabo

---

<sup>1</sup> Any interested person may file a civil action to invalidate a decision violating the Act within 90 days of the decision. (Gov. Code, § 11130.3. subd. (a).)

Director Lisa Barkett  
Director Phil Blair  
Director Kathlyn Mead  
Director Don Moiser  
Director Sam Nejabat  
Carlene Moore, CEO  
Josh Caplan, Esq.  
Dylan Johnson, Esq.  
Allison Wong, Esq.



C A L I F O R N I A  
DEPARTMENT OF JUSTICE

**Rob Bonta**  
**Attorney General**

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E-Mail: Josh.Caplan@doj.ca.gov

November 20, 2024

***Via Email Only***

Whitney A. Hodges  
Sheppard, Mullin, Richter & Hampton LLP  
501 West Broadway, 18<sup>th</sup> Floor  
San Diego, CA 92101

RE: *22<sup>nd</sup> District Agricultural Association*  
Response to November 12, 2024 Written Correspondence

Dear Ms. Hodges:

As you may know, I am the Deputy Attorney General assigned to represent the 22<sup>nd</sup> District Agricultural Association (“District”). This letter responds to your correspondence, dated November 12, 2024 related to Agenda Item No. 3 contained in the November 12, 2024 regular meeting of the Board of Directors.

First, you requested that the Board of Directors “pull the [October 2, 2024] meeting minutes from the Consent Calendar and require the appropriate revisions be incorporated before being presented back to the Board for consideration and approval.” During the November 12, 2024 regular meeting of the Board of Directors, the Board of Directors delayed approval of the meeting minutes from the October 2, 2024 regular meeting of the Board of Directors.

Second, you claim that because “there is no evidence” that the Board of Directors discussed during a public meeting “whether to re-engage in discussions with the City of Del Mar related to the siting of housing units” at the District, discussion “must have occurred during a closed session.” This claim is false. The Board of Directors has complied at all times with the Bagley-Keene Open Meeting Act, including but not limited to, properly noticing all discussions and actions related to the District’s rights and obligations arising out of the Exclusive Negotiating Rights Agreement entered into by and between the District and the City of Del Mar.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J. Caplan', with a long horizontal stroke extending to the right.

JOSHUA CAPLAN  
Deputy Attorney General  
Natural Resources Law

For     ROB BONTA  
Attorney General



22<sup>nd</sup> DISTRICT AGRICULTURAL ASSOCIATION  
Board of Directors Meeting  
Del Mar Fairgrounds  
2260 Jimmy Durante Boulevard  
Del Mar, CA 92014  
**July 15, 2024**

**MINUTES**

*The following minutes are a summary of the Board action and proceedings. For a full transcript please click on the link below or visit the delmarfairgrounds.com website:*  
<https://www.delmarfairgrounds.com/p/public-information1>

**OFFICERS PRESENT**

Frederick Schenk, President  
Michael Gelfand, 1<sup>st</sup> Vice President  
G. Joyce Rowland, 2<sup>nd</sup> Vice President

**DIRECTORS PRESENT**

Lisa Barkett  
Phil Blair  
Don Mosier  
Mark Arabo (via Zoom)

**DIRECTORS ABSENT**

Kathlyn Mead  
Sam Nejabat

**OTHERS PRESENT**

Carlene Moore, Chief Executive Officer  
Melinda Carmichael, Chief Administrative Officer  
Katie Mueller, Chief Operations Officer  
Tristan Hallman, Chief Communications Officer  
Dustin Fuller, Supervising Environmental Planner  
Donna O'Leary, Office Manager  
Stephen Sunseri, Deputy Attorney General (via Zoom)

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**CALL TO ORDER**

President Schenk called the meeting to order at 1:31 p.m. with a quorum present.

**ROLL CALL**

President Schenk, Vice Presidents Gelfand and Rowland, and Directors Arabo, Barkett, Blair, and Mosier were present. Directors Mead and Nejabat were absent.

President Schenk announced a change in the order of items for the meeting, moving up General Business to follow Roll Call, followed by Public Comment and the Executive Report.

## **GENERAL BUSINESS**

Item 5-A: Consideration of the San Diego Association of Governments (SANDAG)'s Notice of Preparation (NOP) of the Draft Environmental Impact Report (EIR) for the San Diego-Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Realignment Project; the Alignments Screening Report for the LOSSAN Rail Realignment Project; and the financial, planning, and operational impacts related to SANDAG's various proposals to relocate rail lines in the San Diego Subdivision of the LOSSAN Rail Corridor

CEO Moore reported that SANDAG issued a Notice of Preparation for a Draft Environmental Impact Report on June 4, with a deadline of July 19 to provide comments on the potential environmental impact of plans to realign railroad tracks through the City of Del Mar. One proposal, known as Alternative A and depicted on page 50 of the meeting packet, calls for tunneling beneath the Fairgrounds.

Supervising Environmental Planner Dustin Fuller gave a presentation on the environmental concerns with Alternative A, including negative impacts to air quality, biology, geology, and water quality, and explained that the full extent of potential hazards cannot be determined based on the limited information provided by SANDAG.

CEO Moore outlined possible financial and operational disruptions to the District under Alternative A, including adverse impacts to the San Diego County Fair, horse racing, and capital reinvestment plans, and requested direction on how to proceed.

PUBLIC COMMENT ON ITEM 5-A (see pages 46-71 of transcript)

Lisa Montes, Kimberly Jones, Carla Hayes, Ali Nilforushan, Peggy, Martha Sullivan, Dwight Worden, Tracy Martinez, Lesa Heebner

Vice President Gelfand moved to authorize and direct District staff to:

1. Proceed with a response to SANDAG's Notice of Preparation.
2. Notify SANDAG of the Board's opposition to Alternative A and any subsequent alignment that disrupts District operations.
3. Urge SANDAG to move forward with construction of the planned double tracking and seasonal rail platform.
4. Pause affordable housing discussions with the City of Del Mar until and unless the Del Mar City Council officially opposes Alternative A in accordance with the city's December 2023 Guiding Principles.
5. Engage all necessary resources to directly oppose Alternative A and any subsequent alignment that disrupts District operations.
6. Provide regular updates on discussions regarding this matter through the Strategic Planning Committee.

Director Barkett suggested broadening point 6 to include having a District representative from the Board or the Strategic Planning Committee attend meetings on the matter.



Director Rowland seconded the motion with the amendment to require a District representative to attend meetings on the matter. President Schenk, Vice Presidents Gelfand and Rowland, and Directors Arabo, Barkett, Blair, and Mosier were all in favor and the motion carried 7-0.

The meeting recessed at 3:06 p.m. for a short break and reconvened at 3:18 p.m. Vice President Rowland did not return following the break.

**PUBLIC COMMENT ON NON-AGENDA ITEMS** (see pages 80-92 of transcript)

Kira Dominguez, Ruby Dominguez, Martha Sullivan, Alison Prater, Bonnie Croker, Lynn Freudenberg, Jane Cartmill

**EXECUTIVE REPORT**

CEO Moore reviewed the contracts executed per President Schenk's Delegation of Authority between May 15 and July 15, found on pages 4-29 of the meeting packet.

**ADJOURNMENT**

There being no further business to discuss, the meeting adjourned at 3:36 p.m.

---

Carlene Moore  
Chief Executive Officer

## Excerpt from September 2024 Strategic Planning Committee Report

largely avoiding specific callouts of groups, plans, regulatory bodies, operators, or stakeholders — to facilitate an open, flexible, and inclusive master site planning process.

### **LOSSAN Updates**

In addition, in August, District CEO Carlene Moore met with SANDAG CEO Mario Orso, who invited District to participate in a Value Analysis process regarding the LOSSAN alignments. The technical study — which may further refine the proposed alignments moving forward for environmental study — will involve stakeholders across the region, including the District, the City of San Diego, the City of Solana Beach, the City of Del Mar, North County Transit District, Metropolitan Transit System, and Caltrans.

Additionally, the Committee and CEO Moore met with representatives from the City of Del Mar (“the City”) to discuss the Board’s direction to “pause affordable housing discussions with the City until and unless the Del Mar City Council officially opposes Alternative A in accordance with the City’s December 2023 Guiding Principles” and to find a path forward. The City continues to stand behind its December 2023 guiding principle as it relates to the Fairgrounds, which reads, “With regard to study of a potential Fairgrounds rail alignment, SANDAG must respect and protect the operational, economic, environmental and planning needs of the 22nd DAA and of the proposed Del Mar housing program on the Fairgrounds, and as a key stakeholder, the 22nd DAA must be proactively engaged by SANDAG throughout the process.” The City has approached District and the City of San Diego to join the City and the City of Solana Beach to jointly pass a resolution expressing concern over SANDAG’s proposed alignments as detailed in its NOP.

This resolution, which was partially shaped with input from District staff, is in line with District’s previous positions opposing Alternative A. The resolution also reflects District’s concerns over the way that SANDAG had approached the NOP — especially the last-minute inclusion of Alternative A.

### **Recommendation:**

The Committee recommends adoption of the draft resolution on the LOSSAN Rail Realignment Project.

The Committee further recommends the Board adopt the set of Guiding Principles for District’s master site planning process.

**A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL MAR (DEL MAR), CITY COUNCIL OF THE CITY OF SOLANA BEACH (SOLANA BEACH), AND 22<sup>ND</sup> DISTRICT AGRICULTURAL ASSOCIATION (22<sup>ND</sup> DAA), (TOGETHER THE “PARTIES”), REGARDING THE SAN DIEGO ASSOCIATION OF GOVERNMENTS (SANDAG) LOSSAN RAIL REALIGNMENT PROJECT**

**WHEREAS**, the Los Angeles—San Diego—San Luis Obispo (LOSSAN) rail corridor is an important part of the region’s economy, has a role in our nation’s defense by providing direct rail access to key ports and military bases, and is a significant component of achieving SANDAG’s adopted climate goals; and

**WHEREAS**, the LOSSAN corridor also supports ridership for North County Transit District (NCTD), Amtrak Pacific Surfliner, and the transit of goods for the BNSF railway; and

**WHEREAS**, a portion of this rail line runs along the environmentally sensitive and fragile Del Mar bluffs, the erosion of which continues to affect passenger and freight rail operations and has been identified for realignment by SANDAG; and

**WHEREAS**, as part of the rail realignment effort, it is critically important that SANDAG undertake robust outreach and engagement throughout the process, which should include sharing information and engaging equally with each of the primary governing body project stakeholders (Primary Stakeholders) to determine a long-term solution to continue passenger and freight rail operations to the north and south; and

**WHEREAS**, the built environment in which this project will be undertaken poses many challenges including potentially adverse impacts to public and private property (including acquisition of rights-of-way and eminent domain), businesses, homeowners/residents, tourism, public safety, sensitive environmental areas, and the regional economy during and following construction, which must be considered and minimized to the greatest extent feasible when identifying potential rail realignment options; and

**WHEREAS**, SANDAG is the Lead Agency under the California Environmental Quality Act (CEQA), and the Primary Stakeholders may have discretionary actions at some point in the future making them a Responsible Agency under CEQA; and

**WHEREAS**, significant negative concerns about each of the proposed project alignments (A, B, and C) have been raised by project stakeholders and the public as part of the project Notice of Preparation (NOP) public comment process, which closed on July 19, 2024.

**NOW, THEREFORE, BE IT RESOLVED** by the Parties that:

1. The above recitals are true and correct.
2. In light of the significant concerns that have been raised about proposed Alignments A, B, and C, including a lack of sufficient engagement with the Primary Stakeholders, the Parties request that SANDAG undertake more detailed engagement with the Primary Stakeholders to develop mutually agreed upon

project goals and objectives, identify a clear project description, and determine new or modified rail realignment options.

3. Throughout the planning, analysis, and design of this project, SANDAG should take into consideration how to minimize or, if possible, avoid negative or adverse impacts as outlined by the Parties above.
4. Decision making should be based on publicly available documentation derived from research, engineering, and technical evaluations, including but not limited to selection of the proposed project and alternatives, attainment of the majority of defined key project objectives, and determinations of significance under CEQA for issue areas, environmentally preferred alternative, and statement of overriding considerations.
5. The Parties direct that a copy of this Resolution be provided to SANDAG once fully executed.

**PASSED, APPROVED AND ADOPTED** by the Parties as indicated by the following authorized signors as of the dates identified below:

**CITY OF DEL MAR**

E-SIGNED by Dave Druker  
on 2024-09-24 17:56:58 PDT

\_\_\_\_\_  
Dave Druker, Mayor

DATE: September 24, 2024

**CITY OF SOLANA BEACH**

E-SIGNED by Lesa Heebner  
on 2024-09-24 20:32:40 PDT

\_\_\_\_\_  
Lesa Heebner, Mayor

DATE: September 24, 2024

**22<sup>ND</sup> DAA**

E-SIGNED by Frederick Schenk  
on 2024-09-25 20:38:35 PDT

\_\_\_\_\_  
Frederick Schenk, Board President

DATE: September 25, 2024



September 5, 2024

22<sup>nd</sup> District Agricultural Association  
Board of Directors & Chief Executive Officer  
2260 Jimmy Durante Boulevard  
Del Mar, CA 92014  
[cmoore@sdfair.com](mailto:cmoore@sdfair.com)

SENT VIA EMAIL

Re: LOSSAN Rail Realignment Project – Support for Joint Resolution

Dear Board President Schenk, Members of the Board, and CEO Moore,

On July 15, 2024, the 22<sup>nd</sup> DAA Board of Directors, took action to, among other things, direct Chief Executive Officer (CEO) Carlene Moore to, *“Pause affordable housing discussions with the City of Del Mar until and unless the Del Mar City Council officially opposes Alternative A in accordance with the City's December 2023 Guiding Principles,”* related to the LOSSAN Rail Realignment Project.

Since that time, Del Mar City Manager Ashley Jones, Councilmembers Dwight Worden and Tracy Martinez, CEO Carlene Moore, and Board Strategic Planning committee members Michael Gelfand and Joyce Rowland, met to discuss the action taken by the Board and how to best move forward.

It is extremely important to understand that the City of Del Mar has not taken a position on any of the proposed rail realignment alternates. While individual council members may have shared their personal concerns or preferences about this project, they do not speak for the City. The City Council as a body cannot control or be responsible for the individual actions or comments of its members in their capacity as private citizens.

Of particular importance, the City Attorney has publicly advised that the Del Mar City Council should not take a position on any proposed alignment at this time due to potential conflicts of interest based on the proximity of property they own and distance to any of the proposed alignments. These potential conflicts cannot be better understood and legally evaluated until more specific details are known about the design of each alignment. This is a unique challenge for Del Mar governing officials, and the City Attorney's advice makes it legally problematic for the Del Mar City Council to address the Board's requested action.

However, in response to concerns from the DAA Board, Solana Beach, other important primary governing body stakeholders, and the public, City of Del Mar officials

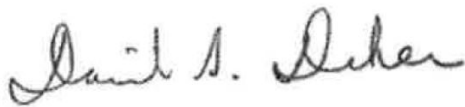
spearheaded a highly collaborative effort with representatives from Solana Beach, San Diego, and the Fairgrounds to draft a joint resolution that highlights areas of mutual concern and sets expectations for fair and equitable engagement and collaborative process moving forward. The Del Mar City Council will be considering adoption of the proposed resolution on Monday, September 9, 2024, and the Solana Beach City Council will consider its adoption later the same week.

As noted at the July 15, Board discussion, the City worked collaboratively with representatives from the Fairgrounds to draft and adopt the following City Council guiding principle specific to the Fairgrounds, *"With regard to study of a potential Fairgrounds rail alignment, SANDAG must respect and protect the operational, economic, environmental and planning needs of the 22nd DAA and of the proposed Del Mar housing program on the Fairgrounds, and as a key stakeholder, the 22nd DAA must be proactively engaged by SANDAG throughout the process."*

The City stands behind this guiding principle and has continually advocated for representatives from the Fairgrounds to be included in important project meetings and the upcoming Values Analysis process to be undertaken by SANDAG.

The Fairgrounds is an important and valued partner to the City, recognizing that negative impacts to the Fairgrounds will result in negative impacts to the City and the broader Del Mar community and region. Our hope is that we can work together with other important project stakeholders to modify existing routes or introduce new routes that will achieve the goals and objectives of this important project in the least impactful way possible. We look forward to continuing to partner with the Fairgrounds.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dave Druker", written in a cursive style.

Dave Druker  
Mayor

cc: Del Mar City Council  
Ashley Jones, City Manager  
Clem Brown, Assistant City Manager



**BYLAWS FOR THE  
22ND DISTRICT AGRICULTURAL ASSOCIATION  
DEL MAR, CALIFORNIA**

**Article I**

**SECTION 1 - NAME:** The Name of this Association is the name established by law, to-wit: 22nd District Agricultural Association, an ~~agency~~-institution of the State of California.

**SECTION 2 - OFFICE:** The office for the transaction of the business of the Association is hereby fixed and located at the Fairgrounds, in the City of Del Mar, County of San Diego, State of California. The Board of Directors may change the location of said office within the District.

**Article II  
Directors**

**SECTION 1 - POWERS:** Subject to the limitations of these bylaws and of the statutes of the State of California, all powers shall be exercised by or under the authority of, and the business and affairs of the Association shall be controlled by, the Board of Directors.

**SECTION 2 - REGULAR MEETINGS:** Regular meetings of the Board will normally be held monthly at the office of the Association ~~at 1:30 p.m. on the second Tuesday, if not a legal holiday. The May meeting will be held the last Tuesday of the month. If a scheduled meeting falls on a legal holiday, then the meeting shall be held on the next succeeding business day.~~ At each November Board meeting, dates for the following year will be determined and approved. Regular meetings will not normally be held during the months of June or July. Notice shall be given in writing at least ten (10) days in advance of ~~the~~-each meeting.

**SECTION 3 - EMERGENCY MEETINGS:** Emergency meetings of the Board may be called by the President, or, if ~~he/she~~the President is absent or unable or refuses to act, by five Directors. Notice of the time and place of an emergency meeting shall be given to all board members, and to media that have requested notice of meetings, at least one hour prior. Emergency meetings may only be called in response to:

- (a) Work stoppages or other activity that severely impairs the public health, safety, or both.
- (b) Crippling disaster that severely impairs the public health, safety, or both.

- (c) Administrative disciplinary matters concerning consideration of proposed decisions, stipulations, and pending litigation that require immediate attention.

**SECTION 4 - ADJOURNED MEETINGS:** Any meeting may be adjourned until a stated day and hour and a 10-day written notice given to the public. In the absence of a quorum, a majority of the Directors present at the meeting may so adjourn any meeting.

**SECTION 5 - QUORUM:** Five Directors shall be necessary to constitute a quorum for the transaction of business. ~~In the event there are seven or fewer Directors appointed to the Board, then a simple majority will constitute a quorum.~~ Every act or decision done or made by a majority of the legal votes cast by Directors at a duly noticed meeting, at which a quorum is present, shall be regarded as the act of the Board, except as hereinafter provided regarding amending the bylaws.

### **Article III Officers**

**SECTION 1 - OFFICERS:** The officers of the Association shall be President, Vice President(s), Secretary, Treasurer and ~~Manager~~Chief Executive Officer. The Directors shall select a Secretary, a Manager, and a Treasurer from among persons who are not members of the Board. One person may be the Secretary, the Manager, and the Treasurer. The Manager holds office at the pleasure of the Board. If the Manager is not acting as the Secretary and/or Treasurer of the Association, the Board shall fix the salary and duties of Secretary and/or Treasurer.

**SECTION 2 - ELECTION:** The term of office for President and Vice President shall be for one year and until a successor is elected, unless the officer resigns or shall be removed or otherwise disqualified to serve. For each term of office, the President shall make a recommendation to the Directors on whether the Association should select one (1) or two (2) Vice Presidents to serve as officers of the Association for the upcoming term of office. If the Manager, who sits at the pleasure of the Board, serves as the Secretary and/or Treasurer, the term of those offices shall be at the pleasure of the Board. If the Manager does not serve as the Secretary and/or Treasurer, those offices shall be for a period of one year and until a successor is elected, unless the officer resigns or shall be removed or otherwise disqualified to serve.

**SECTION 3 - REMOVAL AND RESIGNATION:** Any officer may be removed with or without cause. Five Directors shall be necessary to constitute a quorum for the removal of an officer including the Manager. Dismissal of the Manager must be in accordance with the provisions of the Government Code Section 11126(a), which states: "... As a condition to holding a closed session on the complaints or charges to consider disciplinary action or to consider dismissal, the employee shall be given written notice of



his or her right to have a public hearing, rather than a closed session, which notice shall be delivered to the employee personally or by mail at least 24 hours before the time for holding a ... meeting. If notice is not given, any disciplinary or other action taken against any employee at the closed session shall be null and void. The state body also may exclude from any public or closed session, during the examination of a witness, any or all other witnesses in the matter being investigated by the state body. Following the public hearing or closed session, the body may deliberate on the decision to be reached in a closed session ...”

Any officer may resign at any time by giving written notice to the Board or to the President of the Association. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein. The acceptance of such resignation shall not be necessary to make it effective.

~~Any Director who misses three consecutive regular meetings of the Board without the permission of the Board is deemed to have resigned as a Director.~~

**SECTION 4 - VACANCIES:** A vacancy in any office, other than of a board member, because of death, resignation, removal, disqualification, or any other cause, shall be filled by the Board for the unexpired portion of the term.

