



# 2015 OCFEC Budget Study Session

# Policy 2.5 – Financial Planning & Budgeting

Financial planning for any fiscal year or the remaining part of any fiscal year will not deviate materially from the Board’s Ends priorities, risk financial jeopardy, or fail to be derived from a multi-year plan.

Accordingly, the CEO will not prepare, present or allow budgets that:

1. Risk incurring those situations or conditions described as unacceptable in the “Financial Conditions and Activities” Board policy.
2. Omit credible projection of revenues and expenses for each of the business units (Summer Fair, year-round events/rentals, Pac Amp and Orange County Market Place), separation of capital and operational items, cash flow, and disclosure of planning assumptions.
3. Plan the expenditure in any fiscal year of more funds than are conservatively projected to be received.
4. Provide less for Board activities during the year than is set forth in the Cost of Governance policy (see policy in Governance Process).

# Objectives of the Annual Budget

- Allocate resources in a manner consistent with the vision, goals and strategies outlined by the Board
- To the extent possible, sustain funding for facility infrastructure (i.e. the Master Plan) and maintenance
- Maintain and develop effective partnerships to promote jobs and business success
- Support programs and policies consistent with long-term fiscal sustainability
- Continue to identify potential contracting and cost-recovery opportunities
- Promote strategic engagement by staff to find more efficient ways to manage and perform their areas of responsibility
- Continue increasing the cash balance to strengthen the organization's fiscal health
- Conservatively estimate revenues and expenses that are believed to be realistic and achievable

# Financial Management Structure

- Fiscal year runs January through December.
- Budgets are created annually for 52 departmental units which are summarized into four business units:
  - Fair / Self Produced Events
  - Pacific Amphitheatre - Fair
  - Year-Round Events (includes Market Place Swap Meet)
  - Support Services (Administration, Accounting, Purchasing, HR, Facilities, Operations, Centennial Farm, etc)
- The 52 budgets are directly overseen by 21 management staff.

# 2015 Revenue Budget (Preliminary)

Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Forecast	4 Year Average	Incremental	2015 Budget
Self-Produced Events							
Admissions	7,779,842	7,232,788	7,582,386	8,343,029	7,734,511	0	7,734,511
Carnival	2,493,507	2,894,852	3,335,913	3,508,291	3,058,141	0	3,058,141
Commercial Space	1,680,568	1,482,800	1,480,937	1,460,983	1,520,868	0	1,520,868
Concessions	5,620,917	5,873,948	6,128,444	6,481,041	6,026,088	-25,000	6,001,088
Other Revenue	1,202,236	1,197,010	931,121	1,131,126	1,115,373	-93,000	1,022,373
Parking	1,749,690	1,727,996	2,476,487	2,338,336	2,073,127	-9,000	2,064,127
Sponsorships/Prem Space	1,087,388	1,677,457	1,610,520	1,594,798	1,492,541	0	1,492,541
Total Self-Produced Events	21,614,148	22,086,851	23,545,808	24,857,604	23,020,649	-127,000	22,893,649
Pacific Amphitheatre	6,120,120	6,373,471	6,520,544	5,895,218	6,227,338	-250,000	5,977,338
Swap Meet	2,042,228	1,973,934	2,000,484	1,999,911	2,004,139	-284,000	1,720,139
Year-Round Events	4,186,289	4,576,491	4,797,661	5,266,220	4,706,665	-230,000	4,476,665
Support Services	278,806	440,906	370,774	332,243	355,682	-115,000	240,682
Total OCFEC	34,241,591	35,451,653	37,235,271	38,351,196	36,314,474	-1,006,000	35,308,474

- Revenue budget based on 4 Year Average of 2011-2014 experience plus adjustments for the discontinuation of Block Party (\$127K), elimination of lawn seating in the Pacific Amphitheatre (\$250K), reduction in rent profile for the Swap Meet (\$284K), discontinuation of Barrett Jackson (\$230K) and completion of Centennial Farm CDFR Grant Program (\$93K) and discontinuation of Preview Night (Donations \$22K)

