

**NOTICE of the REGULAR MEETING of the
SOUTHWESTERN FAIR COMMISSION, INC.
Thursday, October 25, 2012, 9:00 a.m. at La Cantina**

Pursuant to A.R.S. Sec. 38-431.02, notice is hereby given to the members of the Southwestern Fair Commission, Inc. and to the general public that the Southwestern Fair Commission, Inc. will hold a meeting on Thursday, October 25, 2012 at 9:00 a.m. in the La Cantina Meeting Room at the Pima County Fairgrounds, 11300 S. Houghton Road, Tucson, Arizona 85747; (520) 762-9100. The Commission may vote to go into Executive Session, which will not be open to the public, in accordance with A.R.S. Sec. 38-431.03.

1. OPENING MATTERS:

- a. Call to order and Pledge of Allegiance.
- b. Roll call.
- c. Call to the public.
- d. Approval of minutes of the previous meeting(s).

2. STAFF REPORTS:

- a. Executive Director
 - i. Concerts
 - ii. Interim Events
 - iii. Master Plan
 - iv. Bond
 - v. Projects
 - vi. SIR
 - vii. IAFE Convention
 - viii. 501(c) (3)
- b. C.F.O.
 - i. Financial Report

3. CONSENT AGENDA:

- a. Review, discussion and possible action on approval of cash disbursements in August 2012.
- b. Review, discussion and possible action on approval of cash disbursements in September 2012.
- c. Review, discussion and possible action on renewing the sublease with the Pima County Junior Livestock Sales, Inc.
- d. Review, discussion and possible action on renewing the sublease with the Southern Arizona Modelers Club.
- e. Review, discussion and possible action on renewing the sublease with the Tucson Kart Club, Inc.
- f. Review, discussion and possible action on the annual reporting to Pima County.
- g. Review, discussion and possible action on the annual renewal of our revolving line of credit with BBVA Compass bank.
- h. Review, discussion and possible action on setting the date for the Annual Commission Meeting in January 31, 2013 and subsequent tentative meeting dates for the year 2013.

4. OLD BUSINESS:

- a. Review, discussion and possible action on a presentation by the Vail Community Action Board and their proposed incorporation of the Town of Vail.
- b. Review, discussion and possible action on the proposed sub-lease of Tucson Raceway Park circle track to START-Tucson, Inc.. **This agenda item relates to legal advice, contracts and/or lease of real property, and may be discussed in executive session pursuant to A.R.S. Sec. 38-431.03 (A) (3), (4) and/or (7)**

5. NEW BUSINESS:

- a. Review, discussion and possible action on the Audit Reports for the fiscal year ended 6/30/12.
- b. Review, discussion and possible action on the Federal & State Tax returns for the fiscal year ended 6/30/12
- c. Review, discussion and possible action on Capital Projects for Fiscal Year 2012/2013

6. CLOSING MATTERS:

- a. Announcements
- b. Adjournment

SOUTHWESTERN FAIR COMMISSION, INC.
MEETING MINUTES
October 25, 2012

The Meeting of the Board of Directors/Members of the Southwestern Fair Commission, Inc., a nonprofit corporation, was duly called and held at the Pima County Fairgrounds La Cantina Meeting Room on Thursday, October 25, 2012.

Directors Present: Marvin Selke, President; Judy Patrick, Secretary; Don Clark, Treasurer; Jeff Cesare, Director

Absent: Rocco Bene, Director

Staff Present: Jon Baker, Executive Director; Bryon Lopez, CFO; Peggy Bauernfeind, Executive Secretary; Launa Rabago, Marketing; Bert Rodriguez, Maintenance Manager; Phyllis Armbruster, Concession Manager.

Others in Attendance: Chris Young, Kuhn Young Law Firm; Tom Moulton, Pima County; John Lashley, Keith Ames, from Start Tucson; Mark Cowley, Regier Carr & Monroe; George Mower & Rob Samuelson, Vail Incorporation Committee.

1. a. Call to Order: Marvin Selke called the meeting to order at 9:05 am followed by the pledge of allegiance.

b. Roll Call: Rocco Bene absent

c. Call to the Public: None

d. Approval of minutes of the August 30th & September 24th, 2012 meetings: Don Clark made a motion to approve the minutes of August 30th & September 24th as presented. Jeff Cesare seconded the motion. The motion carried.

4. Old Business:

a. Review, discussion and possible action on a presentation by the Vail Community Action Board and their proposed incorporation of the Town of Vail: George Mower & Rob Samuelson discussed with the board their plans for incorporation of the town of Vail which would include the fairgrounds. George stated the election will be in August 2013. He stated that the registered voters of Vail would be the ones voting on the incorporation. George stated there would be no taxes for the commission but there would be an amusement tax. There was discussion about changing the boundaries so as not to include the fairgrounds. Rob Samuelson said that monies that were received could be put back into capital funds for the fairgrounds. Jon Baker asked what services the fairgrounds would receive with the incorporation. Rob Samuelson stated the administration offices of Vail could be on the fairgrounds. They would provide police protection & meet transportation needs such as better roads. Jeff Cesare spoke on concerns of home development around the fairgrounds and how it would impact our events. Rob Samuelson stated that there would be better guidelines with the incorporation. The board then gave Jon direction to keep them informed of what is happening. There is a meeting on Monday night, October 29th to inform people of what is happening with the Vail incorporation. Staff members will be attending the meeting.

