

14th District Agricultural Association

SANTA CRUZ COUNTY FAIR

Established 1885



FINANCE COMMITTEE MEETING MINUTES

Finance Committee Meeting
2601 East Lake Avenue, Watsonville, CA
Tuesday, March 20, 2012
The Board Room

Approved by: _____

Date: _____

CALL TO ORDER: 4:40 PM

DIRECTORS PRESENT: Patrice Edwards, Chair; Jody Belgard-Akimoto, Director, Bruce Oneto, Director.

DIRECTORS ABSENT/EXCUSED: None.

PUBLIC COMMENT: None.

MINUTES: *Director Belgard-Akimoto moved and Director Edwards seconded the motion to approve the Minutes of the January 24, 2012 Finance Committee as presented. Motion carried.*

FINANCIALS:

January, February 2012 Financials.

Manager Kegebein reviewed the January and February financial reports and responded to questions from the Committee. Director Edwards expressed appreciation to Manager Kegebein and Nic Kiederling for the detail provided.

Director Belgard-Akimoto moved and Director Oneto seconded that the Committee recommend approval of the January and February financials to the Board. The motion carried.

INFORMATIONAL ITEMS:

1. Review Cash Flow Model.

Manager Kegebein reviewed the cash flow model that he and Nic had developed. It showed that using reasonable estimates, the cash goes negative in August 2012, prior to the receipt of revenues generated by the Fair.

ACTION ITEMS

1. Recommendation to set up line of credit with Santa Cruz County Bank

Manager Kegebein explained that based on the cash flow projections noted in the prior informational item, a line of credit would be needed to cover the cash fluctuations of the next year. Director Edwards had discussions with Santa Cruz County Bank who offered, in their commitment to the Fair, a line of credit at 2 points above prime (which would be at 5.5%).

There was discussion regarding the entertainment budget and sponsorships which impact the budget and cash flow. There was also discussion about the financial liability of the directors in the event the Fair defaulted on the line of credit.

Director Belgard-Akimoto moved and Director Edwards seconded the motion to recommend the Board support the application to Santa Cruz County Bank for a \$200,000 line of credit and authorize Manager Kegebein to execute the necessary documents. Motion carried.

Future Meeting: The Finance Committee agreed to continue to meet at 4:30 the week prior to the regular board meeting – the next Finance Committee meeting is scheduled for April 17, 2012 at 4:30 PM

ADJOURNMENT: The meeting was adjourned at approximately 6:00 PM.