**SECTION 5 - PRESIDENT:** The President shall preside at all meetings of the Board. ~~and shall be an ex-officio member of all committees.~~ Should the President not be present at any meeting of the Board, the First Vice President shall preside. If during the term of office, there are two (2) Vice Presidents serving the Association and the President is not present at a meeting of the Board, the President shall designate the Vice President that will preside at that meeting. In the absence of the President and Vice President(s), the senior-longest serving Director shall preside. In the absence of the President, Vice President(s), and/or senior Director, a president pro tem may be chosen to preside at such meeting.

**SECTION 6 - SECRETARY:** The Secretary shall keep or cause to be kept at the office of the Association a book of minutes of all meetings of the Directors. The minutes shall include the time and place of each meeting held, and note how each meeting was noticed as well as list the names of those Directors present at the meeting and give the proceedings thereof.

The Secretary shall give, or cause to be given, the required notice for all meetings of the Board ~~and shall mail copies of all minutes to all Directors within twenty-one (21) days after each meeting.~~

If the Secretary is designated by the President to attend a closed session, the Secretary shall maintain a confidential minute book of the closed session recording topics discussed and decisions made at the meeting. This minute book is not a public record.

**SECTION 7 - TREASURER:** The Treasurer shall be responsible to keep and maintain, or cause to be kept and maintained, adequate and correct accounts of properties and business transactions of the Association, including accounts of its assets, liabilities, receipts, disbursements, revenues and expenses, gains, losses, and capital expenditures.

The Treasurer shall be responsible for overseeing and ensuring that proper accounting methods and procedures are followed including the appropriate separation of duties.

The Treasurer shall be responsible for the deposit of all moneys and other valuables in the name of and to the credit of the Association with such depositaries as may be designated by the Board and are approved by the Department of ~~Food and Agriculture~~ Finance. The Treasurer shall disburse the funds of the Association as may be ordered by the Board and shall render to the President and Directors, whenever they request it, an account of all transactions as Treasurer and an account of the financial condition of the Association.

#### **Article IV Transaction of Business**

**SECTION 1 - CHECKS, DRAFTS, ETC.:** All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of or payable to the Association shall be signed or endorsed by such person or persons, and in such a manner as determined periodically by resolution of the Board. The Board shall periodically establish by resolution a minimum dollar amount which will require only one signature and all checks above that amount will require two signatures. The resolution shall state the names and positions of each person authorized to sign and the list of accounts affected.

**SECTION 2 - REPORT TO DEPARTMENT OF FOOD AND AGRICULTURE:** The Board shall make such reports to the Department of Food and Agriculture as such Department may direct, including submittal of the statement of operations. The Manager shall be responsible for and take all necessary steps to ensure the accuracy of any reports submitted to the Department.

**SECTION 3 - CONTRACTS, ETC.:** The Board may authorize any officer or officers to enter into any contract or execute any instrument in the name of and upon behalf of the Association, and such authority may be general or confined to specific instances. Unless so authorized by the Board, no director, officer, agent, or employee shall have any power or authority to bind the Association by any contract or engagement, to pledge its credit, or to render it liable for any purpose or in any amount.

**SECTION 4 - EMPLOYEES:** The district is the employer. The Manager is responsible for the employment and management of all the employees of the district.

~~**SECTION 5 - EXPENDITURES:** Directors shall be personally responsible for all expenditures of committees of which they are chairpersons that exceed the budgets for such committees as approved by the Board.~~

**SECTION 6 - COMMITTEES:** The Board may appoint an executive committee and such other committees as the Board deems necessary. The Board may delegate to the President the responsibility of appointing committees. Meetings of committees shall be

open to the public when any meeting comprises more than two members of the board and proper notice shall be given before the meeting to the public.

**SECTION 7 - INSPECTION OF BYLAWS:** The Association shall keep in its office the original or a copy of the bylaws, as amended or otherwise altered to date, certified by the Secretary, which shall be open to the inspection of the public during office hours and maintained on the Association's website.

## **Article V Amendments**

**SECTION 1 - POWER OF DIRECTORS:** These bylaws may be altered, amended, or repealed, and new and additional bylaws adopted at any time by an affirmative vote of five Directors or more at a duly noticed public meeting.

These Bylaws were adopted by the Board of Directors at their regular Board meeting on November 7, 1995  
~~December 12, 2017~~ and amended on December 12, 2017 , and February 9, 2021.

\_\_\_\_\_  
\_\_\_\_\_  
President, Board of Directors  
22nd District Agricultural Association

\_\_\_\_\_  
Date

\_\_\_\_\_  
\_\_\_\_\_  
Secretary-Manager  
22nd District Agricultural Association

\_\_\_\_\_  
Date

[https://www.antigojournal.com/news/langlade-county-event-center-rebranding-proposed-for-fairgrounds/article\\_f5b34274-9e01-11ef-9f2e-6b9a0686fa40.html](https://www.antigojournal.com/news/langlade-county-event-center-rebranding-proposed-for-fairgrounds/article_f5b34274-9e01-11ef-9f2e-6b9a0686fa40.html)

POPULAR

## Langlade County Event Center: Rebranding proposed for fairgrounds

DANNY SPATCHEK [dspatchek@antigojournal.com](mailto:dspatchek@antigojournal.com)

Nov 11, 2024



Warm weather and a chance to enjoy time together brought out large crowds to the Langlade County Fair in 2022.

File photo



ANTIGO — At a meeting Thursday night, the County Board's Forestry and Recreation Committee discussed a proposal to change the name of the Langlade County Fairgrounds, as well as the names of its buildings.

With the potential change, the sign at the front of the fairgrounds could be retrofitted to read, "Langlade County Event Center: Home of the Langlade County Fair."

Langlade County Forest, Parks, and Recreation Administrator Al Murray said the idea has been discussed informally since it was first proposed by former longtime county board member Bob Benishek.

"People see 'Fairgrounds,' they think that's all it's for," Murray said. "And I somewhat agree with Bob that it would be more marketable if we changed the names of things at the fairgrounds, changed it to 'The Event Center: Home of the Fair,' so that people still know that's where the fair is, and the names of buildings. If you have a building called 'The Livestock Building,' you've got beautiful spaces there that we can rent, but it's called 'The Livestock Building.' Well, how many people are going to think about the Livestock Building for a wedding or any other event? The Exhibition Building — we've cleaned it out, we had a nice fall festival in there. It's an excellent place for flea markets, whatever else — why not call it 'The Market Building?'"

A preliminary document lays out other name change plans as well.

"Part of what I discussed with Bob also was the hockey building or the multipurpose building. Well, you could call it the 'Exhibition Building,' or 'Exhibition Hall.' You could call the Clover Room the 'Exhibition Meeting Room' — just things that are more marketable," Murray said. "The Multipurpose Building can be split into multiple rentable spaces rather than saying we have this great building and that's all it is. So the multipurpose building we can split into the Expo Hall, Expo Meeting Center, Expo Kitchen and Serving Area. The livestock building, it's got the beautiful cupola — why not call it 'The Cupola Building?'"

Murray said the proposal will also be discussed with several other committees, as well as others involved with the fairgrounds.

“The livestock building had many donors and I want to make sure it’s OK with them also,” Murray said. “The fair board’s probably going to buck it a little bit because it’s so recognizable by what the building names were.”

Murray said that ideally, the change would help those unfamiliar with the fairgrounds to understand that they can rent buildings, as well as individual rooms within buildings, year-round.

“We have what’s called the ‘Livestock Pavilion,’ which, during the fair, they have all of the livestock,” Murray explained. “But it gets disinfected and cleaned up. There are three beautiful wings that are 4,800 square feet apiece with big rollup doors on all sides that could be used for anything. But if you’re looking for a wedding venue or a family reunion, are you even going to even be looking at a building named ‘Livestock Building?’ You’re thinking a nasty old barn that really isn’t anything. But just having the name change just improves the marketability of the buildings.”



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# Budget doubles for design of new PNE Amphitheatre set to host Vancouver's FIFA World Cup festival

*This week's cost hike represents a relatively small piece of the overall \$137.5 million budget approved this year for the new PNE Amphitheatre, more than double the city's earlier estimate.*

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Dan Fumano

Published Nov 14, 2024 • Last updated 4 days ago • 3 minute read

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Construction of the PNE Amphitheatre in Vancouver on Nov. 13 as design costs are found to be higher than projected. PHOTO BY NICK PROCAYLO /10106342A

The budget has doubled for planning and design of the new PNE Amphitheatre set to host Vancouver's FIFA World Cup watching parties in 2026.

On Wednesday, Vancouver city council unanimously granted city staff's request to "add additional scope" to the existing contract awarded, from \$3.9 million to \$8 million. That contract was awarded in April 2022 to local firm Revery Architecture for services including planning, design, programming, construction contract administration and post-construction services.

This represents more than doubling of this contract awarded two years earlier, but the dollar figure is relatively small potatoes compared with the cost overruns of the overall amphitheatre renewal project. When Vancouver's previous council green-lit the project in 2021, the budget was estimated at \$65 million. By last year, it had grown to \$104 million. Earlier this year, council boosted the budget to \$137.5 million, with a report from city staff explaining that "additional contingency" funds were "required due to fast-track delivery and off-set of negative market conditions including escalation."



In June of this year, the City of Vancouver announced its plan to use the new amphitheatre, located on the city-owned Pacific National Exhibition grounds, for a six-week “fan festival” in June and July 2026, during the Cup. Vancouver is slated to host seven games as one of 16 host cities around North America for the international men’s soccer tournament. The PNE fan festival is expected to provide a venue for fans to watch games on the big screen in the new amphitheatre, putting additional pressure on the construction timeline.

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Construction of the PNE Amphitheatre in Vancouver on Nov. 13 PHOTO BY NICK PROCAYLO /10106342A

Cost overruns for the entire PNE amphitheatre project have been, in turn, dwarfed by the broader costs expected to be borne by Vancouver and B.C. taxpayers in connection with the Cup. Earlier this year, public officials admitted that the public cost of hosting part of the Cup could exceed \$581 million, more than doubling the estimates from just two years earlier.

The brief staff report sent to council this week provides little information about the reasons for the amphitheatre design budget hike. It says: “Through the term of work to date, emergent and additional requirements have been identified that require changes to the contract with Revery Architecture.”

Postmedia News asked the city for more information about these “emergent and additional requirements.” No one was made available for comment.

When the city issued its request for proposals in January 2022 and awarded the contract to Revery in April 2022, “the contract requirements were based on the best available information and projections at that time,” the city’s statement said. “A more recent assessment found that a more sophisticated design was required due to the conditions of the site.”



The new timber-roofed PNE amphitheatre is set to open in 2026, just in time to play host to a fan festival during the FIFA World Cup.

The new timber-roofed PNE Amphitheatre is set to open in 2026, just in time to play host to a fan festival during the FIFA World Cup. PHOTO BY REVERY ARCHITECTURE

“More challenging soil and hydrogeological conditions than expected were discovered” after the contract was awarded, the city said.

The increased design fees are accounted for within the \$137.5 million budget approved by council earlier this year, and the entire project is anticipated to come in at or under that amount, the city said Wednesday. The venue is still expected to be completed before the Cup in 2026.

After the Cup, the new amphitheatre is expected to host an array of concerts and public events with a covered venue that can operate during more of the year than the old, uncovered venue.

PNE spokeswoman Laura Ballance said the increased design and planning budget is “not unexpected” and associated with the growth of the overall project cost.

“There is still a very, very strong business case for this project,” Ballance said.

Revery Architecture declined to comment, referring questions to the city.

Work was underway on the PNE site Wednesday.

[dfumano@postmedia.com](mailto:dfumano@postmedia.com)

[x.com/fumano](https://x.com/fumano)

## RECOMMENDED FROM EDITORIAL



Cost of hosting World Cup games in Vancouver could top \$500 million, officials admit



# Ohio's state fair is getting millions more to cover operating expenses



Gov. Mike DeWine (fourth from left) joins Lt. Gov. Jon Husted (third from left), First Lady Fran DeWine (center), and other DeWine family members in cutting a ceremonial ribbon to open the 2024 Ohio State Fair in Columbus. Jeremy Pelzer, cleveland.com

COLUMBUS, Ohio – A panel of state lawmakers on Monday approved a \$2.5 million increase for the annual State Fair, bumping its annual operating expenses up to \$19.1 million.

The Ohio Expositions Commission, a state agency that organizes the fair every year, [said](#) it has observed inflationary increases in personal services, supplies, material, utility, maintenance and repair costs. Plus, it's short staffed, which the agency attributes to post-pandemic hiring slowdowns, leading to pricier outsourcing of its labor.

The agency made its request to the Ohio Controlling Board, a panel of state lawmakers that oversees state budget transfers, contracts, and distribution of federal funds. The Controlling Board approved the request Monday without fanfare.

Separately, the Exposition Commission [asked](#) for approval to spend \$3.7 million from its operating accounts to contract with entertainers. The money pays for headlines, backups, stagehands, PA systems, concert promotion and others.

Last year, the commission spent about \$3 million on its entertainment budget. Major acts included Alabama, the Stone Temple Pilots, Boyz II Men, Ice Cube, and the Ohio Players and Midnight Star.

The Ohio Exposition Commission operates the state's 360-acre site that hosts the state fair and the Ohio Expo Center, used as a convention and meeting hall in the offseason, [according to the Legislative](#)

[Budget Office](#). It typically employs around 60 full-time staff, about 600 seasonal workers for the State Fair, and about 90 seasonal workers for non-fair events.

About 1 million people attended the state fair last summer, [as measured by ticket sales](#).

The fairgrounds are undergoing a major taxpayer-funded facelift that began this year. The first phase of Gov. Mike DeWine's "2050 Expo" plan calls for razing and replacing most of the fairgrounds buildings to the tune of \$386 million, though the total overhaul could cost billions.

*Jake Zuckerman covers state politics and policy for [Cleveland.com](#) and [The Plain Dealer](#).*

FEATURED

'Third time's the charm': State creates plan to potentially move state fair site

By Nakayla Mcclelland / Journal Staff Writer  
Dec 3, 2024



The Reithoffer Shows Midway at the New Mexico State Fair in Albuquerque on Friday, Sept. 13.  
Chancey Bush/Journal

Expo New Mexico will find a new location for the State Fair within the next few years, and the 236 acres it now occupies will become the location for new homes, according to Gov. Michelle Lujan Grisham.

During an announcement Tuesday from the governor and state officials, Lujan Grisham announced that a request for proposal will be sent out by the State Fair Commission to bring the ambitious endeavor of moving Expo New Mexico from 300 San Pedro NE and developing the vacated space for affordable, multi-use housing.

The \$500,000 RFP will begin on Wednesday and last for 45 days. New Mexico lawmakers appropriated \$500,000 in capital outlay funding to develop the master plan, according to the Governor’s Office.

“Those who have attended the fair recognize that we have outgrown the facilities and property here,” said Commission Chair Eric Serna at a news conference at Expo New Mexico. “It’s time to look at the growth of this fair to continue to be the best fair in the country, and under the governor’s leadership and commission, we will move forward and seek the best possible options for the growth of our fair.”

According to Lujan Grisham, roughly 55,000 homes are needed in Albuquerque within the next 10 years to accommodate the growing community, and Expo New Mexico grounds may help resolve that need. Lawmakers also believe renovation to the surrounding area and neighborhoods would lower crime in the area and give the community economic development, including new pharmacies and grocery stores.

In recent years, several grocery and drugstores have closed in the area, leading to complaints about the International District potentially becoming a food and medicine desert.

The fairgrounds site is state property, and state, county and city officials must partner for any project regarding the State Fair.

Law officials have varying ideas on the next location for Expo New Mexico. Lujan Grisham proposed placing the fair in the South Valley or a rural area like Edgewood to increase economic development in those areas while also providing space for the fair itself. Concerns around accessibility will factor into the final decision.

“We have made the decision preliminarily to ask for folks to focus on the center of the state ... but there are a lot of spaces,” she said. “Even though Albuquerque is a bit constrained, there are still plenty of opportunities in Bernalillo County.”

Albuquerque Mayor Tim Keller on Tuesday discussed his Expo New Mexico wish list, including keeping the fairgrounds in Albuquerque. Keller listed the Balloon Fiesta grounds, Mesa del Sol and West Side spaces as potential locations.

“Third time’s the charm, and I think we’re going to do this right,” Keller said, referring to previous attempts to move and repurpose Expo New Mexico’s location.

Though Expo New Mexico is getting ready to pack its bags and move, New Mexicans can expect to spend next year’s State Fair at the San Pedro location, potentially for the last time. No tentative dates have been set for breaking ground at a new location.

“I’d like to see by the end of Legislature a sense about what’s coming in,” Lujan Grisham said, referring to the legislative session that will begin in January. “I don’t expect that breaking ground will occur significantly in a way that would interrupt the fair later on.”

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*You can reach staff writer Nakayla McClelland via email at [nmcclelland@abqjournal.com](mailto:nmcclelland@abqjournal.com).*

**Nakayla MCCLELLAND**

*Journalist*





## Revisions to Horse Protection Act Effective February 1, 2025

October 30, 2024 | Filed under: Breaking News, Community, Health & Training | Posted by: Delores



Kuhlwein



Photo credit: APHIS

The **American Horse Council** (AHC) is releasing this advisory to inform the industry of important changes to the Horse Protection Act (HPA). Background on the HPA can be found at <https://www.aphis.usda.gov/hpa>.

As a general reminder, the HPA covers all equine breeds and disciplines to eliminate the practice of soring horses. The AHC and other industry stakeholders have engaged in numerous meetings with the United States Department of Agriculture's Animal & Plant Health Inspection Service (USDA APHIS) to obtain clarifications and details on the new revisions to the HPA Rule.

**New requirements Effective February 1, 2025: Horse show and event managers will be required to:**

1. Provide notice to APHIS at least 30 days in advance of the event via mail or email.
2. Provide any event updates 15 days in advance of the event
3. Report any violations of the horse protection act within 5 days post event

Note, the new rule defines horse show as a public display of any horses in competition except where speed is the prime factor, rodeo events, parades, or trail rides.

One of the key changes to the rule is that USDA will be responsible for training Horse Protection Inspectors which will be licensed veterinarians or individuals with extensive equine experience with a governmental agency. These will be the individuals performing inspections at events. A video of the inspection process is on the website. Historically, USDA has inspected fewer than 50 events nationally per year.

All event managers should be prepared for potential USDA inspectors onsite. It is important to note that horse show managers are liable for any HPA violations found at their show if they choose not to hire an inspector.

USDA has notified AHC that new guidance documents and further information will be posted to the Horse Protection Act Website at <https://www.aphis.usda.gov/hpa>. At this time, AHC does not know a timeline for when additional USDA guidance resources will be available. Individuals with questions regarding revisions to the HPA are encouraged to email [horseprotection@usda.gov](mailto:horseprotection@usda.gov) and [info@horsecouncil.org](mailto:info@horsecouncil.org) with the subject line "HPA Question". This will ensure AHC stays informed and can follow-up on questions/answers.



Event Manager Responsibilities from the [APHIS website](#):

When the new Horse Protection Final Rule becomes effective on February 1, 2025, event managers of all horse shows, horse exhibitions, horse sales, and horse auctions will need to notify APHIS at least 30 days in advance of their event, either by mail (see mailing address below) or emailing [horseprotection@usda.gov](mailto:horseprotection@usda.gov). The notification must include whether event management has appointed an HPI to conduct inspections, is requesting an APHIS VMO to conduct inspections, or if event management is opting for neither (while appointing an HPI or requesting an APHIS VMO is not required, event management will be liable for any horse that was shown, exhibited, auctioned, or sold while sore).

For any events that have Tennessee Walking Horses or racking horses, there is additional information that needs to be submitted to APHIS within 5 days following the conclusion of any horse show, exhibition, sale, or auction.

For any event which does not include Tennessee Walking Horses or racking horses, event management will need to submit information regarding any case where a horse was prohibited by management from being shown, exhibited, sold or auctioned because it was found to be sore or otherwise in violation of the Act or regulations.

**FOR IMMEDIATE RELEASE**

**Contact:** SantaAnitaPressBox@santaanita.com



**California Racing Stakeholders Announce Unified Plan to Strengthen State's Thoroughbred Industry**

ARCADIA, CA (Dec. 16, 2024) -- California's Thoroughbred racing stakeholders have finalized a landmark agreement to ensure the long-term viability of the sport statewide. Starting December 26 with the 90th opening of Santa Anita Park's winter meet, the state will transition to a single circuit for most of the year, with Thoroughbred racing running exclusively at Santa Anita through June 15. The unified plan increases purses for both Northern and Southern owners, provides targeted support for Northern-based horses, and secures year-round stabling and training at the Alameda County Fairgrounds in Pleasanton.

"On behalf of 1/ST Racing, I am proud that industry stakeholders have united to forge a sustainable future for California racing," said Aidan Butler, President of 1/ST, which owns and operates Santa Anita Park. "This agreement ensures stability for racing and training across the state while strengthening the overall product we present to fans and participants."

Key components of the plan include uninterrupted stabling and training at Pleasanton, along with vaning services for Northern California-based horses traveling to and from Santa Anita. Weekly races with preferences and restrictions for Northern-based horses will be carded with travel stipends to help support horsemen and horsewomen traveling to Santa Anita.

"This blueprint represents the most efficient use of resources, building a stronger foundation at Santa Anita while addressing the unique needs of our constituents in Northern California," said Bill Nader, President and CEO of the Thoroughbred Owners of California. "Utilizing Pleasanton as an off-site stabling and training hub ensures continuity for horses and staff. This agreement is a significant step forward for the future of California racing."