# Year Round Events Revenue

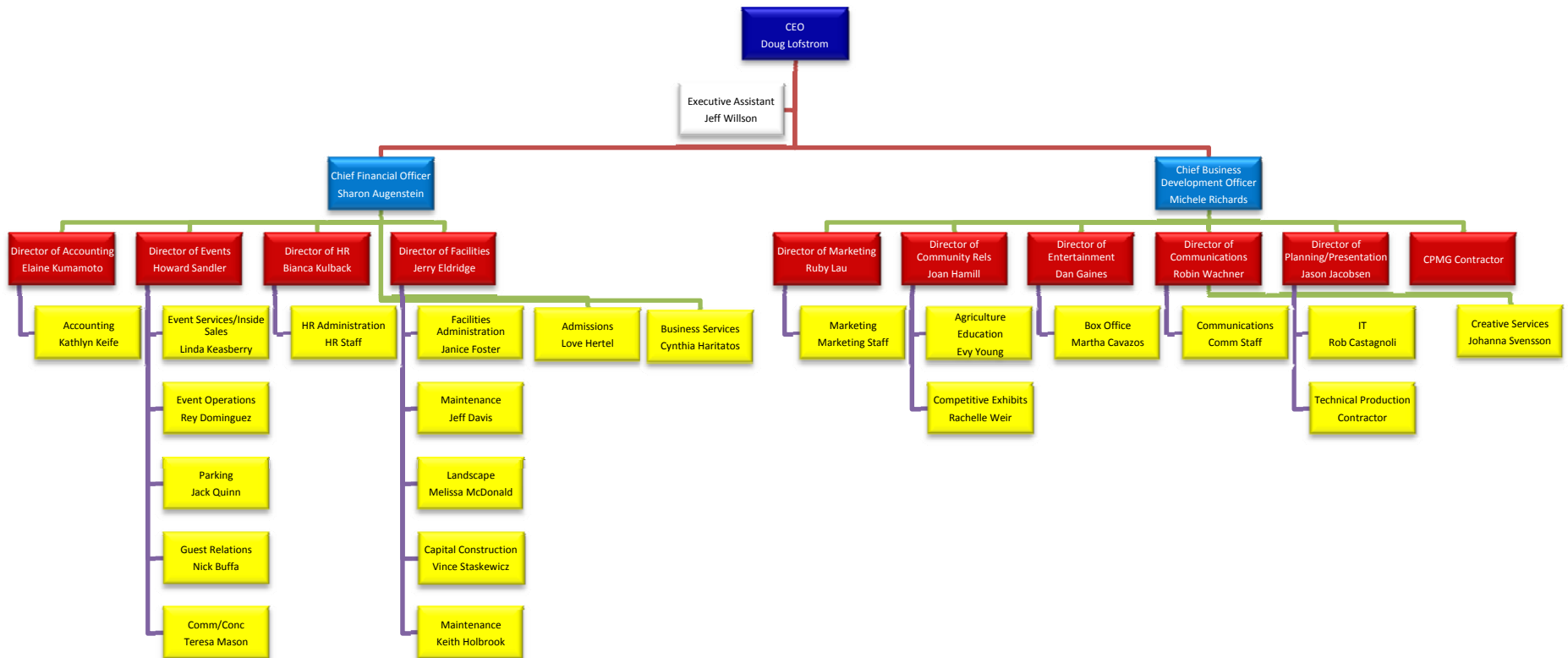
- 2014 Forecast \$5.3M; 2015 Budget \$4.5M (4 Year Average)
- \$2.2M revenue from 11 multiple show clients (Gun Show, 626 Night Market, Gem Faire, Speedway, Sugar Plum, Favorday Church, Fight Club, Home Show, Guitar Show, Morpace Automotive Research, Food Trucks, Bride World)
- \$1.5M revenue from 7 shows generating revenue > \$100K each
- \$1.4M revenue from 75+ single events < \$100K each
- \$0.2M revenue from full year tenants/other
  
- 2014 Statistics
  - 148 events
  - 220+ event days (excludes move-in/move-out days)
  - 90 food truck event days
  - 92 / 104 weekend days rented