b. Review, discussion and possible action on the lease & operations of Tucson Raceway Park Circle track: Jon Baker started off by talking about the new Sturgeon bid. The County is saying the

items on the list need to be corrected before the County will authorize the power to be turned on. Tom Moulton explained how the electricity comes into the area and how it is distributed. He explained how the electrical installation was done years ago and there are now issues (code violations). There are signs of overheating in one of the main boxes. Tom Moulton stated there may be an option of not using all areas right away. After more discussion Judy Patrick made a motion to go into executive session to discuss TRP/START at 9:59 am. Jeff Cesare seconded the motion. The motion carried. The board came out of executive session at 10:28. John Lashley stated that the commission and Pima County agreed to turn on the electricity. He stated that the commission should follow the recommendations of Sturgeon and that SWFC and Pima County should complete the project. John Lashley also stated that START clearly relied on SWFC to have the power turned on and that they are not going to make repairs that go back twenty years. John also stated that he believes the list from Sturgeon has some flaws. He believes that they counted the conductors wrong and there are not that many that are bad. He told the board that if we don't come to some agreement they will shut down today. After more discussion, Jon Baker is going to work with John Lashley on TRP electrical problems to help get the power turned on but still be safe for all.

5. New Business:

a & b. Review, discussion and possible action on the audit reports and the Federal & State Tax returns for the fiscal year ended 6/30/2012: Mark Cowley stated the audit report was completed and there was nothing to report and no disagreements with management. He did state that horse revenues are down but the fair did well. Mark then proceeded to go through several segments of the audit. He said it was a very clean audit. Mark then went on to explain the Federal & State Tax returns. After discussion, Judy Patrick made a motion to accept the audit reports & tax returns as reported. Don Clark seconded the motion. The motion carried.

2. Staff Reports:

a. Executive Director: Jon Baker

i. Concerts: Jon talked about the medium size concert that was held on the fairgrounds October 14, 2012.

ii. Interim Events: Jon explained that events are going very well right now.

iii. Master Plan: Jon informed the board that the Parks & Recreational Department is reviewing the master plan but he wanted the board to know that staff has already been working on some of the projects.

iv. Bond: Mr. Huckleberry informed Jon that the bond election would now be in 2014. He discussed how that would help the fairgrounds if it gets passed.

v. Projects: Jon listed a few of the projects that staff is working on. They include:
RV Park improvements by Pima Hall
Quotes for asphalt which will be done prior to fair
Cantina Kitchen

vi. SIR: Everything seems to be going well. SIR just had the county inspection and they have a few corrections to do. They informed Jon that they are working on them already.

vii. IAFE Convention: Jon Baker reminded the board of the November IAFE Convention in Las Vegas.

viii. 501c3: Jon spoke about how we could benefit by having a 501c3 Fair Foundation. He has been talking to other fairs and gathering information for staff & board to review.

b. C.F.O.: Bryon Lopez

i. Financial Report: Bryon explained that the financials are for the past fiscal year and three months of the new year. He then discussed different segments of the profit and loss statements.

3. Consent Agenda:

- a. **Review, discussion and possible action on approval of cash disbursements in August 2012.**
- b. **Review, discussion and possible action on approval of cash disbursements in September 2012.**
- c. **Review, discussion and possible action on renewing the sublease with the Pima County Junior**

Livestock Sales, Inc.:

- d. **Review, discussion and possible action on renewing the sublease with the Southern Arizona**

Modelers Club:

- e. **Review, discussion and possible action on renewing the sublease with the Tucson Kart Club,**

Inc.:

- f. **Review, discussion and possible action on the annual reporting to Pima County:**

g. Review, discussion and possible action on the annual renewal of our revolving line of credit with BBVA Compass bank:

h. Review, discussion and possible action on setting the date for the Annual Commission Meeting on January 31, 2013 and subsequent tentative meeting dates for the year 2013:

Don Clark made a motion to accept the consent agenda as presented. Jeff Cesare seconded the motion. The motion carried.

5. New Business:

c. **Review, discussion and possible action on Capital Projects for the Fiscal Year 2012-2013:** Jon informed the board that the Thurber project was completed and the Pima RV Park now has 58 new spaces available. The Cantina Kitchen is waiting for equipment and the well project has been completed. Jon asked the board for the approval of moving some money from capital items that are already in the budget but have not been completed to be used for the remodeling of the stage. After discussion Don Clark made a motion for the reallocation of monies in the budget to be used for the stage remodel. Jeff Cesare seconded the motion. The motion carried.

6. Closing Matters

- a. **Announcements:** None

b. **Adjournment:** Don Clark made a motion to adjourn the meeting at 11:28 am. Jeff Cesare seconded the motion. The motion carried.

Respectfully Submitted,

Peggy Bauernfeind
Executive Secretary