The plan also underscores a firm commitment to Northern California's summer fairs, which remain a vital part of the state's racing calendar.

"For decades, the California Authority of Racing Fairs (CARF) has delivered a vibrant summer horse racing circuit at the state's iconic fairgrounds," said CARF Chairman Jerome Hoban. "This new structure has the potential to provide the best opportunity for fair racing in the North to thrive. By maintaining local stabling, we support our horsemen and horsewomen while optimizing purses at racetracks statewide during the off-season."

California stakeholders will seek ratification of the unified plan at Thursday's meeting of the California Horse Racing Board.

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**ATTENTION: New Horse Protection Act Regulations Impact Fairs**

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**From** IAFE <news@fairsandexpos.com>

**Date** Thu 1/2/2025 1:29 PM

**To** Carlene Moore <cmoore@sdfair.com>

## **New Horse Protection Act Regulations Impact Fairs**

The USDA-APHIS has finalized new regulations under the Horse Protection Act of 1970 impacting all Fairs that have horse shows and auctions.

While there remains some confusion as to how to implement these regulations and the USDA is still answering questions, the following are set to take effect February 1.

Beginning February 1, ALL EVENTS that have a horse show or auction must give 30 days' notice to the USDA of the event. This means that any event happening on or after March 2, 2025, is impacted and will need to file notice on or after February 1, 2025.

One particular item of note. All fairs with a horse show or auction must

request either a USDA Veterinary Medical Officer (VMO), engage a Horse Protection Inspector (HPI) qualified by USDA-APHIS, or indicate they are not doing so and accept liability if any cases of soring are found at their show. This regulation applies to all shows regardless of the breed of horse in the show.

As of this notice to you, there is neither a form for reporting nor a list of HPIs on the USDA HPA website. These are among the issues for which we and others are seeking clarification from USDA-APHIS on how to comply.

As more information is shared from USDA-APHIS we will share it with you.

Please remember that with a change in governmental administrations, many things may change. We will keep our members updated as we learn more.

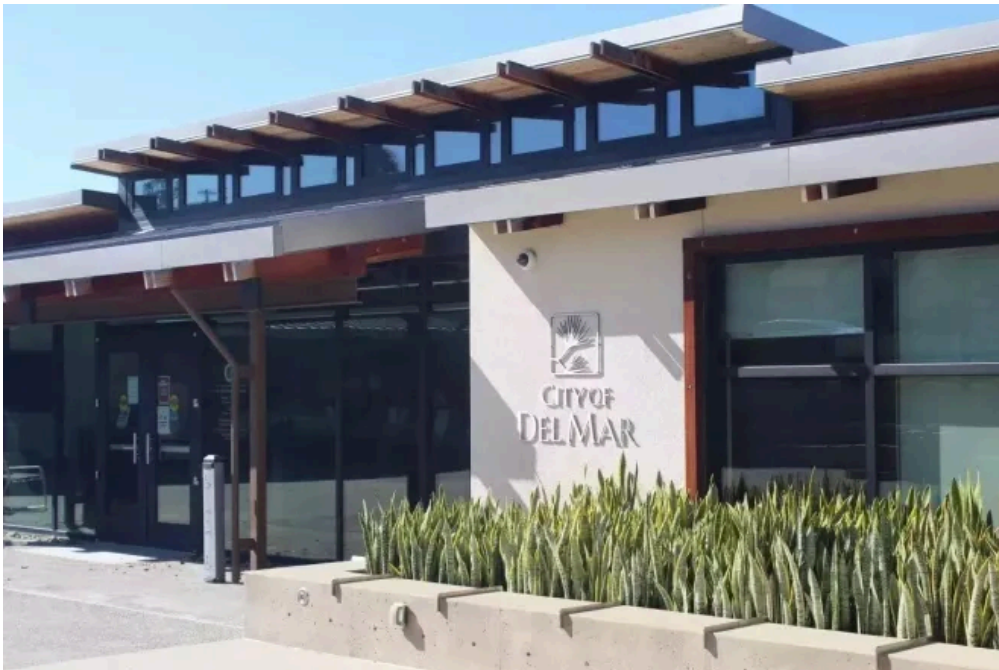
#### **More Details**

David Grindle  
President/CEO  
International Association of Fairs and  
Expositions

**IGNITE / EXCEL / UNITE**

DEL MAR TIMES > DEL MAR TIMES NEWS

# State housing agency says Del Mar still must upzone bluffside properties if fairgrounds plan fails



Karen Billing

Del Mar City Hall



The city of Del Mar remains obligated to upzone two bluffside properties if a proposed 61-unit affordable housing project at the Del Mar Fairgrounds falls through, state regulators told the city in a recent letter.

The letter refuted the city's previous assertion that the bluffside backup options, which virtually all residents hope to avoid, were no longer necessary as of last April, when the city and fairgrounds formally began negotiating.

The fairgrounds development is a large piece of the city's plan to accommodate a state-mandated 113 affordable housing units throughout Del Mar as part of the latest Regional Housing Needs Allocation process.

The city's plan, known as a housing element, was approved by the state Department of Housing and Community Development (HCD) in May 2023. It included an April 2024 deadline for the city to reach a "binding agreement" with the fairgrounds on building at least 54 affordable housing on the property. In case the fairgrounds didn't work out, HCD required the city to specify a backup plan. With little other choice within Del Mar's 2 square miles to put that many units, the vacant north bluff and south bluff properties became the official Plan B.

By March 2024, the Del Mar City Council and fairgrounds board of directors signed off on an Exclusive Negotiating Rights Agreement (ENRA). It lays out a two-year timeline through April 2026 to decide on a specific location on fairgrounds property and begin processing development applications, but includes a notable loophole: The fairgrounds has sole authority to terminate negotiations at any time if board members decide they don't want housing there.

In multiple public meetings over the last year, fair board members have remained noncommittal, partly because they want more information about how building housing fits in with a long-term master plan for the fairgrounds that they've been working on.

The city told the Del Mar Times in April 2024 that the ENRA "released the city from the Program 1E contingency requirement," which is how the backup plan is labeled in the housing element.

If the ENRA allows the fair board to reject about half of the affordable housing units that the city is required by the state to provide, why wouldn't the city still need a backup plan? An HCD spokesperson said at the time that the agency was "evaluating the matter."

The city at the time also pointed out that even without a defined backup, failure to build at the fairgrounds would trigger a "no net loss" provision in state law that would require the city to accommodate those units somewhere else. That scenario leaves the north and south bluff properties as the likely candidates, but gives the city a chance to come up with something else.

Del Mar's city manager and planners met with HCD officials on Zoom in August 2024 to review the status of the fairgrounds housing plan and the ENRA.

Then in a Dec. 11 letter to City Manager Ashley Jones, the agency said it "must correct the city's assertion" that the north and south bluff backup plans are no longer needed because of the ENRA.

"Should the ENRA for the Fairgrounds Affordable Housing project be suspended or terminated, or development of the Fairgrounds project within the planning period be rendered infeasible, or any other action taken or not taken that is inconsistent with the schedule noted above, then Program 1E will be required," the letter said.

And according to the letter, "the City claims Program 1E remains optional due to additional and/or new lower-income RHNA capacity," meaning the city has identified other possible sites for affordable housing. But those additional sites have not been vetted by HCD.

"HCD advises the City to submit further analysis and details to formalize and support these assumptions," the letter said.

Jones has not yet responded to questions from the Del Mar Times about the city's response to the letter.

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**Please Share w/ 22nd DAA Bd & Mgt Team, SRTA/SRTLCL Members & Officers Fwd: 3-yr-old Colt from UK Dies after Finishing Breeder's Cup Turf**

---

**From** Martha Sullivan <[REDACTED]>

**Date** Sun 11/17/2024 6:10 PM

**To** Donna O'Leary <doleary@sdfair.com>; Molly Arnold <marnold@sdfair.com>; Carlene Moore <cmoore@sdfair.com>

Greetings! Please share this with the 22nd DAA Board and Mgt Team, also the State Race Track Authority and State Race Track Leasing Commission members and Officers. Thank You,

Martha Sullivan

Begin forwarded message:

**From:** Martha Sullivan <[REDACTED]>

**Subject:** 3-yr-old Colt from UK Dies after Finishing Breeder's Cup Turf

**Date:** November 4, 2024 at 7:01:24 AM PST

FOR IMMEDIATE RELEASE: November 3, 2024

CONTACT: Martha Sullivan, [REDACTED], Kill Racing Not Horses

Three-year-old colt Jayarebe collapsed and died in the gallop out after finishing seventh in the Breeder's Cup Turf Mile yesterday at Del Mar Racing and Fairgrounds, the 6th racehorse death at Del Mar Racing this year, in eight weeks of competition there so far, of 91\* reported horse deaths in California 2024 horse racing. Six of these are listed by the CA Horse Racing Board as "Sudden Death", one as "Cardiac" and one as "Myocarditis-Septicimia":

[https://www.chrb.ca.gov/racing\\_fatalities\\_Cat2.aspx](https://www.chrb.ca.gov/racing_fatalities_Cat2.aspx)

All of Jayarebe's seven races before yesterday had been in England and France, his Trainer Brian Meehan being based in England. Jayarebe's official Horse Profile:

<https://www.equibase.com/profiles/Results.cfm?type=Horse&refno=11194078&registry=T>

**"Travel represents a major stress source for horses.** The containment, the movements of the vehicle and the different sounds contribute to this stress. ...

**"A horse subject to relatively high levels of stress will see his heart rate increase over the long term, in addition to stress peaks.**

"This can be controlled using monitoring devices to track the horse's performance and health over the long term. This makes it easier to detect heart rate anomalies and try to find the cause before more serious pathologies develop."

[https://training.arioneo.com/en/psychology-and-welfare-of-racehorses-the-impact-of-stress-on-performan-](https://training.arioneo.com/en/psychology-and-welfare-of-racehorses-the-impact-of-stress-on-performan-2/#:~:text=Travel%20represents%20a%20major%20stress,sounds%20contribute%20to%20this%20stress)

[2/#:~:text=Travel%20represents%20a%20major%20stress,sounds%20contribute%20to%20this%20stress](https://training.arioneo.com/en/psychology-and-welfare-of-racehorses-the-impact-of-stress-on-performan-2/#:~:text=Travel%20represents%20a%20major%20stress,sounds%20contribute%20to%20this%20stress)



**No legitimate sport would tolerate the deaths of 91\* of its athletes in 41 weeks of competition in just 1 state (CA). These deaths are up 49% from this point in 2021 (61).** Even if you exclude the 12 Qtr Horses euthanized for Equine Infectious Anemia in 1 Trainer's barn at [Los Alamitos Race Course](#) (per USDA, human-caused), it is **still a 29.5% increase in Horse Deaths in CA 2024 #HorseRacing over this point in 2021.**

\*These 91 deaths include the unnamed filly reported as euthanized on Sept. 24th in a veterinary clinic, after moved from the San Luis Rey Training Center (No. San Diego Co.) where an Equine Herpesvirus (EHV) quarantine was in effect <https://www.drf.com/news/part-millers-stable-san-luis-rey-downs-placed-under-quarantine-after-equine-herpesvirus>; and Echo Zulu, whose Feb. 18th death at Chino Valley Equine Hospital 4 months after a Training Fracture at Santa Anita Park in preparation for the 2023 Breeders Cup was widely reported by media.

---

**Pls Share w/ Boards & Sr Mgt of 22nd DAA, SRTA & SRTLC**

---

**From** Martha Sullivan <[REDACTED]>

**Date** Tue 12/3/2024 6:36 AM

**To** Donna O'Leary <doleary@sdfair.com>; Molly Arnold <marnold@sdfair.com>; Carlene Moore <cmoore@sdfair.com>

Good Morning! Please Share this with the Boards and Senior Management of the 22nd DAA, State Race Track Authority and State Race Track Leasing Commission, Thank You.

Martha Sullivan  
Imperial Beach

Note that the global inflation rate for 2024 is 5.8% and for the U.S. is 3% per the International Monetary Fund, wiping out the slight uptick in non-Breeders' Cup wagering in this year's Fall Meet.

"Total handle on races held at Del Mar Thoroughbred Club in Southern California during the 16-day meet that concluded Sunday, including the two-day Breeders' Cup event, was \$283.9 million, according to an analysis by Daily Racing Form, compared to \$301.7 million in handle at a 15-day meet in 2021, when the track last hosted the Breeders' Cup. [5.9% drop]

"Excluding the two Breeders' Cup days, total handle on Del Mar Racing's races over 14 days was \$105.2 million this year, compared to \$104.7 million in total handle on Del Mar's races last year during a 13-day meet that did not include the Breeders' Cup, an increase of 0.5 percent.

"Average handle per race for the races held on non-Breeders' Cup days this year was \$855,100, according to the analysis, an 8.3 percent decline compared to average handle last year of \$926,448.

"Handle on races at Southern California tracks is being closely watched because wagering figures have been on a protracted decline in the state for the past several years, leading industry officials to begin contemplating drastic steps to reverse the trend."

Del Mar

## Del Mar: Total handle at fall meet for non-Breeders Cup dates inches up

Matt Hegarty | Dec 02, 2024



Like 68K

Share



Barbara D. Livingston

**Field size was up but average purses were down at the just-concluded Del Mar meeting.**

Total handle on races held at Del Mar Thoroughbred Club in Southern California during the 16-day meet that concluded Sunday, including the two-day Breeders' Cup event, was \$283.9 million, according to an analysis by *Daily Racing Form*, compared to \$301.7 million in handle at a 15-day meet in 2021, when the track last hosted the Breeders' Cup.

Excluding the two Breeders' Cup days, total handle on Del Mar's races over 14 days was \$105.2 million this year, compared to \$104.7 million in total handle on Del Mar's races last year during a 13-day meet that did not include the Breeders' Cup, an increase of 0.5 percent.

Average handle per race for the races held on non-Breeders' Cup days this year was \$855,100, according to the analysis, an 8.3 percent decline compared to average handle last year of \$926,448.

Handle on races at Southern California tracks is being closely watched because wagering figures have been on a protracted decline in the state for the past several years, leading industry officials to begin contemplating drastic steps to reverse the trend. However, comparisons between the two Del Mar November meets in 2023 and 2024 do not provide a clear picture

for the direction of handle because of the large number of factors complicating the analysis.

**:: Bet the races with a \$200 First Deposit Match + FREE All Access PPs! Join DRF Bets.**

Although average handle per race dropped 8.3 percent compared to last year when only including non-Breeders' Cup days, the exclusion of the Breeders' Cup dates means excluding a Friday and a Saturday from the 2024 analysis. Handle is generally highest on those two days of the week, so the average for 2024 suffers from those omissions.

Field sizes, at least, seemed to increase in the main. For the 14 non-Breeders' Cup days, field size was 7.72 horse per race, up from 7.43 horse per race during the entire 13-day November meet last year. Including the Breeders' Cup races, the average field size for the entire meet was 8.14 horses, compared to 8.10 horses during the 15-day 2021 meet that included the Breeders' Cup.

However, the average purse for races held on the non-Breeders' Cup days this year was down 10.3 percent, from \$59,867 last year to \$53,707 this year. A portion of overnight purses this year was directed to undercard races on the two Breeders' Cup days, and those purses are generally higher than the average purses.

The average purse for the entire meet this year was \$263,144, compared to the average purse of \$276,761 during the entire 2021 Breeders' Cup meet. The total amount of purses for the Breeders' Cup in 2021 was \$28 million, compared to \$30 million this year.

A better comparison for the direction of the Del Mar November meet will be available next fall. The track will host the Breeders' Cup for the second consecutive year, on Oct. 31 and Nov. 1.

**:: Want to learn more about handicapping and wagering? Check out DRF's [Handicapping 101](#) and [Wagering 101](#) pages.**

**DRF Headlines**

**[View All >](#)**

---

**Pls Distribute to Boards/Northern California racing experiment is ending, affecting Santa Anita - Los Angeles Times**

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**From** Martha Sullivan <[REDACTED]>

**Date** Mon 12/16/2024 1:27 PM

**To** Donna O'Leary <doleary@sdfair.com>; Molly Arnold <marnold@sdfair.com>; Carlene Moore <cmoore@sdfair.com>

Greetings! Please distribute this to the Board Members and Senior Mgt Team of the 22nd DAA, and to the Board Members and Officers of the State Race Track Authority and State Race Track Leasing Commission, Thank You,

Martha Sullivan, Imperial Beach

"This all comes after the Stronach Group, in conjunction with the Thoroughbred Owners of California, hatched the plan to kill off racing in the north in order to help save the south.

"The thinking is that simulcast revenue that would normally go to the north would be redirected to the south. Last year, Santa Anita had a \$6-million shortfall on purses that was covered by the track. Thoroughbred Owners of California is responsible for the purses, and it is not unusual for the track to cover any shortage, counterintuitively called an 'overpayment.' [Reminder, Del Mar Racing had at least a \$2.1 Million shortfall.]

"This alone will only marginally improve the position of racing in Southern California as it needs another form of supplemental income, such as historical horse racing, to compete on the national racing landscape."

<https://www.latimes.com/sports/story/2024-12-16/northern-california-racing-experiment-ending-santa-anita>

## SPORTS

## Attempt to revive horse racing in Northern California ends, impacting sport around state



Pleasanton Fairgrounds Racetrack at the Alameda County Fairgrounds hosted a 26-day racing schedule this fall. (San Francisco Chronicle / Hearst Newspapers / Getty Images)

**By John Cherwa**  
Special Contributor

Dec. 16, 2024 9:29 AM PT

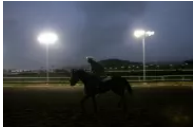
The grand experiment to revive [horse racing in Northern California](#) is coming to an end. On Monday, the board of the California Assn. of Racing Fairs was formalizing its decision to withdraw its application for a racing meeting from Dec. 25 to June 10 at Pleasanton Fairgrounds Racetrack.



Unless the fair board changes its mind, something that is highly unlikely given growing deficits, the decision is expected to be announced later on Monday, according to people with knowledge of the situation but not authorized to speak publicly.

The deadline for a decision was Thursday, when the California Horse Racing Board had two items on the agenda about racing at Pleasanton. Now, those items will be withdrawn.

The formation of Golden State Racing, under the umbrella of CARF, was an effort to keep near-full-time racing in Northern California after the Stronach Group announced and subsequently closed [Golden Gate Fields](#). It left a void in the state for a place where horses not of the quality of [Santa Anita](#) and Del Mar could run.



SPORTS

### **Golden Gate Fields comes to a close as California racing struggles to exist**

June 9, 2024

---

This will no doubt have an impact not only on the horsemen in Northern California but also a state breeding industry that will have little reason to extensively breed if there is no place to run the horses. More than a third of the races at Golden Gate Fields were restricted to California-bred horses.

The decision is not currently expected to affect the summer fair circuit of races, but, of course, it will need horses to run those races to succeed. If many of the trainers and horsemen decide to go elsewhere, or retire from the business, it could endanger the fairs.

The move is not unexpected as the racing circuit's initial foray into fall/winter racing was met with a mutuel handle less than expected and subsequently led to two purse cuts. The 26-day meeting started Oct. 19 and will end Wednesday.

The handle at GSR was 62% lower than Golden Gate and the national market share of wagering slipped from 5% at Golden Gate to 2.1% at GSR.

Purses at GSR were about 30% less than at Golden Gate.

Another disadvantage of Pleasanton is that it didn't have a turf course; about half the racing in the south was on grass.

The Stronach Group, the owner of Santa Anita and operating under the moniker of 1/ST Racing, has a proposal to help alleviate the impact on Northern California horsemen. It has offered to fund off-season stabling at Pleasanton and to write races that better fit the makeup of Northern California horses. The proposal would also help pay for the cost of vaning horses and relocation expenses for horsemen, including grooms and trainers.



SPORTS

### **California horse racing is at a crossroads. Can it survive?**

Dec. 24, 2023

There may also be a home for some of the horses at Los Alamitos, which had trouble filling fields during its six-day winter thoroughbred meeting, which concluded Sunday. It also runs thoroughbreds at 4 1/2 furlongs at night.

This all comes after the Stronach Group, in conjunction with the Thoroughbred Owners of California, hatched the plan to kill off racing in the north in order to help save the south.

The thinking is that simulcast revenue that would normally go to the north would be redirected to the south. Last year, Santa Anita had a \$6-million shortfall on purses that was covered by the track. Thoroughbred Owners of California is responsible for the purses, and it is not unusual for the track to cover any shortage, counterintuitively called an “overpayment.”

This alone will only marginally improve the position of racing in Southern California as it needs another form of supplemental income, such as historical horse racing, to compete on the national racing landscape.



---

**Pls Reply ASAP/Handle Drops, Purses Up Slightly In 2024**

---

**From** Martha Sullivan <[REDACTED]>

**Date** Fri 1/3/2025 1:47 PM

**To** Donna O'Leary <doleary@sdfair.com>; Molly Arnold <marnold@sdfair.com>; Carlene Moore <cmoore@sdfair.com>

Greetings of the New Year! Please share this with the Board members and Senior Management of the 22nd DDA, and with the Members and Officers of the State Race Track Authority and State Race Track Leasing Commission:

"The more alarming trend is how far handle has fallen since it peaked in 2003 when \$15.18 billion was wagered. When adjusted for inflation, since 2003 handle has fallen by 57.3%, and there doesn't appear to be anything on the horizon that will reverse the trend. It's also worth noting that the betting handle figures have fallen significantly since the early 2000's even though Computer Assisted Wagering (CAW) players are now pumping about \$4 billion a year into the handle and were not a factor 15-20 years ago."