# 2015 Expense Budget

Operating Expense	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Forecast	2014 Budget
Labor	10,277,443	10,375,161	10,811,042	11,419,898	11,900,000	12,933,094
Non-Labor	15,043,823	15,467,897	16,216,717	15,971,254	16,500,000	16,814,045
Total OCFEC Operating Expense	25,321,266	25,843,058	27,027,759	27,391,152	28,400,000	29,747,139

- 2015 expense budget still in development. Anticipate increases over 2014 Budget to cover 100% labor plan, 3% increase over Non-Labor and incremental costs for 125<sup>th</sup> Celebration, opening of new Berm space and other incremental investment expenditures. Information provided for directional purposes only.

# 2014 Organization Structure







# Budget Study Session

Directorate: Marketing

# Marketing Overview

- Primary Focus: Develop marketing strategy and build market awareness to advance property mission, events, and programs.
- Directorate is comprised of the following functions/major responsibilities:
  - Marketing – Media advertising, promotions, programs, and partnerships
  - Advertising – TV and radio commercials, digital, outdoor, and print media
  - Promotions – We Care Wednesday, Rise & Shine, Read & Ride, Super Pass, Taste of Fair Foods, OCTA Fair Express, Metrolink, OC City Day Outreach, and Spring-Summer Pop-Up Road Show

# Marketing

- Labor (\$220K plus taxes & benefits)
  - 2 FT civil service staff budgeted
  - 4 PT seasonal staff to support event programs
- Non-Labor (\$1.6M)
  - Media budget – \$955K (TV, radio, print, outdoor, digital)
  - Contract Management – \$430K (SENSIS ad agency and radio/TV production)
  - Programs/Promotions - \$110K (culinary series, guest survey, and market collateral)
  - Printing/Signage -\$85K (brochures, schedules, programs, and coupons)
  - Other – \$3K (travel, training, supplies, uniforms, dues, misc.)



# Budget Study Session

Directorate: Sales

# Sales Overview

- Primary Focus for Directorate: Provide revenue generation and client service to the following streams: Sponsorship (Fair and Imaginology), Mobile Marketing Tours (Fair), Premium Space (Fair and Imaginology), Year-Round Event Sales and Group Ticket Sales (Fair)
- Directorate is comprised of the following functions/major responsibilities:
  - Sales – lead generation, prospecting, proposals, negotiation for Sponsorship, Mobile Marketing Tours, Premium Space, Year-Round Events and Group Tickets Sales
  - Contracting – developing deal points, executing revenue contracts
  - Servicing– hospitality, customer service, insuring all contracted elements are fulfilled, collections

# Sales

- Labor (\$0)
  - Contracted service; no direct labor costs
- Non-Labor (\$190K)
  - Commission – \$150K
  - Signage/Banners – \$20K
  - Advertising/PR – \$6K
  - Equipment Rental – \$4K
  - Other – \$10K (dues/subscriptions, promotional materials, postage, uniforms)



# Budget Study Session

Directorate: Creative Services

# Creative Services Overview

- Primary Focus for Directorate: Provide graphic design services and creative development for organization's self-produced events, and to offer fee-based creative design services to outside promoters.
- Directorate is comprised of the following functions/major responsibilities:
  - Graphic Design – includes concept development for print advertising, collateral materials, and electronic media
  - Signage/Banner Production – includes design and production of property signage, educational and exhibit-related posters, sponsor banners, etc.
  - Web Site Design and Maintenance – includes design and maintenance of year-round ocfair.com web site, annual fair web site, and Imaginology web site; design of marketing eblasts; and maintenance of OCFEC customer email database



# Creative Services

- Labor (\$253K plus taxes & benefits)
  - 4 full time Civil Service staff budgeted, one of which is part-time, intermittent
  - Flexible, part-time design staff of 3-5 individuals depending on workload
- Non-Labor (\$39K)
  - Supplies – \$16K
  - Other – \$23K (training, software, dues/subscriptions, office supplies, equipment rental, misc.)



