

OPINION

## Opinion/Letters to the Editor April, May, June, July, September, October 2023

September 14, 2023 issue:

Governor Newsom should reconsider Arabo's appointment to 22nd District Agricultural Association board

Re: "Arabo appointed to another state board after his court-ordered \$248,000 repayment to non-profit he worked for"

We at the Neighborhood Market Association (NMA) represent more than 650 family-owned businesses throughout California.

It was a tremendous disappointment to our membership to learn of Governor Newsom's appointment of Mark Arabo to the board of the 22nd District Agricultural Association. This Association is one of the state's most important governance boards, especially in its role as guardian of the fiscal integrity of the San Diego County Fair and its very lucrative horse racing season.

The public trust demands that Association board members be beyond reproach in their handling of their business affairs, and their administration of any non-profit fiduciary responsibilities.

Arabo has failed to live up to those most basic qualifications. Indeed, he has a well-documented history of violating the trust of those who depended on his honesty and leadership.

In his scandalous tenure as president of the NMA, Arabo abused his position to receive \$248,000 in membership funds. In ruling against Arabo in a lawsuit filed by NMA members, the Honorable Judge Richard Strauss ordered Arabo to disgorge those funds, which he illegally obtained under the guise of "bonuses" and "expenses."

Stated plainly, Judge Strauss found that “Arabo treated the NMA — a non-profit mutual benefit corporation — as his own personal bank account... He misused the NMA credit card, lied to the board to obtain a \$38,000 expense reimbursement, oversaw the unlawful transfer of \$100,000 from the NMA Educational Foundation, and used it for non-charitable purposes.

Mismanaging one’s own business or bank account is a private misdeed, with personal consequences. But Arabo violated the trust and financial stability of the Association’s hard-working members.

Arabo’s failure to properly perform his fiduciary responsibilities drove the NMA into bankruptcy and receivership. Following a fair election overseen by the trustee, the new board learned that the NMA owed the receiver and his attorney more than \$150,000 in fees. Thanks to the selfless dedication of our new board, the NMA is now on sound financial footing. But the damage inflicted by Arabo remains, and his misconduct continues to haunt our membership.

The NMA calls on Governor Newsom to immediately reconsider Arabo’s appointment to the board of the 22nd District Agricultural Association. In his place, we urge the Governor to appoint a qualified and trusted San Diegan to assume the important financial and leadership responsibilities required for this high-profile public position.

Arkan Somo, president

*Neighborhood Market Association*