<https://www.thoroughbreddailynews.com/handle-drops-purses-up-slightly-in-2024/>

Thank You,

Martha Sullivan  
Imperial Beach

[America](#) [Europe](#) [Australia](#)**Darley**[Home](#) » [Archive](#) » [Top News](#) » [Handle Drops, Purses Up Slightly In 2024](#)

## Handle Drops, Purses Up Slightly In 2024

Friday, January 3, 2025 at 1:10 pm | [Back to: Top News](#)*Updated: January 3, 2025 at 2:14 pm*

**The form** | *Coady Photography*

**By Bill Finley**

In what is becoming a familiar trend for the sport of horse racing in North America, betting in 2024 declined by 3.35%.

According to figures released Friday by Equibase, \$11,265,210,514 was the all-sources yearly handle for 2024 for U.S. racing, down from 2023's total of \$11,655,726,020.

Handle was last up in 2021, but that was an outlier because those numbers were going up against 2020 figures when the pandemic shut down much of the sport. Prior to that, the last handle increase was in 2018.



The more alarming trend is how far handle has fallen since it peaked in 2003 when \$15.18 billion was wagered. When adjusted for inflation, since 2003 handle has fallen by 57.3%, and there doesn't appear to be anything on the horizon that will reverse the trend. It's also worth noting that the betting handle figures have fallen significantly since the early 2000's even though Computer Assisted Wagering (CAW) players are now pumping about \$4 billion a year into the handle and were not a factor 15-20 years ago.

The handle picture might have looked brighter if not for a poor fourth quarter during which handle fell by 14.44%.

The number of races run in the U.S. fell by 2.82%, from 31,746 to 30,852, which could account for some of the decline in handle in 2024.

A total of \$1,252,385,694 in purses was paid out in 2023, a 0.23% increase from the prior year. The larger picture is that purses are no longer growing the way they did in 2021 and 2022 when revenues from Historical Horse Racing Machines and other forms of gaming were pumping millions into the purse accounts. Purses increased by 35% in 2021 and by 11% in 2022. In 2023 they were down 0.3%.

The average field size held steady, showing a 0.19% increase over 2023. The average field size in 2024 was 7.45 starters per race.

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**'Rising Star' Justique Scores On NOLA Debut For DeVaux**

*This story was posted in Top News and tagged average purses, Economic Indicators, Equibase, field size, Horse Racing, purse, thoroughbreds, wagering, Wagering on U.S. races.*

**Cal/OSHA Headquarters**

1515 Clay Street, Suite 1901

Oakland, CA 94612

(510) 286-7000

Website address [www.dir.ca.gov/birdflu](http://www.dir.ca.gov/birdflu)**Subject: Stopping Bird Flu Starts with You – Employer information from Cal/OSHA**

Greetings,

As part of the State of California's unified response to protect workers from avian flu, more commonly known as the bird flu, the California Division of Occupational Safety and Health (Cal/OSHA) is reminding employers how to keep workers safe and the steps to take if there are potential bird flu infections at your workplace.

Cal/OSHA, in coordination with the California Department of Public Health (CDPH), the California Department of Food and Agriculture (CDFA), and the California Governor's Office of Emergency Services (CalOES), is working collaboratively to monitor and address ongoing efforts related to bird flu.

**Current situation**

This current strain of the bird flu has been circulating in the U.S. since 2021, affecting a range of animal species, including dairy herds and poultry flocks. Earlier in 2024, bird flu infections began spreading nationwide, and in April the first known cow-to-human transmission was reported after an individual tested positive for bird flu. California has already established the largest testing and monitoring system in the nation to respond to the outbreak. On December 18, 2024, Governor Newsom [declared a State of Emergency](#) to provide state and local agencies with additional flexibility around staffing, contracting, and other rules to support California's evolving response. If you are receiving this message, your industry could be impacted by bird flu.

**Resources for employers**

Cal/OSHA has compiled resources for employers to prevent the spread of bird flu. This includes [Cal/OSHA's Protection from Bird Flu webpage](#) hosting information on personal protective equipment (PPE) requirements, training, access to medical services and what steps to take to address potential bird flu cases.

**Stopping Bird Flu Starts with You****Employers must proactively take steps to prevent the spread of bird flu:**

- Establish written procedures according to the [Zoonotic Aerosol Transmissible Diseases regulation](#).
- Establish restricted areas where exposure to potentially infectious animals may occur.
- Train employees on bird flu, exposure controls, medical services the employer will provide, and what to do if they might be sick.
- Provide and encourage the use of the correct PPE including eye and respiratory protection.
- Follow state and local health and agriculture agencies if they issue a quarantine or infection control order.
- Modify tasks to reduce production of aerosols (splashes, droplets, or small particles of respiratory secretions or other body fluids).



**Cal/OSHA Headquarters**

1515 Clay Street, Suite 1901

Oakland, CA 94612

(510) 286-7000

Website address [www.dir.ca.gov/birdflu](http://www.dir.ca.gov/birdflu)

- Use engineering controls like wetting areas when cleaning animals, using appropriate ventilation and isolating healthy animals from infected animals.
- Ensure frequent sanitation of areas and provide employees with hand hygiene resources including hand washing and not touching eyes, nose, or mouth.
- Provide medical services and evaluations according to federal, state, and local health guidance.
- If workers report bird flu symptoms, report all cases to your medical services program and follow guidelines for reporting.
  - It is the employer's obligation to ensure their workers are tested (which should be coordinated with their local health department), and if they test positive, workers should be offered treatment and workers' compensation benefits.
- All workers in California are protected by labor laws, including protections against retaliation, regardless of immigration status. It is illegal for employers to fire, reduce the pay or work hours, or otherwise punish workers for following California laws or to threaten to report a worker to immigration authorities for following California laws.

More information on workplace safety procedures is available on [Cal/OSHA's webpage Protection from Bird Flu](#).

Cal/OSHA offers free consultation services to answer questions from employers and help them develop their safety programs. More details on these resources for employers is available on [Cal/OSHA's Information for Employers for Bird Flu webpage](#).

Cal/OSHA and the Division of Workers' Compensation are also participating in outreach and education events to spread awareness of these guidelines. To request our participation at an outreach event, email [CWOP@dir.ca.gov](mailto:CWOP@dir.ca.gov).

**More resources:**

- **Share this information with workers and supervisors:** [Bird Flu Facts Infographic for Employers](#) and [Bird Flu Facts Infographic for Workers](#)
- Join Cal/OSHA Consultation for a free webinar for employers on January 15 or 29. Email Cal/OSHA Consultation to sign up [InfoCons@dir.ca.gov](mailto:InfoCons@dir.ca.gov).

Stay safe and healthy,

DOSH Communications

[DOSHCommunications@dir.ca.gov](mailto:DOSHCommunications@dir.ca.gov)

**Learn More About:**

- Symptoms of Bird Flu in Humans
- How Bird Flu Spreads to Workers
- How Workers can Stay Safe

Visit Cal/OSHA's Web Page at  
[www.dir.ca.gov/dosh/avian-flu/](http://www.dir.ca.gov/dosh/avian-flu/)



**Cal/OSHA Headquarters**

1515 Clay Street, Suite 1901

Oakland, CA 94612

(510) 286-7000

Website address [www.dir.ca.gov/birdflu](http://www.dir.ca.gov/birdflu)**Links Provided in this Letter:**

- Governor Newsom Declaration of a State of Emergency  
<https://www.gov.ca.gov/2024/12/18/governor-newsom-takes-proactive-action-to-strengthen-robust-state-response-to-bird-flu/>
- Cal/OSHA's Protection from Bird Flu webpage  
<https://www.dir.ca.gov/dosh/avian-flu>
- Zoonotic Aerosol Transmissible Diseases regulation  
<https://www.dir.ca.gov/title8/5199-1.html>
- Cal/OSHA's Information for Employers for Bird Flu webpage  
<https://www.dir.ca.gov/dosh/avian-flu/For-Employers.html>
- Bird Flu Facts Infographic for Employers  
[https://www.dir.ca.gov/dosh/dosh\\_publications/Bird-flu-fast-facts-Employers.pdf](https://www.dir.ca.gov/dosh/dosh_publications/Bird-flu-fast-facts-Employers.pdf)
- Bird Flu Facts Infographic for Workers  
[https://www.dir.ca.gov/dosh/dosh\\_publications/Bird-flu-fast-facts-Workers.pdf](https://www.dir.ca.gov/dosh/dosh_publications/Bird-flu-fast-facts-Workers.pdf)

## ITEM 3 – CONSENT CALENDAR

January 2025

### Expense Contracts

Standard Agreements from Competitive Solicitation						
Contract #	Contractor	Purpose	Acquisition Method	Effort Type	Term	Not to Exceed
22-015 AM2	OCC Signs	Fair sign production and installation	IFB	Fair	4/13/2022 - 7/31/2025	\$175,000.00 (AM2) Total Contract Value = \$675,000.00
24-055	Loma Media Partners	Fair commercial production services	Exemption – Marketing and Media Services	Fair	1/15/2025 - 6/15/2025	\$120,000.00

### Revenue Contracts

Sponsorship Agreements					
Contract #	Contractor	Purpose	Effort Type	Term	Amount
SPO-25-007	Scotaround	Renting scooters, wheelchairs, wagons, and strollers	Fair	6/1/2025 – 7/10/2029	\$205,000.00
SPO-25-053	Kahoots	Theme exhibit sponsor (2025) and livestock exhibit co-sponsor (2026-2027)	Fair	6/11/2025 – 7/10/2027	\$62,500.00

**STANDARD AGREEMENT - AMENDMENT**

STD 213A (Rev. 4/2020)

☐ CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED \_\_\_\_\_ PAGES

AGREEMENT NUMBER

22-015

AMENDMENT NUMBER

2

Purchasing Authority Number

GL #600100-30

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)

CONTRACTOR NAME

Orange County Custom Vinyl Graphics and Signs, Inc.

2. The term of this Agreement is:

START DATE

April 13, 2022

THROUGH END DATE

July 31, 2025

3. The maximum amount of this Agreement after this Amendment is:

\$675,000.00

Six Hundred Seventy Five Thousand Dollars and Zero Cents

4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

The purpose of this Amendment is to add funding to cover anticipated usage during the current term, increasing the dollar amount by \$175,000.00. The maximum amount of this Agreement is hereby increased from \$500,000.00 to \$675,000.00.

Amendment Effective Date: January 15, 2025

*All other terms and conditions shall remain the same.**IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.***CONTRACTOR**

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Orange County Custom Vinyl Graphics and Signs, Inc.

CONTRACTOR BUSINESS ADDRESS

980 E. Orangethorpe Ave #E

CITY

Anaheim

STATE

CA

ZIP

92801

PRINTED NAME OF PERSON SIGNING

Scott Norton

TITLE

President

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

**STATE OF CALIFORNIA**

CONTRACTING AGENCY NAME

22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)

CONTRACTING AGENCY ADDRESS

2260 Jimmy Durante Boulevard

CITY

Del Mar

STATE

CA

ZIP

92014

PRINTED NAME OF PERSON SIGNING

Carlene Moore

TITLE

Chief Executive Officer

CONTRACTING AGENCY AUTHORIZED SIGNATURE

DATE SIGNED

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION (If Applicable)

FAC §4051 .a. 1



**STANDARD AGREEMENT**

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

24-055

GL ACCOUNT NUMBER (If Applicable)

600100-30

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)

CONTRACTOR NAME

Loma Media, Inc. dba Loma Media Partners

2. The term of this Agreement is:

START DATE

January 15, 2025

THROUGH END DATE

June 15, 2025

3. The maximum amount of this Agreement is:

\$120,000.00

One Hundred and Twenty Thousand Dollars and Zero Cents

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	4
Exhibit B	Budget Detail and Payment Provisions	2
Exhibit B, Attachment 1	Cost Details	2
Exhibit C*	General Terms and Conditions (April 2017)	4
Exhibit D	Special Terms & Conditions	5
Exhibit D, Attachment I	Insurance Requirements	4
Exhibit E	Preventing Storm Water Pollution	1
Exhibit F	22nd DAA Resource Conservation Policy	1

Items shown with an asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

**CONTRACTOR**

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Loma Media, Inc. dba Loma Media Partners

CONTRACTOR BUSINESS ADDRESS

401 W. A Street, #200

CITY

San Diego

STATE

CA

ZIP

92101

PRINTED NAME OF PERSON SIGNING

Erin Satterburg

TITLE

VP, Client Engagement

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

## EXHIBIT A SCOPE OF WORK

### 1. SERVICES OVERVIEW

- A. Loma Media Partners, hereinafter referred to as the Contractor, agrees to provide to the 22<sup>nd</sup> District Agricultural Association / Del Mar Fairgrounds, hereinafter referred to as District, with services as described herein:

The Contractor shall work closely with the District's marketing team to strategize, plan, develop, produce and traffic commercial spots in both English and Spanish promoting a series of value propositions for the 2025 San Diego County Fair. These spots will be used for television, radio, pre-roll and social-media advertising campaigns.

- B. The services shall be performed at the Contractor's place of business, with production taking place at a to be determined location based on the District approved and agreed to creative concept.
- C. The services shall be provided in adherence to the production schedule as outlined in this Exhibit.
- D. The Project Representatives during the term of this Agreement will be:

22 <sup>nd</sup> District Agricultural Association	Loma Media Partners
Name: Jennifer Hellman, Marketing Director	Name: Erin Satterburg, VP Client Engagement
Address: 2260 Jimmy Durante Boulevard Del Mar, CA 92014	Address: 401 West A Street #200 San Diego, CA 92101
Phone: (858) 792-4227	Phone: (310) 508-9226
e-mail: <a href="mailto:jhellman@sdfair.com">jhellman@sdfair.com</a>	e-mail: <a href="mailto:esatterburg@lomamedia.com">esatterburg@lomamedia.com</a>

The parties may change their Project Representative upon providing ten (10) business days written notice to the other party. Said changes shall not require an Amendment to this Agreement.

### 2. Work To Be Performed By Contractor:

- A. Background and Goals

#### a. Creative Strategy:

Contractor's creative concept shall leverage five major elements:

1. **Fair Fun:** All commercial spots shall include elements to remind viewers of what they love about the San Diego County Fair, a summertime tradition featuring rides, food, games, animals, exhibits and entertainment.
2. **Community:** What sets the Fair apart from many other events is the fact that it is San Diego-centric. Unlike theme parks with nationwide or global appeal in Southern California, the Fair is an authentically San Diego event. The Fair represents all the communities of San Diego County, and their participation is integral to the success of the Fair.

## EXHIBIT A SCOPE OF WORK

3. **FOMO:** San Diego families flock to the Fair each summer, making the annual event a “not to be missed” family tradition. All commercial spots should create a sense of urgency or “fear of missing out,” as the Fair is only in town for a limited time.
4. **Value:** Dollar for dollar, the Fair is the best entertainment value in San Diego. The Fair offers a multitude of ways to save on admission, food, rides and parking. A significant amount of entertainment – stage shows, musical acts, walk-around entertainers, and more – is included in the cost of admission, which is no more than \$25. More than 80% of respondents in a survey of our guests said they spend at least four hours at the Fair. Various value and entertainment promotions will be included in the broadcast commercials, but all messaging shall emphasize the value proposition as the best deal in town.
5. **Theme:** The Fair puts a fresh spin on this annual event by rebranding or updating our theme each year. This summer, the 2025 San Diego County Fair, invites guests to our “Summer Pet-tacular” — a celebration of the bond between humans and pets. (Spanish-language tag line is “De Patitas a la Feria”)

### **b. Customer Profile:**

1. **General Market:** Men, women and children throughout San Diego County; they enjoy coming to the Fair with their families, or with a group of their friends—most have been here before, many make it a family tradition to attend every summer.
2. **Spanish-speaking Market:** Primarily Hispanic audience in San Diego County and secondarily residents of Baja California.
3. **Target Audience:** Adults 18-54 years of age
4. **Geography:**
  - i. Primary: San Diego DMA
  - ii. Secondary: Northern Baja/Tijuana, Temecula/Riverside and South Orange County

### **c. Directives:**

- i. Casting shall be diverse to reflect the County’s multicultural demographic makeup and the multi-generational appeal of the Fair.
- ii. Creative shall include Fair theme, with careful consideration to licensing restrictions.

### **d. Format:**

Spots will air on both broadcast and OTT television, online as digital pre-roll and display ads, and on broadcast radio. Contractor will be provided with traffic instructions and shall be responsible for uploading spots to various television and radio stations, as well as delivering final digital files to the Fairgrounds through WeTransfer, Dropbox or similar service. Separate hard drive with final edited files and full production footage shall physically be delivered to the Fairgrounds.

## EXHIBIT A SCOPE OF WORK

### B. Tasks

#### a. Production Process

Contractor shall develop a schedule, timeline and strategic plan and approach to accomplish the District's marketing goals over a mutually agreed upon timeframe. Process shall include the following phases:

##### Phase I: Scheduling & Conceptualizing

- a) Definition of project goals, scope, audience & core messaging
- b) Creative conceptualizing
- c) Schedule and timeline development
- d) Budgeting

##### Phase II: Pre-Production

- a) Secure any required subcontractors
- b) Creative & story development
- c) Scripting & copywriting
- d) Storyboarding & shot list development
- e) Casting approval & talent release forms

##### Phase III: Production

- a) Filming
- b) Audio/Music development & licensing
- c) Graphic design & animation

##### Phase IV: Post-Production

- a) Editing
- b) Rough cut review & approvals
- c) Audio mixing & color corrections
- d) Delivering & trafficking of final project
- e) Delivery of raw camera video and audio for archives

### C. Deliverables

The 2025 spots shall include the following versions. Final promotional messaging details shall be confirmed in early February 2025:

TELEVISION			
SUBJECT:	MESSAGE/OFFER:	LANGUAGE:	LENGTH:
Bumper	Theme, Dates, Website	English & Spanish	:06, :10
Overall Value	Best Deal in Town	English & Spanish	:30, :15
Grocery Partner discount	Albertsons/Vons discount opportunity	English & Spanish	:30, :15
Ride Discount	Season Pass	English & Spanish	:30

**EXHIBIT A  
SCOPE OF WORK**

Grandstand (2 versions)	Toyota Summer Concert Series on the Corona Grandstand Stage	English & Spanish	:30
<b>RADIO</b>			
Jingle/Donut	:15 intro or donut-style audio spot, with :15 bed and insert copy for 10-12 offers	English & Spanish	:30

**D. Proposed Task and Deliverables Timeline**

<b>Task #</b>	<b>Deliverable</b>	<b>Deliverable Due Date</b>
Phase I	Creative Concept Development	January 2025
Phase II	Pre-Production	January 2025
Phase III	Production	February 2025
Phase IV	Post-Production	February 2025
Phase IV	Rough Cut	February 28, 2025
Phase IV	Final Spots	March 10, 2025

**3. Contractor Responsibilities**

1. Contractor shall be responsible for ensuring appropriate licensing is obtained for all graphics, photos, music and motion video used in this production. These assets may be used in perpetuity in advertising and promotions for the 2025 San Diego County Fair campaign. Contractor shall provide proof of licensing for such media to the District.
2. Contractor shall be responsible for obtaining appropriate talent release forms from all talent featured in this production. Talent likeness may be used in perpetuity in still and video advertising and promotions for the 2025 San Diego County Fair campaign. Contractor shall provide copies of talent release forms to the District.
3. Contractor shall be responsible for providing District with final spots and raw footage on an external drive upon completion of the production.

**4. District Responsibilities**

1. District will provide 2025 San Diego County Fair branding guide including, event wordmark, fonts, backgrounds and support graphics in layered files.
2. District will promptly respond to Contractor questions and provide feedback on creative direction, script development, casting, costumes, props and production and post-production.

STATE OF CALIFORNIA  
**SPONSORSHIP AGREEMENT**  
(Rev 11/19)

AGREEMENT NUMBER

**SPO-25-007**

1. This Agreement is entered into between the State Agency and the Sponsor named below:

STATE AGENCY'S NAME

**22<sup>nd</sup> District Agricultural Association**

SPONSOR'S NAME

**Scootaround**

2. The term of this Agreement is: **June 1, 2025 – July 10, 2029**

3. The amount of this Sponsorship Agreement is: **\$205,000.00 Contract Price**

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

**Exhibit A – Sponsorship Terms**

**Exhibit B – Insurance Requirements**

Sponsor agrees to provide a valid Certificate of Insurance indicating a minimum \$1,000,000 coverage for General Liability, Automobile Liability and Workers Compensation, in accordance with Insurance Requirements attached herewith and made part of this Agreement.

**IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.**

**SPONSOR**

SPONSOR'S NAME

**Scootaround**

BY (Authorized Signature)



DATE SIGNED

PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS

**1345 Waverley St., Ste. 302, Winnipeg, MB, Canada R3T 5Y7**

**STATE OF CALIFORNIA**

AGENCY NAME

**22<sup>nd</sup> District Agricultural Association**

BY (Authorized Signature)



DATE SIGNED

PRINTED NAME AND TITLE OF PERSON SIGNING

**Carlene Moore, CEO/General Manager**

ADDRESS

**2260 Jimmy Durante Blvd  
Del Mar, CA 92014-2216**

GL 431-102-00

**SPO-22-009-19**  
**Scootaround**  
**Exhibit A - Sponsorship Terms**  
**2025, 2026, 2027, 2028 & 2029 San Diego County Fairs**

1. This sponsorship agreement (“Agreement”) includes the terms and conditions to which Scootaround (“Sponsor”) has agreed to in providing products and/or services during the 2025, 2026, 2027, 2028 & 2029 San Diego County Fairs (“Fair”), produced by the 22nd District Agricultural Association, a California state institution (“State”, “District” or “22<sup>nd</sup> DAA”). The total cost of this sponsorship is \$205,000.00 covered by this Agreement.
1. A list of privileges and rights afforded to Sponsor is included herein. Sponsor must sign this Agreement and return it to the Del Mar Fairgrounds no later than January 10, 2025.
2. Sponsor shall make payment of the sponsorship on the following schedule:
  - a. A payment of \$40,000.00 no later than May 1<sup>st</sup>, 2025.
  - b. A payment of \$40,000.00 no later than May 1<sup>st</sup>, 2026.
  - c. A payment of \$40,000.00 no later than May 1<sup>st</sup>, 2027.
  - d. A payment of \$42,500.00 no later than May 1<sup>st</sup>, 2028.
  - e. A payment of \$42,500.00 no later than May 1<sup>st</sup>, 2029.
3. Sponsor shall not enter into any third-party promotions without prior written authorization from District.
4. Without the prior written consent of the District, this Agreement shall not be assigned or transferred by Sponsor to any other party either in whole or in part.
5. To the fullest extent permitted by law, Sponsor shall defend, indemnify, and hold harmless the State of California, the 22nd District Agricultural Association aka Del Mar Fairgrounds/San Diego County Fair, and their respective agents, directors, and employees (collectively the “22<sup>nd</sup> DAA”) from and against all claims, damages, losses, and expenses, of every kind, nature and description (including, but not limited to, attorney’s fees, expert fees, and costs of suit), directly or indirectly arising from, or in any way related to the performance or nonperformance of this Agreement, regardless of responsibility of negligence; by reason of death, injury, property damage, or any claim arising from the alleged violation of any state or federal accessibility law, statute or regulation, (including but not limited to, the Americans With Disabilities Act, and/or any state, local, successor, or comparable provision of law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the 22<sup>nd</sup> DAA. Provided, however, that in no event shall Sponsor be obligated to defend or indemnify the 22<sup>nd</sup> DAA with respect to the sole negligence or willful misconduct of the 22<sup>nd</sup> DAA, its employees, or agents (excluding the Sponsor herein, or any of its employees or agents).
6. This Agreement does not constitute a partnership, joint venture, or principal-agent relationship between the parties. The Sponsor, and the agents and employees of Sponsor, in the performance of this Agreement shall act in an independent capacity and not as officers or employees or agents of the 22<sup>nd</sup> DAA or the State of California.
7. Where the terms of this Agreement or the 22<sup>nd</sup> DAA’s documents are more specific, or are inconsistent or in conflict with the provisions, terms, and conditions set forth in a proposal by Sponsor or Sponsor’s documents, both parties agree that the terms set forth in the 22<sup>nd</sup> DAA’s documents shall supersede and take precedence over Sponsor’s proposal or Sponsor’s documents.
8. It is agreed by the parties that this Agreement constitutes the complete and entire Agreement between the parties. No amendments, alterations, or other variations of the terms of this Agreement shall be valid unless made in writing and signed by the parties.



9. It is agreed by the parties that the laws of the State of California shall govern and in the event of litigation that the proper place of venue is in San Diego, California.
10. In the event the Sponsor breaches the terms of this Agreement, the 22<sup>nd</sup> DAA shall be entitled to recover, in addition to any other damages and remedies that they may be entitled to, all costs incurred in enforcing this Agreement, including attorney's fees.
11. Unless otherwise expressly authorized herein, the parties agree that this is a non-exclusive Agreement. The parties also expressly acknowledge and agree that the 22<sup>nd</sup> DAA may enter into agreements with other Sponsors and/or Sponsors offering the same or similar services or products during the term of this Agreement.
12. In all circumstances, Sponsor shall be solely responsible for damage to, or loss of, Sponsor's property, including without limitation all vehicles, equipment, materials, products, and supplies, except to the extent caused by the sole negligence or willful misconduct of the 22<sup>nd</sup> DAA. Inadequate protection or security cannot be considered negligence of the 22<sup>nd</sup> DAA.
13. Sponsor and Sponsor's employees shall dress uniformly and shall be courteous, efficient, and neat and clean in appearance at all times. Identification as Sponsor's employee will be prominently always displayed. Sponsor understands and agrees that 22<sup>nd</sup> DAA management, at its sole and absolute discretion, may determine that a person or agent utilized by Sponsor in the performance of this Agreement, due to his or her appearance, conduct, or demeanor may be unacceptable to the 22<sup>nd</sup> DAA, this includes overly aggressive sales tactics, if it is determined that such appearance, conduct, or demeanor is detrimental to 22<sup>nd</sup> DAA's operations. Sponsor agrees to immediately correct the behavior or remove such person or agent from operations arising out of this Agreement. Determination by State management regarding these matters shall be final. Sponsor agrees that it will not sell, exchange, or barter, or permit its employees to sell, exchange or barter, any ticket, admission, permit, or license issued by the 22<sup>nd</sup> DAA to the Sponsor or its employees.
14. Sponsor is required to comply with the rules and requirements contained in the Licensee Handbook, which is made a part of this Agreement by this reference. If the 22<sup>nd</sup> DAA determines, in its sole and absolute discretion, that Sponsor violated the rules or requirements of the Licensee Handbook, the 22<sup>nd</sup> DAA will provide Sponsor with written notice of the violation(s). If Sponsor fails to correct the violation(s) within 24 hours of delivery of the written notice, the 22<sup>nd</sup> DAA may terminate the Agreement, in its sole and absolute discretion, under Section 17 below.
15. Sponsor is authorized to sell or promote only those products or services specifically identified in this Agreement. If Sponsor sells or promotes any product or service not specifically identified in this Agreement, the 22<sup>nd</sup> DAA may, in its sole and absolute discretion, terminate this Agreement in accordance with Sections 15 and 17. If, during the performance of this Agreement, a dispute arises between the Sponsor and the 22<sup>nd</sup> DAA, which cannot be settled by discussion, the Sponsor shall, within eight hours of the incident, which gave rise to the dispute, submit a written statement to 22<sup>nd</sup> DAA. A decision by the 22<sup>nd</sup> DAA, in writing, shall be given to the Sponsor within four hours of receipt of such a statement, and shall be final and conclusive. The Sponsor shall continue to perform the requirements under this Agreement without interruptions during the dispute period.
16. The 22<sup>nd</sup> DAA reserves the sole and exclusive right to terminate this Agreement, with or without cause, in whole or in part, at any time by written notice to the Sponsor. The Sponsor shall promptly submit its claim for any prorated fees within 24 hours of the written notice of termination to the 22<sup>nd</sup> DAA to be paid to the Sponsor. If the Sponsor has any vehicles, equipment, and materials on 22<sup>nd</sup> DAA property, the Sponsor must remove this property within 24 hours of the written notice of termination.
17. Further, in the event that Sponsor is found by a court of law to be in violation of State or federal law regarding discrimination or harassment, or if Sponsor engages in business practices or activities deemed by the 22<sup>nd</sup> DAA to be inappropriate or detrimental to the interests of the 22<sup>nd</sup> DAA, it is agreed that the 22<sup>nd</sup> DAA may immediately terminate this Agreement.

18. It is understood and agreed that neither the 22<sup>nd</sup> DAA nor Sponsor shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure constitute default or breach of contract, if such delay or failure is caused by "Force Majeure." For purposes of this agreement, Force Majeure includes, but is not limited to, acts of God (such as earthquakes, floods, wildfires, hurricanes, volcanic eruptions, and other natural disasters that render performance impossible), war, riots, acts of public enemy, labor disputes that result in work stoppage, epidemics, pandemics, and governmental restrictions, appropriations, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Agreement) or other cause without fault attributable to and beyond the control of the party obligated to perform (except financial inability). Further, if either 22<sup>nd</sup> DAA or Sponsor will be delayed or prevented from the performance of any act required hereunder by reason of Force Majeure, performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. If by reason of Force Majeure, performance is rendered impossible even if the period for performance is extended, this Agreement shall terminate. Except for delay or failure in performance caused by "Force Majeure," nothing in this Paragraph shall excuse Sponsor from prompt payment of any rent or any other charge required of Sponsor. Except as otherwise provided in this section or elsewhere in this Agreement or unless due by default of the 22<sup>nd</sup> DAA, if Sponsor shall for any reason fail to occupy the 22<sup>nd</sup> DAA, no refund shall be made of any amounts paid by Sponsor to the 22<sup>nd</sup> DAA hereunder.
19. The parties agree that this Agreement shall be interpreted as if drafted by both parties.
20. The San Diego County Fair is a non-smoking event. Smoking is only allowed in designated areas. Please ensure that all Sponsors' employees, agents, and vendors comply with this policy
21. **Responsibilities of Sponsor:**
- a) Operate and maintain the Scootaround booths at the 2025, 2026, 2027, 2028 & 2029 San Diego County Fairs for all hours open to the public.
  - b) Provide examples of all literature, samples and merchandise to be distributed at the Scootaround booths. These items must be pre-approved by the District's Sponsorship office.
  - c) Provide all Scootaround marketing materials and logo artwork to the District's Sponsorship office upon request.
  - d) Work with the Fair to develop a social media campaign to promote Scootaround's services at Fair in each year of this Agreement.
  - e) Provide a web-based reservation system for the Fairs covered in this Agreement.
  - f) Provide a customer service contact whose phone number will be on the Fair's website.
  - g) Provide the equipment necessary to service a fair of the size of the San Diego County Fair.
  - h) Provide all Scootaround tents to be used in the designated space. Scootaround agrees to use the Districts tent provider.

22. **Responsibilities of the District:**

- a) Provide exclusivity for the Fair in the mobility rental category. No other entity shall rent scooters, wheelchairs or other mobility devices at the Fair during the term of this Agreement.
- b) Provide an approximate 20' x 50' space outside the O'Brien gate for the rental of mobility units.
- c) Provide an approximate 20' x 40' space inside the Arena gate for the rental of mobility units.
- d) Provide an approximate 10' x 10' space inside the West gate for the rental of mobility units should the need arise to have booth at this gate. Staffing this booth will be mutually determined.
- e) Provide electricity to all tents at no extra cost to Scootaround.
- f) Provide a link on the Fair's website to the Scootaround's web reservation system.
- g) Work with Scootaround to develop a social media campaign to highlight the reservation system.
- h) Include Sponsor's logo whenever and wherever the Fair's sponsors are listed.
- i) Include Sponsor's logo and link on the Fair's website for the duration of this agreement.
- j) Provide twenty (20) sponsor badges for staff allowing unlimited admission the Fair.
- k) Provide forty (40) single admission Fair tickets valid any day of the Fair.
- l) Provide ninety (90) single day general lot parking passes valid any day of the Fair.
- m) Provide an exclusive period of negotiation to extend this Agreement for another three years. This period will be from the end of the 2029 Fair to October 1, 2029. If no agreement is agreed upon by both parties, the District will be able to discuss the opportunity with other parties.

STATE OF CALIFORNIA  
**SPONSORSHIP AGREEMENT**  
(Rev 11/19)

AGREEMENT NUMBER

**SPO-25-053**

1. This Agreement is entered into between the State Agency and the Sponsor named below:

STATE AGENCY'S NAME

**22<sup>nd</sup> District Agricultural Association**

SPONSOR'S NAME

**Kahoots**

2. The term of this Agreement is: **June 11, 2025 – July 10, 2027**

3. The amount of this Sponsorship Agreement is: **\$62,500.00 Contract Price**



4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

**Exhibit A – Sponsorship Terms**

**Exhibit B – Insurance Requirements**

Sponsor agrees to provide a valid Certificate of Insurance indicating a minimum \$1,000,000 coverage for General Liability, Automobile Liability and Workers Compensation, in accordance with Insurance Requirements attached herewith and made part of this Agreement.

**IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.**

SPONSOR		California State Use Only
SPONSOR'S NAME <b>Kahoots</b>		
BY (Authorized Signature) 	DATE SIGNED	
PRINTED NAME AND TITLE OF PERSON SIGNING <b>Alex Barbieri</b>		
ADDRESS <b>2020 Main St., Ramona, California 92065</b>		
STATE OF CALIFORNIA		
AGENCY NAME <b>22<sup>nd</sup> District Agricultural Association</b>		
BY (Authorized Signature) 	DATE SIGNED	
PRINTED NAME AND TITLE OF PERSON SIGNING <b>Carlene Moore, CEO/General Manager</b>		
ADDRESS <b>2260 Jimmy Durante Blvd Del Mar, CA 92014-2216</b>		

**431-102-00**

**SPO-25-053**  
**Kahoots**  
**Exhibit A - Sponsorship Terms**  
**2025, 2026 & 2027 San Diego County Fairs**

1. This sponsorship agreement (“Agreement”) includes the terms and conditions to which Kahoots (“Sponsor”) has agreed to become a sponsor at the 2025, 2026 & 2027 San Diego County Fairs (“Fair”), produced by the 22nd District Agricultural Association, a California state institution (“District” or “22<sup>nd</sup> DAA”). The total cost of this sponsorship covered by this Agreement is \$62,500.00.
2. A list of privileges and rights afforded to Sponsor is included herein. Sponsor must sign this Agreement and return it to the Del Mar Fairgrounds no later than April 1, 2025.
3. Sponsor shall make payment of the sponsorship on the following schedule:
  - a) \$17,500 payment on May 1, 2025
  - b) \$20,000 payment on May 1, 2026.
  - c) \$25,000 payment on May 1, 2027.
4. Sponsor will have a no fault opt out clause to be exercised no later than January 1, 2026, for the remaining two years of contract. If no notice is given, the remaining two years of the contract will be in force.
5. Sponsor shall not enter into any third-party promotions without prior written authorization from the 22<sup>nd</sup> DAA.
6. Without the prior written consent of the 22<sup>nd</sup> DAA, this Agreement shall not be assigned or transferred by Sponsor to any other party either in whole or in part.
7. To the fullest extent permitted by law, Sponsor shall defend, indemnify, and hold harmless the State of California, the 22nd District Agricultural Association aka Del Mar Fairgrounds/San Diego County Fair, and their respective agents, directors, and employees (collectively the “State”) from and against all claims, damages, losses, and expenses, of every kind, nature and description (including, but not limited to, attorney’s fees, expert fees, and costs of suit), directly or indirectly arising from, or in any way related to the performance or nonperformance of this Agreement, regardless of responsibility of negligence; by reason of death, injury, property damage, or any claim arising from the alleged violation of any state or federal accessibility law, statute or regulation, (including but not limited to, the Americans With Disabilities Act, and/or any state, local, successor, or comparable provision of law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the 22<sup>nd</sup> DAA. Provided, however, that in no event shall Sponsor be obligated to defend or indemnify the State with respect to the sole negligence or willful misconduct of the 22<sup>nd</sup> DAA, its employees, or agents (excluding the Sponsor herein, or any of its employees or agents.)
8. This Agreement does not constitute a partnership, joint venture or principal-agent relationship between the parties. The Sponsor, and the agents and employees of Sponsor, in the performance of this Agreement shall act in an independent capacity and not as officers or employees or agents of the District or the State of California.
9. Where the terms of this Agreement or 22<sup>nd</sup> DAA documents are more specific, or are inconsistent or in conflict with the provisions, terms, and conditions set forth in a proposal by Sponsor or Sponsor’s documents, both parties agree that the terms set forth in 22<sup>nd</sup> DAA documents shall supersede and take precedence over Sponsor’s proposal or Sponsor’s documents.
10. It is agreed by the parties that this Agreement constitutes the complete and entire Agreement between the parties. No amendments, alterations or other variations of the terms of this Agreement shall be valid unless made in writing and signed by the parties.
11. It is agreed by the parties that the laws of the State of California shall govern and in the event of litigation that the proper place of venue is in San Diego, California.

12. In the event the Sponsor breaches the terms of this Agreement, the 22<sup>nd</sup> DAA shall be entitled to recover, in addition to any other damages and remedies that they may be entitled to, all costs incurred in enforcing this Agreement, including attorney's fees.
13. Unless otherwise expressly authorized herein, the parties agree that this is a non-exclusive Agreement. The parties also expressly acknowledge and agree that the 22<sup>nd</sup> DAA may enter into agreements with other Sponsors and/or Sponsors offering the same or similar services or products during the term of this Agreement.
14. In all circumstances, Sponsor shall be solely responsible for damage to, or loss of, Sponsor's property, including without limitation all vehicles, equipment, materials, products and supplies, except to the extent caused by the sole negligence or willful misconduct of the 22<sup>nd</sup> DAA. Inadequate protection or security cannot be considered negligence of the 22<sup>nd</sup> DAA.
15. Sponsor and Sponsor's employees shall dress uniformly and shall be courteous, efficient and neat and clean in appearance at all times. Identification as Sponsor's employee will be prominently displayed at all times. Sponsor understands and agrees that 22<sup>nd</sup> DAA management, at its sole and absolute discretion, may determine that a person or agent utilized by Sponsor in the performance of this Agreement, due to his or her appearance, conduct, or demeanor may be unacceptable to the 22<sup>nd</sup> DAA, this includes overly aggressive sales tactics, if it is determined that such appearance, conduct, or demeanor is detrimental to 22<sup>nd</sup> DAA operations. Sponsor agrees to immediately correct the behavior or remove such person or agent from operations arising out of this Agreement. Determination by 22<sup>nd</sup> DAA management regarding these matters shall be final. Sponsor agrees that it will not sell, exchange or barter, or permit its employees to sell, exchange or barter, any ticket, admission, permit, or license issued by the 22<sup>nd</sup> DAA to the Sponsor or its employees.
16. Sponsor is required to comply with the rules and requirements contained in the Licensee Handbook, which is made a part of this Agreement by this reference. If the 22<sup>nd</sup> DAA determines, in its sole and absolute discretion, that Sponsor violated the rules or requirements of the Licensee Handbook, the 22<sup>nd</sup> DAA will provide Sponsor with written notice of the violation(s). If Sponsor fails to correct the violation(s) within 24 hours of delivery of the written notice, the 22<sup>nd</sup> DAA may terminate the Agreement, in its sole and absolute discretion, under Section 17 below.
17. Sponsor is authorized to sell or promote only those products or services specifically identified in this Agreement. If Sponsor sells or promotes any product or service not specifically identified in this Agreement, the 22<sup>nd</sup> DAA may, in its sole and absolute discretion, terminate this Agreement in accordance with Sections 15 and 17. If, during the performance of this Agreement, a dispute arises between the Sponsor and the 22<sup>nd</sup> DAA, which cannot be settled by discussion, the Sponsor shall, within eight hours of the incident, which gave rise to the dispute, submit a written statement to the 22<sup>nd</sup> DAA. A decision by the 22<sup>nd</sup> DAA, in writing, shall be given to the Sponsor within four hours of receipt of such statement, and shall be final and conclusive. The Sponsor shall continue to perform the requirements under this Agreement without interruptions during the dispute period.
18. The 22<sup>nd</sup> DAA reserves the sole and exclusive right to terminate this Agreement, with or without cause, in whole or in part, at any time by written notice to the Sponsor. The Sponsor shall promptly submit its claim for any prorated fees within 24 hours of the written notice of termination to the 22<sup>nd</sup> DAA to be paid to the Sponsor. If the Sponsor has any vehicles, equipment and materials on State property, the Sponsor must remove this property within 24 hours of the written notice of termination.
19. Further, in the event that Sponsor is found by a court of law to be in violation of State or federal law regarding discrimination or harassment, or if Sponsor engages in business practices or activities deemed by 22<sup>nd</sup> DAA to be inappropriate or detrimental to the interests of the 22<sup>nd</sup> DAA, it is agreed that the 22<sup>nd</sup> DAA may immediately terminate this Agreement.
20. It is understood and agreed that neither the 22<sup>nd</sup> DAA nor Sponsor shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure constitute default or breach of contract, if such delay or failure is caused by "Force Majeure." For purposes of this agreement, Force Majeure includes, but is not limited to, acts of God (such as earthquakes, floods, wildfires, hurricanes, volcanic eruptions, and other natural disasters that render performance impossible), war, riots, acts of public enemy, labor disputes that result in work stoppage, epidemics, pandemics, and governmental restrictions, appropriations, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Agreement) or other

cause without fault attributable to and beyond the control of the party obligated to perform (except financial inability). Further, if either 22<sup>nd</sup> DAA or Sponsor will be delayed or prevented from the performance of any act required hereunder by reason of Force Majeure, performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. If by reason of Force Majeure, performance is rendered impossible even if the period for performance is extended, this Agreement shall terminate. Except for delay or failure in performance caused by "Force Majeure," nothing in this Paragraph shall excuse Sponsor from prompt payment of any rent or any other charge required of Sponsor. Except as otherwise provided in this section or elsewhere in this Agreement or unless due by default of the 22<sup>nd</sup> DAA, if Sponsor shall for any reason fail to occupy the 22<sup>nd</sup> DAA, no refund shall be made of any amounts paid by Sponsor to the 22<sup>nd</sup> DAA hereunder.