# Budget Study Session

Directorate: Communications

# Communications Overview

- Primary Focus for Directorate: Provide communications services to the organization including media relations, crisis communications, social media, smart phone apps, newsletters , copywriting/proofing and employee communications
- Directorate is comprised of the following functions/major responsibilities:
  - Media Relations /Crisis Communications – Proactive outreach to media outlets to inform of new/upcoming events or newsworthy stories. Place stories in media outlets including newspaper, television and TV. Includes PR strategy, reactive media relations & crisis communications. The advertising equivalency amount generated in “free” publicity in 2014 was nearly \$13 million across print and broadcast.
  - Social Media/App Development – Social media strategy, implementation & monitoring; App development strategy.
  - Copywriting/Proofing – Writing copy and proofing all documents such as website, brochures, ads, press releases and more, company-wide.
  - Newsletters – Quarterly @The Fair newsletter and Daily Fair-time newsletter written and distributed by Communications department
  - Employee Communications – Internal communications including weekly emails and intranet posting/upkeep

# Communications

- Labor (\$230K plus taxes & benefits)
  - 2 full time Civil Service staff budgeted
  - 6 part time seasonal staff (3 interns; 2 publicists; 1 part-time assistant)
- Non-Labor (\$79K)
  - Web Development – \$17K (SmartPhone App development - Fair). This will likely be less in 2015 due to decreased costs as apps become more common.
  - Media Services – \$20K (media monitoring service, media evaluation service, press clipping services to track and evaluate our earned media outreach such as articles, radio spots and TV segments)
  - Professional Services - \$16K (videography for gate video, Pac Amp screens, post-fair video, sizzle reels, YouTube/online videos; photography for brochures, ads and media usage)
  - Other – \$26K (supplies, travel, training, uniforms, dues, subscriptions, printing, telephone, rental equipment, promotional materials, other)



# Budget Study Session

Directorate: Community Relations

# Community Relations Overview

- Primary Focus for Directorate: Provides strategic leadership within the organization; creates and oversees programming and exhibits for, by and about the community with a focus on agriculture, education, entertainment and human interest activities.
- Directorate is comprised of the functions/major responsibilities:
  - Year-round agricultural education programs through the Centennial Farm (School Tours, Ranch After-school Program)
  - Creates and manages competitive programs in accordance to State and local Rules (Centennial Farm, Home Arts, Livestock, Visual Arts, Youth, Imaginology)
  - Creates and manages non-competitive exhibits (Feature & Theme Exhibits)
  - Community Relations/Exhibits & Entries
    - Imaginology – School Project participation, feature exhibitors, activities and events
    - Home Arts – Fiber arts (quilts, knitting, sewing, etc.) handcrafts (jewelry, mosaic, stained glass, etc.) culinary arts

# Community Relations Overview

- Visual Arts – Painting, photography, sculpture, ceramics, fine art woodworking
- Youth – Art and crafts, fine art, photography, fine art woodworking
- Feature Exhibit - Insect Exhibit, Ice Museum
- Theme Exhibit - Sand Sculpture, Culinary Theme, smaller exhibits, demonstrations
- Exhibits-Fair – premiums, Home Beer, contests, props
- Community Relations/Centennial Farm & Livestock
  - Centennial Farm, Fair – Garden & Floral (arrangements, cut blooms, fruits & vegetables,) demonstrations, speakers
  - Livestock – FFA and 4-H exhibits (live animals, commodities)
  - Junior Livestock Auction – Acts as a banking function

# Community Relations/Exhibits & Entries

- Labor (\$712K plus taxes & benefits)
  - 5 full time Civil Service staff budgeted
  - Numerous part time seasonal staff to support Fair and Imaginology (130+)
- Non-Labor (\$637K)
  - Equipment Rental – \$155K (heavy equipment, free-span structure, canopies and booths, tables and chairs, office trailers, office furniture, electric carts, hand held radios, lights, plant service)
  - Premiums/Awards – \$121K (cash prizes, ribbons, trophies)
  - Décor/Props – \$82K (large and small exhibitry)
  - Grounds Acts – \$73K (Imaginology entertainment, Fair Insect Exhibit, etc.)
  - Professional Services – \$40K (commercial exhibits, animal exhibits, façades, professional demonstrators)
  - Printing/Promotional Expense – \$32K (competitive program collateral, industry ads promoting competitions)
  - Judging services – \$26K
  - Signs/Banners – \$21K
  - Other – \$87K (office supplies, contest supplies, small equipment, contractor travel, uniforms, training, postage, exhibit photography, dues, licensing, bank fees, refunds, software, IO trash removal, IO parking lot sweeping, IO outside janitorial misc)



