

**Regular Board Meeting of the Board of Directors
1-A District Agricultural Association
Tuesday, November 19, 2019 – 10:00am
Paddock Room, Cow Palace
2600 Geneva Avenue, Daly City, California**

MINUTES

Mara Kopp, President	Barbara Wanvig, 1st VP	Anthony Pantaleoni, 2 nd VP
Ken Flower, Director	Tyrone Evans, Director	Al Perez, Director
Nancy Atkinson, Director	Leah Pimentel, Director	Chris Corgas, Director

I. Roll Call

President Kopp called the meeting to order at 10:07 a.m. All Board Members as noted were present: Director Wanvig, Director Atkinson, Director Flower, Director Pantaleoni, Director Perez, Director Corgas, and Director Pimentel. Director Evans was excused by motion of Director Wanvig and seconded by Director Pantaleoni. All in favor. Motion passed. Lori Marshall, CEO, and Kelley Ferreira, were also present.

II. Approval of Minutes of Board Meeting October, 2019 Motion made by Director Atkinson to approve the minutes, seconded by Director Flower. All in favor. Motion passed.

III. Public Comments for items not on the Agenda –None.

IV. Presidents Report: President Kopp stated that she contacted the SF Fire Chief to assist us in promoting our First Responder Fridays and has set up a date for the Chief to tour the Cow Palace in December

V. Closed Session: Closed Session was held for the purpose of receiving advice of counsel, considering pending litigation, considering the appointment, employment, evaluation of performance or dismissal of a public employee or for the purpose of negotiating lease terms and transactions of real property, as authorized under Government Section 11126.

1. The Board is authorized to enter into Closed Session with CDFA Legal for the purpose of considering pending litigation – Gun Show Policy (Gov. Code Section 11126 (e) (1))

Board entered into closed session at 10:12am. Closed session ended and returned to open session at 11:20 am

VI. Reconvene to Open Session: Board reconvened to open session at 11:20am. The Board conferred with legal counsel and no decision was made.

VII. Action Items

1. **Gun Show Policy:** No action was taken in closed session. Director Pantaleoni made a motion to assign an Ad Hoc Committee to do further review and research. Director Wanvig seconded. All in Favor. Motion passed. President Kopp asked Directors Corgas and Pimentel to serve on the Gun Show Policy Ad Hoc Committee.

2. **Financial Statements for September 2019 and October 2019:** Director Wanvig presented the financial statement for October 2019 for discussion and approval. Director Flower made a motion to approve the financials. Director Pimentel seconded. All in Favor. Motion passed

3. **License Agreement with ARE-TENANT, LLC to operate and indoor tennis facility:** .CEO Marshall and Joe Barkett, presented the negotiated agreement with ARE-TENANT for approval. Director Pantaleoni made a motion to approve the License Agreement with ARE-TENANT, Director Pimentel second. All in Favor. Motion passed.

4. **Exclusive Negotiating Agreement with Catellus/DECA:** Joe Barkett presented the Exclusive Negotiating Agreement and explained that it is similar to what was set forth in the RFQ/RFP process. It does show that if/when an agreement is made for the lease, the developer will need to do the CEQA then. The agreement sets forth that Cow Palace does have the level of control the Board has been concerned about, but also working in good faith with Catellus/DECA. Director Pantaleoni made a motion to approval the Exclusive Negotiating Agreement with Catellus/DECA. Director Wanvig second. All in favor. Motion passed.

VIII. CEO Report –

1. **Updated calendar of events** was distributed and reviewed individually.
2. **Projects/Programs/Facility Update:** CEO Marshall presented her written report and reviewed projects that are in progress and that have been completed. She also reviewed various bills (AB1499, SB84, AB1800, SB5, and SB1343) that may have impact on the Cow Palace for funding, training, and/or expenses.
3. **GNR/JGN Update and preliminary report:** CEO gave a brief overview of the GNR and sponsor information was presented. Further review will occur at a later date.

Let the Record show that Director Corgas left the meeting at 11:50 am and Director Pantaleoni left the record at 11:58am.

IX. Friends of the Cow Palace report: CEO Marshall introduced the President of the Friends of the Cow Palace, Kevin Patterson. Kevin gave a brief overview of the goals and purpose of the “Friends” and looks forward to working proactively on issues as they arise and not reactively regarding the preservation of the Cow Palace

X. Consent Agenda: Director Wanvig motioned to approve the consent agenda items as submitted, seconded by Director Flower. All in favor. Motion passed

XI. Committee Reports

1. **Budget and Finance Committee: Financial Report for October 2019:** Director Wanvig reported on October financials and did not review September since we are already a month ahead.
OPERATING STATEMENT: Our October financials are not what we would like considering the GNR is our big event of the month. But there are some revenues - GNR and other categories – yet to be reconciled and shifted to the proper accounts. We had a modest net loss in October, but it was \$10,000 less of a loss compared to September. Moreover, we are still ahead of budget on total profitability for the year - ahead by \$342,000. Total Operating Revenues are about the same as one year ago - \$3.6 million - but \$720,000 under budget. Again, that will improve as new money comes in and accounts are reconciled. For example, we are due \$35,000 from our ticket agency contract. In Rental Event Revenues, there are adjustments coming in our favor. Of special note is that the \$81,000 in Concessions revenue is almost entirely from the Hispanic Rodeo. The building rentals segment is healthy, having booked \$564,000 this year and running \$36,000 above budget. Our variance to budget, although negative, is better than a month earlier. Total Grand National Revenues are \$72,000 under budget but the category of Sponsorships was \$20,000 ahead of expectations. GNR expenses, nicely under budget, will be further reconciled as bills arrive in November. Our CEO keeps a tight rein on rodeo expenses, but she plans to work closely with accounting to get an even closer look at exactly where GNR expenses are occurring so we can make better decisions about using our precious resources. Junior Grand revenues came in at \$43,000 under budget. Total Operating Expenditures have

increased \$760,000 but it is good news that they are still well under budget by over \$1 million. All Expense categories continue under budget, thanks to our CEO's excellent financial management and efficient use of staff. **CURRENT POSITION REPORT:** On Oct. 31, we had just over \$131,000 more Cash on Hand and Current Assets than at the end of September. Current Assets over Current Liabilities are \$2.7 million, up \$8500 since 9-30, but probably more today as some Event Liabilities are reconciled in our favor. Moreover, the Accounts Payable total has likely shrunk from bills being paid promptly which is our habit. **BALANCE SHEET:** Total Revenue over Expenses is down by \$33,000 since 9-31. But compared to a month ago, the Balance Sheet itself is up by \$293,000, and compared to a year ago, it is up by \$1,000,000. We look forward to reporting on November's revenue producing events such as the gun show, Christian Concert, Jujitsu and of course the Dickens Faire which continues in December

2. **Land Lease Development Committee:** no report

XII. Matters of Information

1. **CEO Comments:** None

2. **Director Comments:** None

3. **Next Board Meeting:** Tuesday, December 17, 2019 at 10am.

XIII. Adjournment: Motion to adjourn made by Director Wanvig, seconded by Director Pimentel. All in favor. Motion passed. Meeting adjourned 12:37pm.