21. The parties agree that this Agreement shall be interpreted as if drafted by both parties.
22. The San Diego County Fair is a non-smoking event. Smoking is only allowed in designated areas. Please ensure that all Sponsors' employees, agents and vendors comply with this policy.
23. **Responsibilities of Sponsor:**
  - a) Provide co-partnered social media campaigns across all platforms promoting the relationship of the sponsor and the Fair.
  - b) Provide to the District's Sponsorship office prior to May 1<sup>st</sup> in each year of this Agreement, examples of all literature, samples, and merchandise to be sold or distributed during the Fair. Only 22<sup>nd</sup> DAA approved items may be sold or distributed by Sponsor.
  - c) Provide Sponsor's brand logo, ad creative, and public address copy to the 22<sup>nd</sup> DAA's Sponsorship office upon request.
  - d) Provide banners to be used by the 22<sup>nd</sup> DAA
  - e) Provide assets applicable (TBD) to Theme Building for the entirety of the Fair
  - f) Provide Kahoots staff to provide product and pet information within the Theme building each day the fair is open on a mutually agreed basis.
24. **Responsibilities of the 22<sup>nd</sup> DAA:**
  - a) Naming rights to the Theme Building (located at the entrance of the Fair) *\*2026/2027 will be Co-Sponsor of Livestock Halls*
  - b) Allow Kahoots staff to operate within the Theme Building for education/product knowledge all days the Fair is open on a mutually agreed basis.
  - c) Provide a Social Media campaign advertising Kahoots/SDCF partnership. Specific details TBD.
  - d) Include Sponsor's logo on entrance signage where the Fair's sponsors are listed.
  - e) Provide logo and ink on the Fairs webpage for duration of this Agreement.
  - f) Display two (2) banners in Fair in close proximity to the Theme Building
  - g) Provide one hundred (100) single admission Fair tickets valid any day of the Fair.
  - h) Provide seventy-five (75) single day parking passes valid any day of the Fair
  - i) Provide four (4) season track parking passes
  - j) 22<sup>nd</sup> DAA will allow opportunities for Kahoots Fair approved vendors to showcase their products on a mutually agreed basis.
  - k) 22<sup>nd</sup> DAA will purchase feed and bedding used during the Fair through Kahoots. Amounts TBD.

## ITEM 7 – MATTERS OF INFORMATION

January 2025

### Expense Contracts Executed per Delegated Authority

Standard Agreements up to \$50,000						
Contract #	Contractor	Purpose	Acquisition Method	Effort Type	Term	Not to Exceed
24-056	Elite Show Services	Firewatch Patrol (Oct. 2024 Services)	Sole Source - Public Exigency	Until Completed	10/1/2024 - 10/23/2024	\$35,064.15
24-057	Tyson Blake	Craft Brew Competition Assistant Coordinator	Exemption - Highly Specialized Consultant	Until Completed	12/9/2024 - 10/31/2025	\$4,875.00
24-058	Tom Nickel	Craft Brew Competition Coordinator	Exemption - Highly Specialized Consultant	Until Completed	12/9/2024 - 10/31/2025	\$6,750.00
24-059	Richard A. Cook	Homemade Wine Competition & Toast of the Coast Assistant Coordinator	Exemption - Highly Specialized Consultant	Until Completed	12/9/2024 - 10/31/2025	\$6,000.00
24-060	Roger Leighton	Homemade Wine Competition & Toast of the Coast Coordinator	Exemption - Highly Specialized Consultant	Until Completed	12/9/2024 - 10/31/2025	\$6,000.00
24-061	New Horizons Learning	Software and Business Development Training	Exemption - Educational Services	Until Completed	11/27/2024 - 11/26/2025	\$45,000.00
25-004	DRH and Company	Records Management	Exemption - Highly Specialized Consultant	Until Completed	1/1/2025 - 5/15/2025	\$45,000.00

Individual Project Agreements (IPA) with California Construction Authority (CCA)			
Project #	Purpose	Term	Not to Exceed
022-24-595634 FCO #002	Grandstand Fire Panel Replacement	2/27/2024 – 2/27/2025	\$590,589.44



**STANDARD AGREEMENT**

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

24-056

GL ACCOUNT NUMBER (If Applicable)

GL# 600100-20

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)

CONTRACTOR NAME

Elite Show Services, Inc.

2. The term of this Agreement is:

START DATE

October 1, 2024

THROUGH END DATE

October 23, 2024

3. The maximum amount of this Agreement is:

\$35,064.15

Thirty Five Thousand Sixty Four Dollars and Fifteen Cents

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	3
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit C*	General Terms and Conditions (April 2017)	4
Exhibit D	Special Terms & Conditions	5
Exhibit D, Attachment I	Insurance Requirements	4
Exhibit E	Preventing Storm Water Pollution	1
Exhibit F	22nd DAA Resource Conservation Policy	1

Items shown with an asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

**CONTRACTOR**

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Elite Show Services, Inc.

CONTRACTOR BUSINESS ADDRESS

2878 Camino del Rio South #260

CITY

San Diego

STATE

CA

ZIP

92108

PRINTED NAME OF PERSON SIGNING

John Kontopuls

TITLE

President &amp; CEO

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

## EXHIBIT A SCOPE OF WORK

### 1. SERVICES OVERVIEW

- A. Elite Show Services, Inc., hereinafter referred to as the Contractor, agrees to provide to the 22<sup>nd</sup> District Agricultural Association / Del Mar Fairgrounds, hereinafter referred to as District, with services as described herein:

The Contractor shall provide unarmed security personnel to perform Fire Watch duties via foot patrol. This patrol encompasses the Grandstand floors, one through six divided into East and West patrol areas and the entirety of the O'Brien Hall during interim events as requested by the Public Safety Manager.

The Contractor shall provide two (2) uniformed security guards per shift for a total of three (3) shifts to maintain a continuous, 24-hour Fire Watch in the Grandstand Building. The shifts for the Grandstand Building are scheduled from 6:00 a.m. to 2:30 p.m., 2:00 p.m. to 10:30 p.m., and 10:00 p.m. to 6:30 a.m., including all holidays. The shifts for the O'Brien Hall shall be scheduled as needed by the District.

- B. The services shall be performed at the Del Mar Fairgrounds Grandstand building and O'Brien Hall, 2260 Jimmy Durante Blvd, Del Mar, CA 92014.

The services shall be provided beginning October 1, 2024 and are estimated to continue through October 23, 2024. However, services may end sooner if the fire alarm panels in the Grandstand and O'Brien Hall are restored to working order or if the Fire Code Official determines that the mandatory fire watch is no longer necessary.

- C. The Contractor shall ensure that any staff assigned to this project do not incur overtime to complete the tasks outlined in this Agreement. Staff shifts shall be limited to a maximum of 8 hours per day. Overtime shall not be incurred due to insufficient staffing by Contractor.
- D. The Project Representatives during the term of this Agreement will be:

22 <sup>nd</sup> District Agricultural Association	Elite Show Services, Inc.
Name: Mark Elvin, Public Safety Director	Name: Jamie Doan, Account Executive
Address: 2260 Jimmy Durante Boulevard Del Mar, CA 92014	Address: 2878 Camino del Rio South, #260 San Diego, CA 92108
Phone: 858-792-4282	Phone: 619-504-9347
e-mail: <a href="mailto:Melvin@sdfair.com">Melvin@sdfair.com</a>	e-mail: <a href="mailto:jdoan@eliteservicesusa.com">jdoan@eliteservicesusa.com</a>

The parties may change their Project Representative upon providing ten (10) business days written notice to the other party. Said changes shall not require an Amendment to this Agreement.

### 2. WORK TO BE PERFORMED:

- A. Background and Goals

## **EXHIBIT A SCOPE OF WORK**

### **1. Mandatory Fire Watch for Grandstand Building and O'Brien Hall**

Due to the Grandstand Building and O'Brien Hall fire alarm system being inoperable, the State of California Fire Marshal office has mandated a 24-hour, seven (7) day a week fire watch.

The goal is to provide a ceaseless fire watch until the alarm system has been repaired and restored to working order in the Grandstand Building and O'Brien Hall or until the State of CA Fire Marshal directs differently. Contractor shall follow the schedule as provided by the Public Safety Manager until the fire watch has been discontinued.

### **2. Fire Watch Requirements**

The Fire Code Official shall require a Fire Watch when a required fire protection system is out of service or where the fire code official deems necessary in order to preserve the life and safety of occupants in an occupied building. When required by the Fire Code Official, a property shall be under mandatory fire watch until no longer required by the Fire Code Official.

Code Reference:

2022 California Fire Code, Chapter 9, Section 901.7 System out of Service  
2022 California Fire Code, Chapter 2, Section 202, Fire Watch

## **B. Tasks and Deliverables**

1. The Contractor shall be responsible for the performance of tasks, and for the preparation of deliverables as specified in this Exhibit A.
  - a. The Contractor shall provide all technical and administrative services as needed for Agreement completion, including monitoring, supervising, and reviewing all work performed. In addition, the Contractor shall coordinate budgeting and scheduling to ensure that the Agreement is completed within budget, on schedule, and in accordance with approved procedures, applicable laws, and regulations throughout Agreement term.
2. Contractor shall provide two (2) uniformed guards per shift, 24 hours a day, seven (7) days a week, to patrol the Grandstand Building on foot. Contractor shall provide one (1) uniformed guard per shift to patrol the O'Brien Hall on foot during interim events while patrons are present inside the O'Brien Hall. The guards shall monitor for fire hazards or any fire-related incidents while ensuring compliance with safety protocols.
3. Contractor Personnel providing fire watch foot patrol inside the Grandstand shall follow the District Guard shift schedule of 6:00 a.m. to 2:30 p.m., 2:00 p.m. to 10:30 p.m., and 10 p.m. to 6:30 a.m. Contractor Personnel providing fire watch foot patrol

## EXHIBIT A SCOPE OF WORK

inside the O'Brien shall follow the schedule provided by the Public Safety Manager, which is in accordance with the interim event schedule. The anticipated shift schedule for O'Brien Hall foot patrol is 7:00 a.m. to 2:00 p.m., 1:30 p.m. to 8:30 p.m. Hours are subject to change.

4. Contractor shall provide staff to perform Fire Watch with Contractor-employed guards. Guards shall not be supplied by a temporary work agency.
5. Contractor shall promptly notify the District Lead Guard or most senior District guard on duty, if the Lead is absent, of any gaps in staffing coverage via immediate phone call.
6. Contractor shall provide a copy of the sign in/out sheet showing staffing on a weekly basis, every Friday.
7. Contractor shall provide all their security personnel with a State of CA-BSIS approved uniform prior to the start of their shift.
8. Contractor shall provide each guard with an operating flashlight.
9. Fire Watch Guards shall turn in a completed Fire Watch Log at the end of each shift. The logs must detail all fire watch activities, any observed incidents, and actions taken. When the San Diego County Fair is not taking place, completed Fire Watch Logs must be submitted to District's Lead Guard.
10. Contractor's Fire Watch Guards shall not be required or permitted to perform any other duties.

### 3. Total Estimated Hours Schedule:

Job Classification	Location	No. of Guards per Shift	Estimated No. of Shifts	Date Started	Date Ended	Estimated Hours Per Day	Total Days	Total Estimated Hours
Uniformed Security Guard	Grandstand	2	3	10/1/2024	10/23/2024	48	23	1,104
Uniformed Security Guard	O'Brien	1	2	10/1/2024	10/23/2024	13.5	6	81

**STANDARD AGREEMENT**

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

24-057

GL ACCOUNT NUMBER (If Applicable)

600100-60

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)

CONTRACTOR NAME

Tyson Blake

2. The term of this Agreement is:

START DATE

December 9, 2024

THROUGH END DATE

October 31, 2025

3. The maximum amount of this Agreement is:

\$4,875.00

Four Thousand Eight Hundred Seventy Five Dollars and Zero Cents

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	4
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit C*	General Terms and Conditions (April 2017)	4
Exhibit D	Special Terms & Conditions	5
Exhibit E	Preventing Storm Water Pollution	1
Exhibit F	22nd DAA Resource Conservation Policy	1

Items shown with an asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

**CONTRACTOR**

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Tyson Blake

CONTRACTOR BUSINESS ADDRESS

9660 Ramsgate Way

CITY

Santee

STATE

CA

ZIP

92071

PRINTED NAME OF PERSON SIGNING

Tyson Blake

TITLE

Assistant Coordinator

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

## EXHIBIT A SCOPE OF WORK

### A. SERVICES OVERVIEW

1. Tyson Blake, hereinafter referred to as Contractor, agrees to provide to the 22nd District Agricultural Association, hereinafter referred to as District, assistant coordinator services for the 2025 San Diego County Fair Craft Brew Competition.
2. Services shall be performed both remotely and onsite at the District, located at 2260 Jimmy Durante Boulevard, Del Mar, California, 92014.
3. Contractor represents expertise in beer competitions and possesses a reputation in the beer industry, both of which shall be utilized to ensure a successful competition.
4. Project representatives during the term of this Agreement will be:

District	Contractor
Name: Mary Martineau, Agriculture Programs Supervisor	Name: Tyson Blake, Assistant Coordinator
Address: 2260 Jimmy Durante Boulevard Del Mar, California 92014	Address: 9660 Ramsgate Way Santee, California 92071
Phone: (858) 792-4247	Phone: (858) 717-1717
Email: <a href="mailto:mmartineau@sdfair.com">mmartineau@sdfair.com</a>	Email: <a href="mailto:tysonblake79@yahoo.com">tysonblake79@yahoo.com</a>

Either party may change their respective project representative upon providing ten (10) business days' written notice to the other party. Said changes shall not require an Amendment to this Agreement.

### B. WORK TO BE PERFORMED

1. San Diego County Fair Craft Beer Competition
  - a. At the direction of District Management, Contractor shall be responsible for assisting in the coordination of the District's San Diego County Fair Craft Beer Competition, hereinafter referred to as Competition, to be held March 20 through 23, 2025. Contractor's expertise in beer competitions and reputation in the brewing industry shall be utilized to ensure a successful event.
2. Contractor, in collaboration with the Competition Coordinator, shall assume full responsibility for various aspects of the Competition including but not limited to:
  - a. Contractor shall assist the District's Agriculture, Education and Arts Department in the development of entry rules, creation of classifications, guidelines for awards and all forms pertinent to the Competition, including but not limited to judging and comment forms.
  - b. In collaboration with District management, Contractor shall assist in planning and developing Competition event schedules. Event schedules include, but are not limited to the following:

**EXHIBIT A**  
**SCOPE OF WORK**

- i. Building availability
  - ii. Contests
  - iii. Entry deadlines
  - iv. Shipping schedules
- c. Contractor shall develop Competition procedures and submit for approval of District management no later than December 13, 2024. Contractor must ensure Competition procedures are followed by all Competition participants.
- d. Contractor shall provide marketing materials and outreach to breweries to secure repeat participants and attract new participants. At minimum, Contractor, in conjunction with Competition Coordinator, must solicit ten (10) new breweries and show proof of marketing efforts to the District as part of the validation of completing this effort. An increase in new brewery participants will complete the effort.
- e. Contractor shall provide marketing and outreach to the general population to increase participation over 2024 entries by a minimum of twenty-five (25) entries. Contractor must show proof of marketing efforts to the District as validation of completing this effort no later than February 28, 2025.
- i. Acceptable proof of marketing efforts are copies of emails, proof of mailing or telephone records.
  - ii. Marketing proof may be submitted in hard copy form or via email as one attachment in portable document format (pdf) to District's project representative.
- f. Contractor shall coordinate Competition judge arrangements.
- i. Contractor shall make contact with qualified individuals for judging of the Competition and verify availability for Competition dates.
  - ii. For each judge secured, Contractor shall provide all relevant information required to create a contract between judge and the District, including each judge's name, address, phone number, email address, and compensation requirements no later than February 28, 2024.
- g. Contractor shall review individual judge agreements and Competition rules and requirements with each judge to ensure their understanding of the Competition and the responsibility required in being a judge.
- h. Contractor agrees to coordinate with volunteers provided by District to be utilized before and during the judging process.
- i. Contractor shall coordinate with District's Entries Office and appropriate software developers to create online entry registration.
- j. Contractor agrees to assist District with other duties unique to the Competition as they may arise.
- k. Contractor shall be on site for the Competition events and awards from March 20 through March 23, 2025, from, at minimum, 8:00 a.m. to 5:00 p.m. Contractor acknowledges changes in these times may occur, and that additional hours may be

## **EXHIBIT A SCOPE OF WORK**

required for a successful event and agrees to work all necessary hours as agreed upon by Contractor and District.

- I. Contractor shall respond to any and all District inquiries, whether attempted via email or telephone, within seventy-two (72) hours of initial attempt to contact Contractor.
3. Contractor shall be responsible for paying all travel-related expenses to and from the District, including but not limited to mileage, travel, lodging and food. District will not reimburse Contractor for any travel related expenses or provide a daily per diem.
4. Contractor shall provide a list to the District of any supplies required for the Competition, no later than January 17, 2025. In the event additional supplies are needed outside of the initial order provided by the District, Contractor shall submit in writing a supply list to the District a minimum of fourteen (14) calendar days, prior to the time supplies are needed, to request the District to purchase the supplies. Purchasing the additional supplies will be at the complete and sole discretion of the District. Contractor agrees no reimbursement will be provided by the District for supplies purchased by Contractor.
5. Contractor shall provide to the District a final report following the completion of the Competition and must attend any and all Competition evaluation meetings at the District.
  - a. Report shall be comprised of full details of competition entries and results, as well as a summary and evaluation of competition outcomes including successes, lessons learned, areas of improvement, etc.
  - b. Results and follow-up report must be prepared and ready for publishing within fourteen (14) calendar days from the last day of the Competition.
  - c. Follow-up evaluation meetings will occur within ninety (90) calendar days following the closing of the 2025 San Diego County Fair (SDCF).
7. Beer Experience
  - a. Contractor shall assist District with promotion of the Beer Experience held during the annual SDCF, by promoting throughout the craft brewery community to increase potential exhibitors and attendees.
  - b. Contractor shall assist District in the planning and implementation of the awards ceremony.
  - c. Contractor shall attend any and all Beer Experience meetings which will occur within ninety (90) calendar days following the closing of the 2025 SDCF.

### **C. DISTRICT RESPONSIBILITIES**

1. The District shall be responsible for creating the marketing materials to be used by the Contractor.
2. District shall provide volunteers to assist in moving and serving brewery entries, as well as other areas as needed.



**EXHIBIT A**  
**SCOPE OF WORK**

3. District shall be responsible for set-up and maintenance of the entry system.
4. District shall provide all necessary credentials to the Contractor, such as parking and identification badges.

**STANDARD AGREEMENT**

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

24-058

GL ACCOUNT NUMBER (If Applicable)

600100-60

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)

CONTRACTOR NAME

Tom Nickel

2. The term of this Agreement is:

START DATE

December 9, 2024

THROUGH END DATE

October 31, 2025

3. The maximum amount of this Agreement is:

\$6,750.00

Six Thousand Seven Hundred Fifty Dollars and Zero Cents

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	4
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit C*	General Terms and Conditions (April 2017)	4
Exhibit D	Special Terms & Conditions	5
Exhibit E	Preventing Storm Water Pollution	1
Exhibit F	22nd DAA Resource Conservation Policy	1

Items shown with an asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

**CONTRACTOR**

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Tom Nickel

CONTRACTOR BUSINESS ADDRESS

9660 Ramsgate Way

CITY

Santee

STATE

CA

ZIP

92071

PRINTED NAME OF PERSON SIGNING

Tom Nickel

TITLE

Coordinator

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

## EXHIBIT A SCOPE OF WORK

### A. SERVICES OVERVIEW

1. Tom Nickel, hereinafter referred to as Contractor, agrees to provide to the 22<sup>nd</sup> District Agricultural Association, hereinafter referred to as District, coordinator services for the 2025 San Diego County Fair Craft Brew Competition.
2. Services shall be performed both remotely and onsite at the District, located at 2260 Jimmy Durante Boulevard, Del Mar, California, 92014.
3. Contractor represents expertise in beer competitions and possess a reputation in the beer industry, both of which shall be utilized to ensure a successful competition.
4. Project representatives during the term of this Agreement will be:

District	Contractor
Name: Mary Martineau, Agriculture Programs Supervisor	Name: Tom Nickel, Coordinator
Address: 2260 Jimmy Durante Boulevard Del Mar, California 92014	Address: 9660 Ramsgate Way Santee, California 92071
Phone: (858) 792-4247	Phone: (858) 717-1717
Email: <a href="mailto:mmartineau@sdfair.com">mmartineau@sdfair.com</a>	Email: <a href="mailto:tom@nickelbeerco.com">tom@nickelbeerco.com</a>

Either party may change their respective project representative upon providing ten (10) business days' written notice to the other party. Said changes shall not require an Amendment to this Agreement.