# Community Relations/Centennial Farm & Livestock

- Labor (\$616K plus taxes & benefits)
  - 8 full time Civil Service staff budgeted
  - Numerous part time seasonal employees (40+)
- Non-Labor (\$354K)
  - Equipment Rental – \$79K (free span structure, canopies, tables, chairs, office furniture, electric carts, large equipment)
  - Professional Services – \$77K (veterinary services, web development, animal exhibits, petting zoos, demonstrators)
  - Farm Supplies - \$62K (straw, shavings, alfalfa, feed, soil, seeds, tools, etc.)
  - Building & Grounds – \$56K (electricity, vermin abatement, deferred maintenance, lot sweeping, trash removal, pressure washing, equipment )
  - Décor/Props, Signage – \$51K (large & small exhibitry, signs, banners)
  - Judging - \$11K
  - Other - \$18K (uniforms, signs & banners, office supplies, dues & fees, licensing, printing, postage, promo expense, etc.)



# Budget Study Session

Directorate: Entertainment

# Entertainment Overview

- Primary Focus for Directorate: Provide entertainment, ticketed event creation, advance ticket sales for the annual Fair and other self-promoted events; contract all paid performance events; coordinate community entertainment program; orchestrate the purchase of all products and services needed to support the entertainment function
- Directorate is comprised of the following functions/major responsibilities:
  - Box Office – event creation, advance ticket sales, house seat program, Super Pass fulfillment and distribution
  - Grounds Entertainment – negotiation, contracts, purchasing, scheduling for strolling performers, Action Sports Arena, Baja Blues Stage, The Hangar, Meadows Stage, Plaza Arts Stage and Promenade Stage; paid and community.
  - Pacific Amphitheatre Entertainment – negotiation, contracts, purchasing, scheduling performers; event marketing and promotion; artist liaison, event settlement and reporting

# Box Office

- Labor (\$210K plus taxes & benefits)
  - 2 full time Civil Service staff budgeted;
  - Part time seasonal staff to support Box Office and Super Pass
- Non-Labor (\$82K)
  - Ticket printing fees - \$50K
  - Office / Super Pass supplies – \$15K
  - Other – \$17K (bank/credit card fees, equipment rental, postage, promotional materials, telephone, uniform, web development)

# Grounds Entertainment

- Labor (\$75K plus taxes & benefits)
  - Part time seasonal employees to support Imaginology & Fair
- Non-Labor (\$1.9M)
  - Arena / Hangar acts - \$600K
  - Equipment rental - \$605K (bleachers, Hussongs, lighting, portable storage, production services, sound, staging, tents, video)
  - Grounds acts - \$415K (Baja Blues, Grounds, Meadows, Promenade, Plaza Arts)
  - Professional services - \$180K (ASA preparation, EMS, Hussongs, MC, production)
  - Outside trash removal - \$75K
  - Contractor travel expenses - \$25K (entertainer accommodations)
  - Outside janitorial - \$26K
  - Other - \$22K (advertising, bank/credit fees, dues and subscriptions, employee travel, office supplies, performer hospitality, signs/banners, small equipment, telephone, ticket printing fees, uniforms)

# Pacific Amphitheatre

- Labor (\$0)
  - Labor performed by contracted staff and non-entertainment seasonal staff
- Non-Labor (\$4.7M)
  - Performance fees – \$3M
  - Professional services – \$500K (booking/marketing, merchandise services, production services, stage labor)
  - Equipment rental – \$340K (lights, sound, video, tents)
  - Advertising and promotion – \$230K (online, print, radio, TV)
  - Merchandise sales commission – \$220K
  - Outside Janitorial/Trash removal – \$135K
  - Performer hospitality – \$85K
  - Utilities – \$60K
  - Bank/credit card fees – \$50K
  - Sponsorship and sales commission – \$15K
  - Other – \$22K (office supplies, postage, props/supplies, signs & banners, ticket printing fee, tickets/wristbands, training, web development)



