

**SAN MATEO COUNTY EXPOSITION & FAIR ASSOCIATION
BOARD OF DIRECTORS' MEETING—OCTOBER 25, 2017**

Our mission is to build a vibrant campus providing a diverse experience to educate and inspire our community while showcasing our rich agricultural heritage through the San Mateo County Fair. The Board will use creative, innovative and fiscally responsible stewardship to expand and enhance the physical assets of the Event Center, providing a solid foundation for implementing new concepts and experiences for the community.

MINUTES

A meeting of the Board of Directors was held October 25, 2017, at the San Mateo County Event Center, 2495 South Delaware Street, San Mateo, CA 94403

I. CALL TO ORDER

The meeting was called to order by President Miller at 3:25 p.m.

II. ROLL CALL

Roll call was taken as follows:

Present: Beverly Miller, President
Tom Ames, Vice-President
David Caro, Secretary-Treasurer
Sarah Burdick
Kari Foppiano
Leonard Iniguez
Mike Pacelli
Yvonne Ryzak

Excused: Jonathan Gervais

Also Present: Dana Stoehr, Chief Executive Officer
David Alves, Controller
Kaitlyn Bailey-Findley, Fair Operations Manager
Jim Fetter, Jockey Club Manager
Charlene King, Chief Administrative Officer
Kletra Newton, Director of Event Sales and Services
Cindy Spencer, Director of Facilities
Aimee Armsby, Deputy County Counsel

III. ORAL COMMUNICATIONS

A. Oral Communications from the Board

There were no oral communications from the Board.

B. Oral Communications from the Public

There were no oral communications from the public.

IV. APPROVAL OF MINUTES

Director Caro made a motion to approve the September 27, 2017, Board meeting minutes, motion seconded by Director Pacelli, and unanimously carried.

V. STAFF REPORTS

A. Sales, Marketing, and Events

Dana reported sales are positive for the remainder of the year with several corporate events.

B. Jockey Club

Jim gave an update on the Jockey Club operations.

C. Maintenance

Cindy gave a maintenance update and reported on facility and landscaping projects.

VI. FACILITIES COMMITTEE

A. Committee Report

Director Ryzak reported the committee did not meet this month due to a lack of a quorum. She noted that she walked the grounds with Dana followed by a meeting with staff to discuss facility maintenance and landscaping. The discussion focused on landscaping and facility aesthetics. Representatives from the City of San Mateo joined the meeting and presented the City's underground storage schedule and proposed easement map. Director Ryzak suggested that the City of San Mateo Underground Storage Ad Hoc committee meet soon to discuss potential revenues from this project.

VII. FAIR OVERSIGHT COMMITTEE

A. Committee Meeting Report

Kaitlyn reported there are 228 days until the 2018 Fair. She announced the Fair theme would be "We Build the Fun" with the staff and Board acting as Fun Builders for the Fair. Director Iniguez reported on the Jr. Horse Show recently held during the Grand Nationals at the Cow Palace. He noted participation was down, mostly due to the Northern California fires. He looks forward to a successful show in 2018. Director Caro reported on the Department Head attendance at the past two committee meetings. The committee's next meeting will take place in January.

VIII. CEO REPORT

A. Lot Rehabilitation Project Update

Dana reported the parking lot rehabilitation project is complete.

B. City of San Mateo Sewage Overflow Base Station Update

Dana reported the project is moving forward with the City currently surveying the site and performing core sampling.

C. Master plan Update

Dana reported on the recent Master Plan stakeholder meeting where proposed conceptual development scenarios were discussed. Director Ryzak reported the scenarios proposed massive development with very little updates to the SMCEC facility, and she encouraged the Board to review the packet. Dana reported she would be making a presentation to the Fiesta Gardens Homeowner Association in November.

D. Economic Impact Report Update

Dana reported she is collecting data from clients for EPS and the surveys are in progress.

IX. CLOSED SESSION

A. Pursuant to Government Code Section 54957:

Employee Evaluation

Title: CEO

At 4:05 PM the meeting went into closed session. The meeting reopened at 4:54 PM and no action was taken.

X. FINANCE COMMITTEE

A. Discussion and Action on September 2017 Financials

Dana reported on the September financial report. Director Iniguez reported the committee reviewed the report and after a brief discussion Director, Pacelli made a motion to accept the September 2017 financials, seconded by Director Iniguez, and unanimously carried.

B. Discussion and Action on Travel Expense Policy

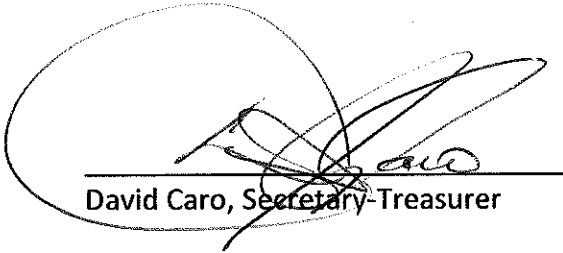
Dana reported the Finance Committee had reviewed the proposed Travel Expense Policy and recommended minor amendments to provide caps on meals and alcohol purchases. Director Ames made a motion to approve the Travel Expense Policy as presented, seconded by Director Iniguez and unanimously carried.

C. Discussion and Action on 2018 Budget

Dana gave a budget presentation including SMCEC staffing levels, 2012-2018 capital improvement projects, 2017 fiscal review and 2017 leasehold improvements. She also reported on the SMCEC's social, benevolent impact supporting non-profit organizations. The proposed budget calls for a surplus of \$488,000 to be utilized for facility projects with a portion being allocated to reserves. Her presentation also included revenues and expense trends from 2012 to 2018. Dana reported the Finance Committee reviewed the proposed budget in great detail and she opened it up to questions from the Board. Director Pacelli inquired about a line item to reflect the potential funding from the City's stormwater project. Dana replied that we could budget for it once information about the funding is finalized. Director Pacelli also inquired about revenues and expenses for the Maker Faire.

David Alves provided profit information for the event, and Dana reported on the current contract negotiations with the client. Director Ryzak questioned the increased Fair budget, and Dana responded that we anticipate an increase in Fair pre-sales with an expanded marketing campaign. Director Ryzak had questions concerning the 7% decrease in satellite wagering revenue, and Dana explained the methods used in determining the budget projections. Following the discussion Director Ames made a motion to approve the 2018 Budget, seconded by Director Iniguez, and unanimously carried with Director Ryzak abstaining.

There being no further business the meeting was adjourned at 5:50 P.M.

A handwritten signature in black ink, appearing to read "David Caro", is written over a horizontal line. The signature is stylized and somewhat cursive. The line is a simple horizontal stroke.

David Caro, Secretary-Treasurer

Next meeting is Wednesday, November 29, 2017 – 4:00 P.M.