### B. WORK TO BE PERFORMED

1. San Diego County Fair Craft Beer Competition
  - a. At the direction of District Management, Contractor, shall be responsible for coordination of the District's San Diego County Fair Craft Beer Competition, hereinafter referred to as Competition, to be held March 20 through 23, 2025. Contractor's expertise in beer competitions and reputation in the brewing industry shall be utilized to ensure a successful event.
2. Contractor, in collaboration with the Assistant Coordinator, shall assume full responsibility for various aspects of the Competition including but not limited to:
  - a. Contractor shall assist the District's Agriculture, Education and Arts Department in the development of entry rules, creation of classifications, guidelines for awards and all forms pertinent to the Competition, including but not limited to judging and comment forms.
  - b. In collaboration with District management, Contractor shall assist in planning and developing Competition event schedules. Event schedules include, but are not limited to the following:

**EXHIBIT A**  
**SCOPE OF WORK**

- i. Building availability
  - ii. Contests
  - iii. Entry deadlines
  - iv. Shipping schedules
- c. Contractor shall develop Competition procedures and submit for approval of District management no later than December 13, 2024. Contractor must ensure Competition procedures are followed by all Competition participants.
- d. Contractor shall provide marketing materials and outreach to breweries to secure repeat participants and attract new participants. At minimum, Contractor, in conjunction with Competition Assistant Coordinator, must solicit ten (10) new breweries and show proof of marketing efforts to the District as part of the validation of completing this effort. An increase in new brewery participants will complete the effort.
- e. Contractor shall provide marketing and outreach to the general population to increase participation over 2024 entries by a minimum of twenty-five (25) entries. Contractor must show proof of marketing efforts to the District as validation of completing this effort no later than February 28, 2025.
- i. Acceptable proof of marketing efforts are copies of emails, proof of mailing or telephone records.
  - ii. Marketing proof may be submitted in hard copy form or via email, as one attachment, in portable document format (pdf) to District's project representative.
- f. Contractor shall coordinate Competition judge arrangements.
- i. Contractor shall make contact with qualified individuals for judging of the Competition and verify availability for Competition dates.
  - ii. For each judge secured, Contractor shall provide all relevant information required to create a contract between judge and the District, including each judge's name, address, phone number, email address, and compensation requirements no later than February 28, 2024.
- g. Contractor shall review individual judge agreements and Competition rules and requirements with each judge to ensure their understanding of the Competition and the responsibility required in being a judge.
- h. Contractor agrees to coordinate with volunteers provided by District to be utilized before and during the judging process.
- i. Contractor shall coordinate with District's Entries Office and appropriate software developers to create online entry registration.
- j. Contractor agrees to assist District with other duties unique to the Competition as they may arise.
- k. Contractor shall be on site for the Competition events and awards from March 20 through March 23, 2025, from, at minimum, 8:00 a.m. to 5:00 p.m. Contractor

## **EXHIBIT A SCOPE OF WORK**

acknowledges changes in these times may occur, and that additional hours may be required for a successful event and agrees to work all necessary hours as agreed upon by Contractor and District.

- I. Contractor shall respond to any and all District inquiries, whether attempted via email or telephone, within seventy-two (72) hours of initial attempt to contact Contractor.
3. Contractor shall be responsible for paying all travel-related expenses to and from the District, including but not limited to mileage, travel, lodging and food. District will not reimburse Contractor for any travel related expenses or provide a daily per diem.
4. Contractor shall provide a list to the District of any supplies required for the Competition, no later than January 17, 2025. In the event additional supplies are needed outside of the initial order provided by the District, Contractor shall submit in writing a supply list to the District a minimum of fourteen (14) calendar days, prior to the time supplies are needed, to request the District to purchase the supplies. Purchasing the additional supplies will be at the complete and sole discretion of the District. Contractor agrees no reimbursement will be provided by the District for supplies purchased by Contractor.
5. Contractor shall provide to the District a final report following the completion of the Competition and must attend any and all Competition evaluation meetings at the District.
  - a. Report shall be comprised of full details of competition entries and results, as well as a summary and evaluation of competition outcomes including successes, lessons learned, areas of improvement, etc.
  - b. Results and follow-up report must be prepared and ready for publishing within fourteen (14) calendar days from the last day of the Competition.
  - c. Follow-up evaluation meetings will occur within ninety (90) calendar days following the closing of the 2025 San Diego County Fair (SDCF).
7. Beer Experience
  - a. Contractor shall assist District with promotion of the Beer Experience held during the annual SDCF, by promoting throughout the craft brewery community to increase potential exhibitors and attendees.
  - b. Contractor shall assist District in the planning and implementation of the awards ceremony.
  - c. Contractor shall attend any and all Beer Experience meetings which will occur within ninety (90) calendar days following the closing of the 2025 SDCF.

## **C. DISTRICT RESPONSIBILITIES**

1. The District shall be responsible for creating the marketing materials to be used by the Contractor.

**EXHIBIT A**  
**SCOPE OF WORK**

2. District shall provide volunteers to assist in moving and serving brewery entries, as well as other areas as needed.
3. District shall be responsible for set-up and maintenance of the entry system.
4. District shall provide all necessary credentials to the Contractor, such as parking and identification badges.

**STANDARD AGREEMENT**

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

24-059

GL ACCOUNT NUMBER (If Applicable)

600100-60

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)

CONTRACTOR NAME

Richard A. Cook

2. The term of this Agreement is:

START DATE

December 9, 2024

THROUGH END DATE

October 31, 2025

3. The maximum amount of this Agreement is:

\$6,000.00

Six Thousand Dollars and Zero Cents

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	6
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit C*	General Terms and Conditions (April 2017)	4
Exhibit D	Special Terms & Conditions	5
Exhibit D, Attachment I	Insurance Requirements	4
Exhibit E	Preventing Storm Water Pollution	1
Exhibit F	22nd DAA Resource Conservation Policy	1

Items shown with an asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

**CONTRACTOR**

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Richard A. Cook

CONTRACTOR BUSINESS ADDRESS

1121 Britem Court

CITY

Vista

STATE

CA

ZIP

92083

PRINTED NAME OF PERSON SIGNING

Richard A. Cook

TITLE

Coordinator/Assistant Coordinator

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

## EXHIBIT A SCOPE OF WORK

### A. SERVICES OVERVIEW

1. Rich Cook, hereinafter referred to as "Contractor" agrees to provide to the 22<sup>nd</sup> District Agricultural Association, hereinafter referred to as "District", with services as described herein: coordinator services for the 2025 Homemade Wine Competition and assistant coordinator services for 2025 Toast of the Coast Wine Competition.
2. Services shall be performed both remotely and onsite at the District, located at 2260 Jimmy Durante Boulevard, Del Mar, California 92014.
3. Project representatives during the term of this Agreement will be:

22 <sup>nd</sup> District Agricultural Association	Rich Cook
Name: Mary Martineau, Agriculture Programs Supervisor	Name: Rich Cook, Coordinator/Assistant Coordinator
Address: 2260 Jimmy Durante Boulevard Del Mar, CA 92014	Address: 1121 Briterm Court Vista, CA 92083
Phone: 858.792.4247	Phone: 760.522.3167
e-mail: <a href="mailto:mmartineau@sdfair.com">mmartineau@sdfair.com</a>	e-mail: <a href="mailto:winewiseguy@me.com">winewiseguy@me.com</a>

Either party may change respective project representative upon providing ten (10) business days' written notice to the other party. Said changes shall not require an Amendment to this Agreement.

### B. WORK TO BE PERFORMED

#### I. Toast of the Coast

1. At the direction of District Management, Contractor shall be responsible for assisting in the coordination of the District's Toast of the Coast Wine Competition hereinafter referred to as "TOTC", to be held **February 22 and 23, 2025**. Contractor's expertise in wine competitions and reputation in the wine industry shall be utilized to ensure a successful event.
2. Contractor shall assume full responsibility for various aspects of the TOTC including, but not limited to, the following:
  - a. Contractor shall assist the District's Agriculture, Education and Arts Department in the development of entry rules, creation of classifications, guidelines for awards and all forms pertinent to the TOTC, including but not limited to judging and comment forms.
  - b. In collaboration with District management, Contractor shall assist in planning and developing TOTC event schedules. Event schedules include, but are not limited to the following:
    - i. Building availability
    - ii. Contests



**EXHIBIT A**  
**SCOPE OF WORK**

- iii. Entry deadlines
- iv. Shipping schedules
- c. Contractor shall develop TOTC procedures and submit for approval of District management. Contractor must ensure TOTC procedures are followed by all TOTC participants.
- d. Contractor shall conduct outreach and distribute District provided marketing materials to wineries to secure repeat participants and attract new participants. At a minimum, Contractor, in conjunction with TOTC Coordinator, shall solicit twenty (20) new wineries and provide proof of marketing efforts to the District as validation of completing this task. An increase in new winery participants compared to total participants in 2024 shall successfully complete this task. Proof of marketing efforts and entries must be provided to the District no later than January 31, 2025.
- e. Contractor, in conjunction with TOTC Coordinator, shall conduct outreach and distribute District provided marketing materials to the general population to increase participation over 2024 entries by a minimum of forty (40) entries. Contractor shall provide proof of marketing efforts to the District as validation of completing this task no later than January 31, 2025.
  - i. Acceptable proof of marketing efforts are copies of emails, proof of mailing or telephone records.
  - ii. Marketing proof may be submitted in hard copy form or via email with one attachment in portable document format (pdf) to District's project representative.
- f. Contractor shall coordinate TOTC judge arrangements.
  - i. Contractor shall make contact with qualified individuals to serve as judges for the TOTC and verify availability for TOTC dates.
  - ii. For each judge secured, Contractor shall provide all relevant information required to create contract between judge and the District, including each judge's name, address, phone number, email address, payment amount and any temporary housing requirements no later than January 24, 2025.
- g. Contractor shall review individual judge agreements and TOTC rules and requirements with each judge to ensure their understanding of the TOTC and the responsibility required in being a judge.
- h. Contractor shall coordinate with volunteers provided by the District to be utilized before and during the judging process.
- i. Contractor shall be responsible for processing all TOTC entries.
  - i. Contractor shall coordinate with District's Entries office and appropriate software developers to create online entry registration.
  - ii. Contractor shall provide the District with access to the entry system.
  - iii. Contractor agrees District shall have full access to entry portal to view all entries, reports and/or history at any time.

## EXHIBIT A SCOPE OF WORK

- j. Contractor shall assist District with other duties unique to the TOTC as duties needed.
  - k. Contractor shall be on site for the TOTC on February 22 and 23, 2025 from, at minimum, 8:00 a.m. to 5:00 p.m. Contractor acknowledges changes in these times may occur, and that additional hours may be required for a successful event and agrees to work all necessary hours as agreed upon by Contractor and District.
  - l. Contractor shall respond to all District inquiries, whether attempted via email or telephone, within seventy-two (72) business hours of initial attempt to contact Contractor.
- 3. Contractor shall be responsible for paying all travel-related expenses to and from the District, including but not limited to mileage, travel, lodging and food. District shall not reimburse Contractor for any travel related expenses or provide a daily per diem.
  - 4. Contractor shall provide a list to the District of any supplies required for the TOTC, no later than January 10, 2025. In the event additional supplies are needed outside of the initial order provided by the District, Contractor shall submit in writing a supply list to the District a minimum of fourteen (14) calendar days, prior to the time supplies are needed, to request the District to purchase the supplies. Purchasing the additional supplies will be at the complete and sole discretion of the District. Contractor agrees no reimbursement will be provided by the District for supplies purchased by Contractor.
  - 5. Contractor shall provide to the District the results summary and a final report following the completion of the Competition and must attend any and all TOTC evaluation meetings at the District.
    - a. Report shall be comprised of full details of competition entries and results, as well as a summary and evaluation of competition outcomes including successes, lessons learned, areas of improvement, etc.
    - b. Results and follow-up report must be prepared and ready for publishing within fourteen (14) calendar days from the last day of the TOTC.
    - c. Follow-up evaluation meetings will occur within sixty (60) calendar days following the closing of the 2025 San Diego County Fair (SDCF).

### II. Homemade Wine Competition

- 1. At the direction of District Management, Contractor shall be responsible for coordinating the District's Homemade Wine Competition, hereinafter referred to as Competition, to be held **April 26 and 27, 2025**. Contractor's expertise in wine competitions and reputation in the wine industry shall be utilized to ensure a successful event.
- 2. Contractor shall assume full responsibility for various aspects of the Competition, including but not limited to, the following:

**EXHIBIT A**  
**SCOPE OF WORK**

- a. Contractor shall assist the District's Agriculture, Education and Arts Department in the development of entry rules, creation of classifications, guidelines for awards and all forms pertinent to the Competition, including but not limited to judging and comment forms, no later than January 24, 2025.
- b. In collaboration with District management, Contractor shall assist in planning and developing Competition event schedules no later than January 24, 2025. Event schedules include, but are not limited to the following:
  - i. Building availability
  - ii. Contests
  - iii. Entry deadlines
  - iv. Shipping schedules
- c. Contractor shall develop Competition procedures and provide to District for approval no later than January 24, 2025. Contractor shall ensure Competition procedures are followed by all Competition participants.
  - i. Contractor shall conduct outreach and distribute District provided marketing materials to wineries to assist in securing repeat participants and attract new participants.
  - ii. Contractor shall conduct outreach and distribute District provided marketing materials to the general population to assist in increasing participation over 2024 entries.
- d. Contractor shall coordinate wine judge arrangements.
  - i. Contractor shall make contact with qualified individuals to serve as judges of the Competition and verify availability for Competition dates.
  - ii. For each judge secured, Contractor shall provide all relevant information required to create a contract between judge and the District, including each judge's name, address, phone number, email address, payment amount and any temporary housing requirements no later than March 21, 2025.
- e. Contractor shall review individual judge agreements and Competition rules and requirements with each judge to ensure their understanding of the Competition and responsibility required in being a judge.
- f. Contractor shall coordinate with volunteers provided by the District to be utilized before and during the judging process.
- g. Contractor shall coordinate with District's Entries office and appropriate software developers to assist in the creation of an online entry registration.
- h. Contractor agrees to assist District with other duties unique to the Competition as they arise.
- k. Contractor shall be on site for the Competition events and awards on April 26 and

## **EXHIBIT A SCOPE OF WORK**

27, 2025 from, at minimum, 8:00 a.m. to 5:00 p.m. Contractor acknowledges changes in these times may occur, and that additional hours may be required for a successful event and agrees to work all necessary hours as agreed upon by Contractor and District.

- I. Contractor shall respond to any and all District inquiries, whether attempted via email or telephone, within seventy-two (72) hours of initial attempt to contact Contractor.
3. Contractor shall be responsible for paying all travel-related expenses to and from the District, including but not limited to mileage, travel, lodging and food. District will not reimburse Contractor for any travel related expenses or provide a daily per diem.
4. Contractor shall provide a list to the District of any supplies required for the Competition, no later than March 21, 2025. In the event additional supplies are needed outside of the initial order provided by the District, Contractor shall submit in writing a supply list to the District a minimum of fourteen (14) calendar days, prior to the time supplies are needed, to request the District to purchase the supplies. Purchasing the additional supplies will be at the complete and sole discretion of the District. Contractor agrees no reimbursement will be provided by the District for supplies purchased by Contractor.
5. Contractor shall provide to the District the Results Summary and a final report following the completion of the Competition and must attend any and all Competition evaluation meetings at the District.
  - a. Report shall be comprised of full details of competition entries and results, as well as a summary and evaluation of competition outcomes including successes, lessons learned, areas of improvement, etc.
  - a. Results and follow-up report must be prepared and ready for publishing within fourteen (14) calendar days from the last day of the Homemade Wine Competition.
  - b. Follow-up evaluation meetings will occur within ninety (90) calendar days following the closing of the 2025 SDSF.

### **III. Wine Experience**

1. Contractor shall assist District with promotion of the Wine Experience held during the annual San Diego County Fair (SDCF), by promoting throughout the wine community to increase potential exhibitors and attendees.
2. Contractor shall assist District in the planning and implementation of the awards ceremony.
3. Contractor shall attend any and all Wine Experience meetings which will occur within sixty (60) calendar days following the closing of the 2025 SDCF.

**EXHIBIT A  
SCOPE OF WORK**

**C. DISTRICT RESPONSIBILITIES**

1. For TOTC District shall:
  - a. Be responsible for creating the marketing materials to be used by the Contractor.
  - b. Provide volunteers to assist in moving and serving wines, as well as other areas as needed.
  - c. Provide volunteers to assist in moving and serving wines, as well as other areas as needed.
  - d. Provide all necessary credentials to the Contractor, such as parking and identification badges.
2. For Homemade Wine Competition District shall:
  - a. Be responsible for creating the marketing materials to be used by the Contractor.
  - b. Provide volunteers to assist in moving and serving wines, as well as other areas as needed.
  - c. Be responsible for processing all Competition entries.
  - d. Set up and manage online entry system and share information with Contractor, as applicable.
  - e. Provide all necessary credentials to the Contractor, such as parking and identification badges.

**STANDARD AGREEMENT**

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

24-060

GL ACCOUNT NUMBER (If Applicable)

600100-60

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)

CONTRACTOR NAME

Roger Leighton

2. The term of this Agreement is:

START DATE

December 9, 2024

THROUGH END DATE

October 31, 2025

3. The maximum amount of this Agreement is:

\$6,000.00

Six Thousand Dollars and Zero Cents

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	6
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit C*	General Terms and Conditions (April 2017)	4
Exhibit D	Special Terms & Conditions	5
Exhibit E	Preventing Storm Water Pollution	1
Exhibit F	22nd DAA Resource Conservation Policy	1

Items shown with an asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

**CONTRACTOR**

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Roger Leighton

CONTRACTOR BUSINESS ADDRESS

4038 Rhode Way

CITY

Oceanside

STATE

CA

ZIP

92056

PRINTED NAME OF PERSON SIGNING

Roger Leighton

TITLE

Coordinator

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

## EXHIBIT A SCOPE OF WORK

### A. SERVICES OVERVIEW

1. Roger Leighton, hereinafter referred to as "Contractor" agrees to provide to the 22<sup>nd</sup> District Agricultural Association, hereinafter referred to as "District", assistant coordinator services for the 2025 Homemade Wine Competition and coordinator services for the 2025 Toast of the Coast.
2. Services shall be performed both remotely and onsite at the District, located at 2260 Jimmy Durante Boulevard, Del Mar, California 92014.
3. Project representatives during the term of this Agreement will be:

District		Contractor	
Name:	Mary Martineau, Agriculture Programs Supervisor	Name:	Roger Leighton, Coordinator/ Assistant Coordinator
Address:	2260 Jimmy Durante Boulevard Del Mar, California 92014	Address:	4038 Rhodes Way Oceanside, California 92056
Phone:	(858) 792-4247	Phone:	(760) 522-3167
Email:	<a href="mailto:mmartineau@sdfair.com">mmartineau@sdfair.com</a>	Email:	<a href="mailto:souleighton7@gmail.com">souleighton7@gmail.com</a>

Either party may change their respective project representative upon providing ten (10) business days' written notice to the other party. Said changes shall not require an Amendment to this Agreement.

### B. WORK TO BE PERFORMED

#### I. Toast of the Coast

At the direction of District Management, Contractor shall be responsible for coordination of the District's Toast of the Coast, hereinafter referred to as "TOTC", to be held **February 22 and 23, 2025**. Contractor's expertise in wine competitions and reputation in the wine industry shall be utilized to ensure a successful event.

1. Contractor, in collaboration with the Assistant Coordinator, shall assume full responsibility for various aspects of the TOTC including but not limited to the following:
  - a. Assist the District's Agriculture, Education and Arts Department in the development of entry rules, creation of classifications, guidelines for awards and all forms pertinent to the TOTC, including but not limited to judging and comment forms.
  - b. In collaboration with District management, Contractor shall assist in planning and developing TOC event schedules. Event schedules include, but are not limited to the following:
    - i. Building availability
    - ii. Contests

**EXHIBIT A  
SCOPE OF WORK**

- iii. Entry deadlines
- iv. Shipping schedules
- c. Contractor shall develop TOTC procedures and submit for approval of District management. Contractor must ensure TOC procedures are followed by all TOTC participants.
- d. Contractor shall conduct outreach and distribute District-provided marketing materials to wineries to secure repeat participants and attract new participants. At minimum, Contractor, in conjunction with TOTC Assistant Coordinator, must solicit twenty (20) new wineries and show proof of marketing efforts to the District as part of the validation of completing this effort. An increase in new winery participants will complete the effort. Proof of effort and entries must be provided to the District no later than January 31, 2025.
- e. Contractor, in conjunction with TOTC Assistant Coordinator, shall conduct outreach and distribute District-provided marketing materials to the general population to increase participation over 2024 entries by a minimum of forty (40) entries. Contractor must show proof of marketing efforts to the District as validation of completing this effort no later than January 31, 2025.
  - i. Acceptable proof of marketing efforts are copies of emails, proof of mailing or telephone records.
  - ii. Marketing proof may be submitted in hard copy form or via email with one attachment in portable document (pdf) format to District's project representative.
- f. Contractor shall coordinate TOTC judges arrangements.
  - i. Contractor shall make contact with qualified individuals for judging of the TOTC and verify availability for TOTC dates.
  - ii. For each judge secured, Contractor shall provide all relevant information required to create a contract between judge and the District, including each judge's name, address, phone number, email address, payment amount and any temporary housing requirements no later than January 24, 2025.
- g. Contractor shall review individual judge agreements and TOTC rules and requirements with each judge to ensure their understanding of the TOTC and the responsibility required in being a judge.
- h. Contractor shall coordinate with volunteers provided by the District to be utilized prior to and during the judging process.
  - i. Contractor shall be responsible for processing all TOTC entries.
  - ii. Contractor shall coordinate with District's Entries Office and appropriate software developers to create online entry registration.
  - iii. Contractor shall provide access to the entry system to the District.
  - iv. Contractor agrees District shall have full access to entry portal to view all



## **EXHIBIT A SCOPE OF WORK**

entries, reports and/or history at any time.

