



County of El Dorado

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Legislation Details (With Text)

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On agenda: 1/24/2023 **Final action:** 1/24/2023

Title: Chief Administrative Office recommending the Board:
1) Approve and authorize the Chair to sign the Calendar Year 2023 El Dorado County Fair Association Budget in the amount of \$1,642,363, as approved by the El Dorado County Fair Association (Association) Board of Directors at its January 4, 2023, meeting; and
2) Receive a presentation on and file the following documents, as outlined in Agreement 6269 between the County and the Association: a financial review of the Association for calendar year 2021 and an update on progress towards the five-year Strategic Plan for the period of 2021-2026 from the Association's Chief Executive Officer.

FUNDING: 78% Fair Association Raised Funds, 2% State Funds, and 20% County Allocated American Rescue Plan Act Funds.

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - Budget, 2. B - Strategic Plan, 3. C - 2021 Fair Association Financial Review, 4. Executed Fair Operating Budget

Date	Ver.	Action By	Action	Result
1/24/2023	1	Board of Supervisors	Approved	Pass

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DISCUSSION / BACKGROUND

Since 1939, the El Dorado County Fairgrounds have operated at 100 Placerville Drive in Placerville. The fairgrounds property is owned by the County but is managed by the El Dorado County Fair Association, a general non-profit corporation. On January 4, 2022, with Legistar item 22-0027, the Board approve Agreement 6269 with the El Dorado County Fair Association for the continued use, possession, and management of the fairgrounds property and annual county fair for an initial term ending June 30, 2026, with automatic extensions of one year occurring every April 1.

The Fair Association has prepared a Calendar Year 2023 budget in the format as prescribed by the California Department of Food and Agriculture for fairs and expositions operating in California. The

Association's Board of Directors approved the budget on January 4, 2023. The Association budget is being brought to the Board for approval in compliance with Government Code section 25905, which states that the Association "shall submit an annual budget to the Department of Food and Agriculture, showing the estimated revenues and the proposed expenditures from all sources during the ensuing calendar year, which budget shall first be approved by the county board of supervisors."

Included in the 2023 Budget is an estimate of actual revenues and expenditures in 2022 as of December 2022, when the Budget was prepared. The Estimated 2022 figures reflect \$1,001,405 in unrestricted net resources available for operations in 2023, 43% higher than budgeted. A successful Fair in 2022 contributed to the higher-than-anticipated unrestricted net resources available for use in 2023.

The proposed 2023 Budget estimates \$1,532,363 in operating expenditures and \$1,960,170 in revenue, of which \$385,170 is County American Rescue Plan Act (ARPA) funds that will be used for the Board of Supervisors-approved improvements to the fairgrounds. The net of operating revenue and expenditures is a gain of \$1,987 before depreciation.

Presentation and receipt of documents per Section 20 of Agreement 6269.

The Association's Chief Executive Officer (CEO) has submitted a narrative update to the five-year strategic plan that was presented to the Board in January 2022 and an Accountant's Financial Review of the 2021 Association Financial Statements. Section 20 of the revised agreement states that the Board of Supervisors can request annually (a) an annual balanced budget for approval, (b) a Statement of Operations for the prior year, (c) a Financial Review or Audit performed by an independent, qualified outside accounting firm, (d) an updated five-year strategic plan, and (e) funding raised by the Heritage Foundation. The submitted documents have been attached to this item and the CEO is prepared to give a presentation.

ALTERNATIVES

The Board could choose not to approve the budget and provide direction on the budget. Staff would return to the Board after working with the Association to meet the Board's direction.

PRIOR BOARD ACTION

See above.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

N/A

FINANCIAL IMPACT

There is no direct financial impact associated with approving the Fair Association Budget.

CLERK OF THE BOARD FOLLOW UP ACTIONS

Obtain the Chair's signature on two copies of the calendar year 2023 Budget and forward one copy to the Chief Administrative Office for processing.

STRATEGIC PLAN COMPONENT

The approval of the budget supports the Economic Development priority of "promote and expand agriculture, recreation, and tourism and their related businesses" and the infrastructure priority of "analyze need, coordinate and plan for County facilities, parks, and trails including ongoing maintenance, operations, and replacement."

CONTACT

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