

Jeffrie Madland

Subject: FW: 4/24/19 Council agenda IV B Camarillo Ranch Operating Agreement Ad Hoc Committee

From: Lori McVicker [mailto:lorimcv@yahoo.com]

Sent: Wednesday, April 24, 2019 12:38 PM

To: City Council Internet EMAIL Group <council@cityofcamarillo.org>

Cc: Jill Gordon <jgordon@cityofcamarillo.org>; Jeffrie Madland <jmadland@cityofcamarillo.org>

Subject: 4/24/19 Council agenda IV B Camarillo Ranch Operating Agreement Ad Hoc Committee

Dear Council Members:

Yesterday afternoon I attended the meeting requested by the CRF with the City. CRF President Charles Devlin, CRF Vice President Karen King, and CRF Treasurer Martin Daly came unprepared with no documentation or any plan for the CRF board's future.

During the discussion it was apparent that they had little knowledge of the costs the City already covers on the Ranch property. Mr. Devlin expressed frustration with the City for not paying more of the CRF's expenses. He stated that that the CRF would continue to pay the phone bill. It was a relief to hear that they are willing to pay for something. No appreciation was expressed for the \$500,000 that the City has already spent on the Ranch this year. All three agreed that if they are to remain responsible for the interior of the house they'd need additional funding of \$75,000 to \$100,000 from the City and they promised to return any unspent funds. Does anyone really believe they would give back any money?

They mentioned their concerns with the age of the house and the wear and tear of community events along with residents continually on the property. No resolution was offered but they seemed to perceive residents use of the property as a problem.

None of the CRF board members acknowledged or disputed the reality of the audited financial that show they've lost \$550,000 in the last five years or that they are using deposit money from future weddings. The taxpayer is on the hook for this money.

All three board members repeatedly admitted their lack interest and understanding of the rental business and liked the suggestion of not being responsible for the business. They were not even sure of how many people were employed at the Ranch last year but offered to provide the information to the City, if they wanted it. They were not prepared to respond to any detailed questions. All three believed a HR person is needed.

They are interested in being in charge of preserving the history through educational programs, public outreach and managing the docents. These are ALREADY their current responsibilities although they refused Juan Camarillo's papers and memorabilia. There was no discussion regarding the docents but at this time there aren't even enough docents to keep the Ranch House open during its posted hours.

After this meeting I'm even more convinced that the CRF's has never had the skills to meet their past, present, or future responsibilities. The CRF's contract with the City needs to be terminated.

Sincerely,

Lori McVicker

Jeffrie Madland

From: jeffmcvicker@yahoo.com
Sent: Wednesday, April 24, 2019 10:29 AM
To: City Council Internet EMAIL Group
Cc: Jill Gordon; Jeffrie Madland
Subject: 4/24/19 Council agenda IV B Camarillo Ranch Operating Agreement Ad Hoc Committee

Dear Council Members:

It's clear from yesterday's Ad Hoc Committee meeting that the CRF has no understanding of its financial situation at this late date.

Lori stated in her public comments that the CRF has lost over \$550,000, per the yearly audited financial statements over the last five years. Yet a CRF board member stated later in the meeting that the CRF has been in "the black" for the last four years. That statement is simply not true. The 2018 audited financial statements in yesterday's Ad Hoc meeting package for just that one year of 2018 shows a loss of \$48,130. It's sad that the CRF Board doesn't even understand its own financial reality.

I keep hearing the Ad Hoc Committee is a process and that the process has to be followed to its conclusion. I disagree.

If one looks at the operating agreement between the City and CRF, the Ad Hoc Committee process is at section 2(c) and it relates to section 2(a), the process involving the 2025 end of the current CRF contract.

Based on the dire operating performance of the CRF, I believe tonight the City Council, instead of affirming the Ad Hoc Committee process, should consider invoking section 2(b)(3) of the operating agreement and terminate the operating agreement by sending a 90-day termination notice to the CRF. No cause is required to terminate the contract.

The March 2019 CRF self-prepared financial statements in the Ad Hoc package also reveal, that on the balance sheet, while they have venue deposit liabilities of \$315,960, they only have cash and investments totaling \$68,165 and \$197,533, respectively, for a total cash balance of \$265,698. The difference (315,960-265,698) reveals that the CRF has spent \$50,262 of customer's future venue event cash deposits on current operations. (See, those calculators do come in handy. :-) That deficit of venue deposits exposes the City (and taxpayers) to making up the difference. That is why time is of the essence in this matter.

Absent terminating the operating agreement tonight, I would suggest adding two taxpaying Camarillo residents to the Ad Hoc Committee. (There doesn't seem to be anything in the operating agreement defining or limiting membership of the Ad Hoc committee.). I suggest you appoint Lori McVicker and Barb Williams as Community representatives.

Hopefully, the Council will terminate the CRF contract and we can move forward with the Ranch House and docents as a gathering spot for just community events, such as the Taste of Camarillo, Rebozo Festival, the Food Trucks, AC's birthday and Christmas at the Ranch.

Take Care and Good Luck on this matter.

Jeff McVicker