- i. Contractor shall assist District with other duties unique to the TOTC as they arise.
  - j. Contractor shall be on site for the TOTC events and awards on February 22 and 23, 2025 from, at minimum, 8:00 a.m. to 5:00 p.m. Contractor acknowledges changes in these times may occur, and that additional hours may be required for a successful event and agrees to work all necessary hours as agreed upon by Contractor and District.
  - k. Contractor shall respond to any and all District inquiries, whether attempted via email or telephone, within seventy-two (72) business hours of initial attempt to contact Contractor.
2. Contractor shall be responsible for paying all travel-related expenses to and from the District, including but not limited to mileage, travel, lodging and food. District will not reimburse Contractor for any travel related expenses or provide a daily per diem.
  3. Contractor shall provide a list to the District of any supplies required for the TOTC, no later than January 10, 2025. In the event additional supplies are needed outside of the initial order provided by the District, Contractor shall submit in writing a supply list to the District a minimum of fourteen (14) calendar days, prior to the time supplies are needed, to request the District to purchase the supplies. Purchasing the additional supplies will be at the complete and sole discretion of the District. Contractor agrees no reimbursement will be provided by the District for supplies purchased by Contractor.
  4. Contractor shall provide to the District a final report following the completion of the Competition and must attend any and all TOTC evaluation meetings at the District.
    - a. Report shall be comprised of full details of competition entries and results, as well as a summary and evaluation of competition outcomes including successes, lessons learned, areas of improvement, etc.
    - b. Results and follow-up report must be prepared and ready for publishing within fourteen (14) calendar days from the last day of the TOTC.
    - c. Follow-up evaluation meetings will occur within sixty (60) calendar days following the closing of the 2025 San Diego County Fair (SDCF).

### **II. Homemade Wine Competition**

At the direction of District Management, Contractor shall be responsible for assisting in the coordination of the District's Homemade Wine Competition, hereinafter referred to as "Competition", to be held **April 26 and 27, 2025**. Contractor's expertise in wine competitions and reputation in the wine industry shall be utilized to ensure a successful event.

**EXHIBIT A**  
**SCOPE OF WORK**

1. Contractor shall assume full responsibility for various aspects of the Competition including but not limited to the following:
  - a. Contractor shall assist the District's Agriculture, Education and Arts Department in the development of entry rules, creation of classifications, guidelines for awards and all forms pertinent to the Competition, including but not limited to, judging and comment forms, no later than January 24, 2025.
  - b. In collaboration with District management, Contractor shall assist in planning and developing Competition event schedules no later than January 24, 2025. Event schedules include, but are not limited to the following:
    - i. Building availability
    - ii. Contests
    - iii. Entry deadlines
    - iv. Shipping schedules
  - c. Contractor shall develop Competition procedures and provide to the District for approval no later than January 24, 2025. Contractor shall ensure Competition procedures are followed by all Competition participants.
  - d. Contractor shall conduct outreach and distribute District-provided marketing materials to winemakers to assist in securing repeat participants and attract new participants.
  - e. Contractor shall conduct outreach and distribute District-provided marketing materials to the general population to assist in increasing participation over 2024 entries.
  - f. Contractor shall coordinate wine judge arrangements.
    - i. Contractor shall make contact with qualified individuals for judging of the Competition and verify availability for Competition dates.
    - ii. For each judge secured, Contractor shall provide all relevant information required to create a contract between judge and the District, including each judge's name, address, phone number, email address, payment amount and any temporary housing requirements no later than March 21, 2025.
  - g. Contractor shall review individual judge agreements and Competition rules and requirements with each judge to ensure their understanding of the Competition and responsibility required in being a judge.
  - h. Contractor shall coordinate with volunteers provided by the District to be utilized before and during the judging process.
  - i. Contractor shall coordinate with District's Entries office and appropriate software developers to assist in the creation of an online entry registration.

**EXHIBIT A  
SCOPE OF WORK**

- j. Contractor shall assist District with other duties unique to the Competition as duties arise.
  - k. Contractor shall be on site for the Competition events and awards on April 26 and 27, 2025 from, at minimum, 8:00 a.m. to 5:00 p.m. Contractor acknowledges changes in these times may occur, and that additional hours may be required for a successful event and agrees to work all necessary hours as agreed upon by Contractor and District.
  - l. Contractor shall respond to any and all District inquiries, whether attempted via email or telephone, within seventy-two (72) hours of initial attempt to contact Contractor.
- 2. Contractor shall be responsible for paying all travel-related expenses to and from the District, including but not limited to mileage, travel, lodging and food. District will not reimburse Contractor for any travel related expenses or provide a daily per diem.
  - 3. Contractor shall provide a list to the District of any supplies required for the Competition, no later than March 21, 2025. In the event additional supplies are needed outside of the initial order provided by the District, Contractor shall submit in writing a supply list to the District a minimum of fourteen (14) calendar days, prior to the time supplies are needed, to request the District to purchase the supplies. Purchasing the additional supplies will be at the complete and sole discretion of the District. Contractor agrees no reimbursement will be provided by the District for supplies purchased by Contractor.
  - 4. Contractor shall provide to the District the Results Summary and a final report following the completion of the Competition and must attend any and all Competition evaluation meetings at the District.
    - a. Report shall be comprised of full details of competition entries and results, as well as a summary and evaluation of competition outcomes including successes, lessons learned, areas of improvement, etc.
    - b. Results and follow-up report must be prepared and ready for publishing within fourteen (14) calendar days from the last day of the Homemade Wine Competition.
    - c. Follow-up evaluation meetings will occur within ninety (90) calendar days following the closing of the 2025 SDCF.

**III. Wine Experience**

- 1. Contractor shall assist District staff with promotion of the Wine Experience held during the annual SDCF, by promoting throughout the wine community to increase potential exhibitors and attendees.
- 2. Contractor shall assist District in the planning and implementation of the awards

**EXHIBIT A  
SCOPE OF WORK**

- ceremony.
3. Contractor shall attend any and all Wine Experience meetings which will occur within sixty (60) calendar days following the closing of the 2025 SDCF.

**C. DISTRICT RESPONSIBILITIES**

1. The District shall be responsible for creating the marketing materials to be used by the Contractor.
2. District shall provide volunteers to assist in moving and serving wines as well as other wine event related duties as needed.
3. District shall provide all necessary credentials to the Contractor, such as parking and identification badges.
4. District shall be responsible for processing Homemade Wine Competition entries, set up and manage online entry system and share information with Contractor, as applicable.

**STANDARD AGREEMENT**

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

**24-061**

GL ACCOUNT NUMBER (If Applicable)

**640100-00**

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

**22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)**

CONTRACTOR NAME

**New Horizons Learning, LLC dba New Horizons**

2. The term of this Agreement is:

START DATE

**November 27, 2024**

THROUGH END DATE

**November 26, 2025**

3. The maximum amount of this Agreement is:

**\$45,000.00****Forty Five Thousand Dollars and Zero Cents**

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	2
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit C*	General Terms and Conditions (April 2017)	4
Exhibit D	Special Terms & Conditions	5
Exhibit D, Attachment I	Insurance Requirements	4
Exhibit E	Preventing Storm Water Pollution	1
Exhibit F	22nd DAA Resource Conservation Policy	1

Items shown with an asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

**CONTRACTOR**

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

**New Horizons Learning, LLC dba New Horizons**

CONTRACTOR BUSINESS ADDRESS

**707 Landa Street**

CITY

**New Braunfels**

STATE

**TX**

ZIP

**78130**

PRINTED NAME OF PERSON SIGNING

**Gregory Pierce**

TITLE

**VP Legal and General Council**

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

## EXHIBIT A SCOPE OF WORK

### 1. SERVICES OVERVIEW

- A. New Horizons, hereinafter referred to as the Contractor, agrees to provide to the 22<sup>nd</sup> District Agricultural Association / Del Mar Fairgrounds, hereinafter referred to as District, with services as described herein:

The Contractor shall provide comprehensive virtual learning services to the 22<sup>nd</sup> District Agricultural Association.

- B. The services shall be performed virtually through the online learning management system.
- C. The services shall be provided during the scheduled class hours.
- D. The Project Representatives during the term of this Agreement will be:

22 <sup>nd</sup> District Agricultural Association	New Horizons Learning, LLC
Name: Evan Graham, Staff Information Systems Analyst	Name: Gregory Pierce, VP Legal and General Council
Address: 2260 Jimmy Durante Boulevard Del Mar, CA 92014	Address: 707 Landa St New Braunfels, TX 78130
Phone: 858-755-1161	Phone: 346-292-5600
e-mail: <a href="mailto:egraham@sdfair.com">egraham@sdfair.com</a>	e-mail: <a href="mailto:Gregory.Pierce@newhorizons.com">Gregory.Pierce@newhorizons.com</a>

The parties may change their Project Representative upon providing ten (10) business days written notice to the other party. Said changes shall not require an Amendment to this Agreement.

### 2. WORK TO BE PERFORMED BY CONTRACTOR:

- A. Background and Goals

The 22<sup>nd</sup> District Agricultural Association is prioritizing core staff professional development to support organizational growth and align with strategic goals. This initiative focuses on fostering leadership, enhancing technical skills, and improving team efficiency. By investing in targeted training programs, the District aims to empower staff to meet evolving demands and contribute to overall success, while addressing potential challenges like balancing training with operational needs.

- B. Learning Credits

Contractor shall provide access to training services to be requested by the District in the form of Learning Credits. Contractor shall provide Subsidy Credits in addition to Learning Credits purchased by the District. One dollar is equal to one Learning Credit. Learning Credits can be used for enrollments into Contractor's public schedule, to fund a private team training event, e-learning libraries, available practice exams, assessments, and exam vouchers. Learning Credits expire one year from the date of invoice. Purchased Learning Credits will be utilized prior to utilizing any Subsidy Credits. Learning Credits

## **EXHIBIT A SCOPE OF WORK**

cannot be used for pre-discounted products (e.g. Corporate Tech Pass or Corporate Membership) or managed learning services projects such as Curriculum Design, Consulting, or Staff Augmentation.

### **C. Tasks and Deliverables**

The Contractor shall be responsible for the performance of tasks, and for the preparation of deliverables as specified in this Exhibit.

The Contractor shall provide all technical and administrative services as needed for Agreement completion, including monitoring, supervising, and reviewing all work performed. In addition, the Contractor shall coordinate budgeting and scheduling to ensure that the Agreement is completed within budget, on schedule, and in accordance with approved procedures, applicable laws, and regulations throughout Agreement term.

#### **Task 1.1: Deliver Virtual Training Program**

- Subtask 1.1.1: Training Program Design
  - Deliverable: Customized training schedules and course outlines tailored to the District's specific goals and departmental needs.
- Subtask 1.1.2: Learning Management System (LMS)  
Provide access to an intuitive virtual platform for course delivery, tracking progress, and assessing outcomes.
  - Deliverable: Fully functional Training portal to facilitate course delivery, progress tracking, and participant assessments.
- Subtask 1.1.3: Training Delivery  
Facilitate interactive, virtual training sessions for staff, ensuring minimal disruption to daily operations.
  - Deliverable: Conducting virtual training sessions with staff, focusing on leadership, technical skills, and operational efficiency.
  - Deliverable: Prepare and provide all necessary training materials, including course guides, reference documents, and post-training resources

#### **Task 1.2: Reporting and Updates**

- Subtask 1.2.1: Monthly Progress Reports
  - Deliverable: Monthly reports summarizing training participation, progress, and feedback, including metrics on engagement and completion rates.
- Subtask 1.2.2: Monthly Newsletters
  - Deliverable: Monthly newsletters highlighting updates, new training opportunities, and resources available through the Training Portal.
- Subtask 1.2.3 Quarterly Training Updates for progress and/or changes

#### **Task 1.3: Program Evaluation**

- Subtask 1.3.1: Participant Feedback Collection
  - Deliverable: Summary report of feedback from participants, highlighting strengths, areas for improvement, and overall satisfaction with the training program.
- Subtask 1.3.2: Final Program Review
  - Deliverable: Comprehensive end-of-program summary report detailing achievements, metrics, and recommendations for future training initiatives.

**STANDARD AGREEMENT**

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

25-004

GL ACCOUNT NUMBER (If Applicable)

600100-00

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)

CONTRACTOR NAME

DRH and Company

2. The term of this Agreement is:

START DATE

January 1, 2025

THROUGH END DATE

May 15, 2025

3. The maximum amount of this Agreement is:

\$45,000.00

Forty Five Thousand Dollars and Zero Cents

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	2
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit C*	General Terms and Conditions (April 2017)	4
Exhibit D	Special Terms & Conditions	5
Exhibit D, Attachment I	Insurance Requirements	4
Exhibit E	Preventing Storm Water Pollution	1
Exhibit F	22nd DAA Resource Conservation Policy	1

Items shown with an asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

**CONTRACTOR**

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

DRH and Company

CONTRACTOR BUSINESS ADDRESS

7296 Evergreen Lane

CITY

Browns Valley

STATE

CA

ZIP

95918

PRINTED NAME OF PERSON SIGNING

D. Robin Hauck

TITLE

Owner

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED



## EXHIBIT A SCOPE OF WORK

### 1. SERVICES OVERVIEW

- A. DRH and Company, hereinafter referred to as the Contractor, agrees to provide to the 22<sup>nd</sup> District Agricultural Association / Del Mar Fairgrounds, hereinafter referred to as District, with services as described herein:

The Contractor shall provide **records management consulting services**.

- B. The services shall be performed at the District located at 2260 Jimmy Durante Blvd. Del Mar, CA 92014 and one offsite storage facility located at the following address:  
12375 Kerran Street, Poway, CA 92064
- C. The services shall be provided during January through May 15, 2025 during regular business hours. Contractor shall ensure that any staff assigned to this project does not work outside normal business hours or incur overtime to complete the tasks outlined in this Agreement.
- D. The Project Representatives during the term of this Agreement will be:

22 <sup>nd</sup> District Agricultural Association	DRH and Company
Name: Donna M. O'Leary, Office Manager	Name: D. Robin Hauck, Owner
Address: 2260 Jimmy Durante Blvd Del Mar, CA 92014	Address: 7296 Evergreen Lane Browns Valley, CA 95918
Phone: 858-792-4490	Phone: 530-559-2714
e-mail: <a href="mailto:doleary@sdfair.com">doleary@sdfair.com</a>	e-mail: <a href="mailto:drhauck3@gmail.com">drhauck3@gmail.com</a>

The parties may change their Project Representative upon providing ten (10) business days written notice to the other party. Said changes shall not require an Amendment to this Agreement.

### 2. WORK TO BE PERFORMED BY CONTRACTOR:

- A. Project Management and Administration

The Contractor shall be responsible for the performance of tasks, and for the preparation of deliverables as specified in this Exhibit.

- a. The Contractor shall provide all technical and administrative services as needed for Agreement completion, including monitoring, supervising, and reviewing all work performed. In addition, the Contractor shall coordinate budgeting and scheduling to ensure that the Agreement is completed within budget, on schedule, and in accordance with approved procedures, applicable laws, and regulations throughout Agreement term.
- b. Not later than January 31, 2025, and monthly thereafter, during the life of this Agreement, the Contractor shall provide a written monthly progress report to the District. The Contractor shall ensure that the Agreement requirements are met through submittal of monthly progress reports and through regular communication with the District. The progress reports shall describe activities undertaken and

## **EXHIBIT A SCOPE OF WORK**

accomplishments of each task, milestones achieved, and any problems encountered in the performance of the work under this Agreement.

### **B. Review and Identification**

- a. Review and identify all physical records stored at the offsite facility, and all physical records stored onsite, including but not limited to the Administration building, Human Resources complexes, the warehouse, and Grandstand building. Contractor shall categorize records as follows:
  - i. Records to be retained applying CDFA master destruction schedule and best management practices, maintaining records for seven years from most recent audit year.
  - ii. Records to be stored for historical reference.
  - iii. Records ready for disposal and proper method for disposal.
  - iv. Clearly label each category of record with easy-to-distinguish labels.

### **C. Develop an inventory list according to each category of record identified.**

- D. Assist with the development of a procedure and a records retention schedule to update records and provide guidelines for disposal that comply with records retention policies.

## **3. DISTRICT RESPONSIBILITIES:**

- A. The District will provide:
  - a. Known record inventories.
  - b. Assistance with location of the records on site.
  - c. Final approval of records for disposal.

### **B. Reimbursable Expenses**

In order to carry out services provided in this Agreement, Contractor will travel to San Diego no more frequently than monthly. The Contractor shall be reimbursed for all actual food and lodging costs during these trips, not to exceed the state's per diem rates published by the California Department of Human Resources (CalHR). Reimbursable travel expenses include hotel, meals, airfare, car rental, and mileage originating from Contractor's location identified in this Exhibit, to the site locations. The total amount allocated for travel, including booking through the District or reimbursement from Contractor's booking, shall not exceed Twenty Thousand Dollars (\$20,000.00).

## **4. TASKS AND DELIVERABLES SCHEDULE:**

<b>Task</b>	<b>Deliverable</b>	<b>Due Date</b>
2.A.b.	Progress Reports	Monthly
2.B.a	Complete review of the documents/records	April 30, 2025
2.C.	Inventory list: Retention Report, Disposal Report, and Historical Report	April 30, 2025
2.D.	Procedure and records retention schedule	April 30, 2025

**FCO #002**

California Construction Authority  
1776 Tribute Road Suite 220  
Sacramento, California 95815  
Phone: (916) 263-6100

Project: 022-24-595634 - Del Mar Grandstand Fire Panel Replacement  
2260 Jimmy Durante Blvd  
Del Mar, California 92014  
Phone: 858-792-4202

## Funding Change Order #002: FCO 002 - Grandstand Fire Panel Replacement

<b>TO:</b>	<b>22nd District Agricultural Association</b> 2260 Jimmy Durante Blvd. Del Mar, California 92014	<b>FROM:</b>	<b>California Construction Authority</b> 1776 Tribute Road, Suite 220 Sacramento, California 95815
<b>DATE CREATED:</b>	11/26/2024	<b>CREATED BY:</b>	Krystal Toledo (California Construction Authority)
<b>CONTRACT STATUS:</b>	Approved	<b>REVISION:</b>	0
<b>REQUEST RECEIVED FROM:</b>	Krystal Toledo	<b>LOCATION:</b>	
<b>DESIGNATED REVIEWER:</b>	Kristie Riddlesperger (California Construction Authority)	<b>REVIEWED BY:</b>	
<b>DUE DATE:</b>	11/27/2024	<b>REVIEW DATE:</b>	12/02/2024
<b>INVOICED DATE:</b>		<b>PAID DATE:</b>	
<b>REFERENCE:</b>		<b>CHANGE REASON:</b>	Actual Construction Cost
<b>PAID IN FULL:</b>	No	<b>EXECUTED:</b>	No
<b>ACCOUNTING METHOD:</b>	Amount Based	<b>SCHEDULE IMPACT:</b>	
<b>SIGNED CHANGE ORDER RECEIVED DATE:</b>			
<b>FIELD CHANGE:</b>	No	<b>CONTRACT FOR:</b>	1:IPA - Grandstand Fire Panel Replacement
		<b>TOTAL AMOUNT:</b>	\$17,630.00

**DESCRIPTION:**

CE #007 - FCO 002 - Grandstand Fire Panel Replacement

This is a Funding Change Order 002 for the Grandstand Fire Panel Replacement Project at the 22nd DAA Del Mar Fairgrounds in the amount of **Seventeen Thousand Six Hundred-Thirty and 00/100 (\$17,630.00)**.

This FCO 002 is to allocated additional funds for the Door Handle Replacement, Net Fire Devices that were not included in As-Built bid plans, fire alarm wiring to fix compliance violations.

All other aspects of the Original Funding Agreement will remain the same.

**ATTACHMENTS:**

[Grandstand Fire Replacement Change #4 Cable Repairs NTE \(002\).pdf](#), [Del Mar Grandstand CO#3 OT Labor Credit.pdf](#), [Del Mar Grandstand CO#2 Door Holder \(revised 11-21-24\) \(002\).pdf](#), [Del Mar Grandstand CO#4 Net Devices Added to Scope 11-19-24 \(002\).pdf](#)

**CHANGE ORDER LINE ITEMS:**

#	Budget Code	Description	Amount
1	01-240-50.4. CON Printing/Misc. Office Supplies (0.25%)	Printing/Misc. Office Supplies	\$50.00
2	01-240-10.4. CON Travel (1%)	Travel	\$450.00
3	01-100.4. CON Construction Contract	Construction Contract	\$14,000.00
4	01-110-20.4. CON Construction Project Contingency	Contingency	\$1,400.00
5	01-230-30.4. CON Inspections (2%)	Inspections	\$750.00
6	01-140-10.4. CON Project Management (7%)	Project Management	\$980.00
7			\$0.00



FCO #002

	Grand Total:	\$17,630.00
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The original (Contract Sum)	\$554,567.13
Net change by previously authorized Change Orders	\$18,392.31
The contract sum prior to this Change Order was	\$572,959.44
The contract sum will be increased by this Change Order in the amount of	\$17,630.00
The new contract sum including this Change Order will be	\$590,589.44
The contract time will not be changed by this Change Order.	

Initial

BM

DS

km

22nd District Agricultural Association  
2260 Jimmy Durante Blvd.  
Del Mar, California 92014

California Construction Authority  
1776 Tribute Road, Suite 220  
Sacramento, California 95815

DocuSigned by:

12/11/2024

88DEC11CC20A45B

SIGNATURE

DATE

Signed by:

Carlene F. Moore

12/9/2024

7B767D53C12A45C

SIGNATURE

DATE

DocuSigned by:

Randy Crabtree

12/11/2024

577C3778134847C

SIGNATURE

DATE