



Legislation Details (With Text)

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Title: Chief Administrative Office recommending the Board approve and authorize the Chair to sign a revised Amendment I to the Agreement Between The County Of El Dorado And The El Dorado County Fair Association, Inc., a General Non-Profit Corporation, effective April 1, 2005, amortizing general liability allocated insurance charges over a ten-year period in order to lessen the budgetary burden on the Fair Association for 2017 and 2018.

FUNDING: No County funds are included in the Fair Association budget.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 2A - 2017 REVISED Fair Amendment I - 09-12-17, 2. A - Blue Route 5-16-17, 3. B - 2017 Fair Amendment I - 5-16-17, 4. Fair Assoc. Executed AMDT 1 BOS 9/12/17, 5. C - 2005 Fair Agreement 5-16-17

Date	Ver.	Action By	Action	Result
9/12/2017	2	Board of Supervisors	Approved	Pass
5/16/2017	1	Board of Supervisors	Approved	Pass

Chief Administrative Office recommending the Board approve and authorize the Chair to sign a **revised** Amendment I to the Agreement Between The County Of El Dorado And The El Dorado County Fair Association, Inc., a General Non-Profit Corporation, effective April 1, 2005, amortizing general liability allocated insurance charges over a ten-year period in order to lessen the budgetary burden on the Fair Association for 2017 and 2018.

FUNDING: No County funds are included in the Fair Association budget.

DEPARTMENT RECOMMENDATION

Chief Administrative Office recommending the Board approve and authorize the Chair to sign a **revised** Amendment I to the Agreement Between The County Of El Dorado And The El Dorado County Fair Association, Inc., a General Non-Profit Corporation, effective April 1, 2005, amortizing general liability allocated insurance charges over a ten-year period in order to lessen the budgetary burden on the Fair Association for 2017 and 2018.

DISCUSSION / BACKGROUND

At its March 29, 2005 meeting, the Board of Supervisors entered into an agreement with the El Dorado County Fair Association, Inc., a general non-profit corporation, for the continued management of the County Fair.

Pursuant to Section 10 of the Agreement, the County is to determine the costs for direct services relative to general liability insurance and claims, and the Fair Association is to reimburse the County for its costs of such general liability risks of loss. The General Liability charges due from the Fair

have increased in recent years due to claims experience. Fair management approached the County earlier this year and requested consideration of an agreement whereby the Fair could pay its charges over a longer period of time in order to lessen the financial and budgetary burden in the current years. The Board of Supervisors approved Amendment I to the Agreement on May 16, 2017, however, the Fair Association declined to approve the negotiated Amendment. The Fair Association has subsequently submitted the attached revised Amendment I, with minor modifications to the recitals of the Amendment. The attached Amendment has been fully executed by the Association.

The total computed charges due to County for FY 2016-17 and FY 2017-18 for General Liability insurance and allocated claims payments is \$228,087. This Amendment allows the Association to pay one-tenth of the charge for the next ten years. The amount of the amortized payment each year is \$22,808.70. The Fair will remain responsible for any normal annual charges in subsequent years, and will make those payments along with the amortized payment.

ALTERNATIVES

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT

The Fair Association and County Counsel have reviewed and approved this amendment.

CAO RECOMMENDATION

The Chief Administrative Office recommends the Board approve and authorize the Chair to sign the Amendment.

FINANCIAL IMPACT

No County funds are associated with the Fair Association budget. The recommended Amendment would result in a reduction in payments to the General Liability budget (Risk Management) initially, although the full amount due will ultimately be received. This amendment is not anticipated to create a cash flow problem for the Risk Management fund.

CLERK OF THE BOARD FOLLOW UP ACTIONS

Clerk of the Board shall obtain the Chair's signature on the Amendment and provide two (2) fully executed copies to the CAO, and one signed copy to the Fair Association.

STRATEGIC PLAN COMPONENT

Good Governance

CONTACT

Don Ashton, Chief Administrative Officer
Shawne Corley, Assistant Chief Administrative Officer