



March 19, 2021

D2021-01

TO: District Agricultural Association Board Presidents and CEOs

SUBJECT: \$40.3M General Fund Support – Phase II

The Fairs & Expositions Branch (F&E) is pleased to announce it is entering the second distribution phase for the one-time \$40.3 million general fund budget allocation approved by the Governor on June 29, 2020. The initial phase consisted of allocations to help state-affiliated fairs, which includes both District Agricultural Associations (DAAs) and the California Exposition and State Fair, mitigate the severe loss of revenue resulting from the pandemic; accordingly, the funds were used to pay for legally mandated expenses associated with the layoff of civil service employees.

F&E has determined that after accounting for all legally mandated expenses and layoff-related expenses projected to become due before the end of the State's fiscal year (June 30, 2021), there will be a remaining balance of approximately \$19.3 million available for distribution to DAAs. For this second phase, F&E plans to provide operational support to DAAs under a two-pronged approach: "Targeted Support" (based on financial need) and "DAA Fairgrounds Allocation" (to provide funding to all DAAs with fairgrounds).

Phase I	Phase II	
Civil Service Layoff Support	Targeted Support	DAA Fairgrounds Allocation
Approximately \$21.0M is projected to be utilized towards the legally mandated expenses associated with the civil service layoff process.	Through an application process, approximately \$9.7M will be used to provide targeted operational support. Priority will be given to those that show the greatest financial need relative to the application pool.	Class Size
		Total \$
		I 62,000
		I-X -
		II 83,000
		III 104,000
		III+ 125,000
		IV 146,000
		IV+ 167,000
		V 250,000
		VI 375,000
		VII 1,562,000
~21.0M	~\$9.7M	~\$9.6M

Targeted Support

The Targeted Support will provide operational support to DAAs with fairgrounds through an application process. Funding under this distribution will depend strictly on the financial need of the applicant relative to the financial needs of the application pool.



Fairs interested in receiving this type of allocation will need to provide a completed application along with the supporting documents requested on the form; fairs will be ranked based on financial need as supported by their financial statements and the key indicators they list (such as cash balance, unrestricted reserves, current liabilities, debt obligations, and payroll expenditures).

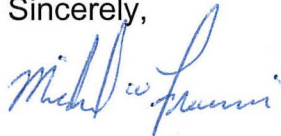
To be considered for targeted support, applications and the required documents must be submitted to Joji Kume via email at joji.kume@cdfa.ca.gov by April 16, 2021.

DAA Fairgrounds Allocation

All DAAs with a fairground will be provided an allocation based on class size. Although there is still some uncertainty around the exact amounts needed for the rest of the layoff processes, the amounts shown in the table for the DAA Fairgrounds Allocation is considered a solid estimate. Disbursement of allocations will take place over a three-week period that we anticipate starting early April. **No action is required by the DAAs.**

If you have any questions, please contact Mike Francesconi at 916-900-5365 or via email at mike.francesconi@cdfa.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mike Francesconi", is written over a light blue horizontal line.

Mike Francesconi
Interim Branch Chief

Enclosure: Targeted Support Application Form