# Budget Study Session

Directorate: Planning &  
Production

# Planning & Production Overview

- Primary Focus for Directorate: Provide technology, planning/presentation and production services to the organization for fair time and year round.
- Directorate is comprised of the following functions/major responsibilities:
  - Technology – manage/build computer systems, equipment and networks, manage/build video and audio systems, network security, staff training, event support, business machine management
  - Production – manage OC FEC trussing, lighting and sound; rental/contractor coordination; build/manage main mall show; video editing and storage
  - Planning/Presentation – layout and logistics, project management, banner installation, infrastructure documentation and CAD drawings, electronic and static property signage, and event support



# Technology

- Labor (\$180K plus taxes & benefits)
  - 3 full time Civil Service staff budgeted
  - Part time seasonal staff to support year round events and fair time setup/strike
- Non-Labor (\$210K)
  - Systems – \$90K (hardware, software, AV, equipment maintenance, high speed internet)
  - Professional Services – \$55K (annual business system software fees, web development)
  - Tech Upgrades – \$50K (audio system, camera system, fiber optic)
  - Other – \$15K (equipment rentals, supplies, cable, uniforms, training and travel)

# Production

- Labor (\$0K)
- Non-Labor (\$420K)
  - Professional Services – \$30k (audio consulting & contract support)
  - Equipment Rental - \$290k (grounds truss & lights, Main Mall show, video, light show, pyro)
  - Other - \$100k (rentals, supplies, AV/Lighting equipment, small equipment, dues/subscriptions, equipment maintenance)

# Planning/Presentation

- Labor (\$150K plus taxes & benefits)
  - 2 full time Civil Service staff budgeted
  - Part time seasonal staff to support fair time
- Non-Labor (\$40K)
  - Banners/signs – \$20K (fair time, restrooms, year round, flags, signage, plaques)
  - Professional Services – \$16K (banner install/cleaning, web development)
  - Other – \$4K (supplies, uniforms, travel, training, scanning, equipment maintenance)



# Budget Study Session

Directorate: Event Services

# Event Services Overview

- Primary Focus for Directorate: Provide strategic leadership within the organization; contract event sales and services for the organization's clients and partners in accordance with State rules and regulations; manage & develop staff and ensure controls applicable to Year Round Events/Annual Fair planning and execution
- Directorate is comprised of the following functions/major responsibilities:
  - Event Sales & Services – Y/R booking efforts, rental agreement development, event planning & coordination, billing settlement, client relations, master concessionaire oversight, State Fire Marshal/OC Health Agency compliance
  - Commercial & Concessions – OC Fair food & beverage/merchant layout, applications, rental agreements, contract adherence, C&C partner oversight & support, new idea & fresh look implementation, per cap maximization
  - Event Operations – setup, teardown, rental equipment program, facility sanitation, supply inventories, outside contractor scheduling & oversight
  - Safety & Security – public safety, venue security, emergency preparedness, OC Sheriff & EMS liaison, alcohol compliance, guest services, info booths
  - Parking Operations – parking lot utilization, traffic safety, direction & flow, CMPD & Caltrans liaison, shuttle services, offsite parking relationships & storage planning

# Event Services

- Labor (\$510K plus taxes & benefits)
  - 8 full time Civil Service staff budgeted
  - 3 part time seasonal employees to support peak event volume and administrative efforts
- Non-Labor (\$340K)
  - OC Sheriff/CMPD – \$68K
  - Equipment Rental – \$62K (restroom trailer, bleachers, fence, audio equipment, electronic reader boards)
  - Professional Services – \$70K (State Fire Marshal, sound monitoring, stagehand labor, emergency medical services, arena preparation)
  - Sponsorship & Sales – \$80K (CPMG commission - new event sales)
  - Other – \$60K (office supplies, signs, props, small equipment, uniforms, outside services/tram, travel, training, dues, subscriptions, bank/credit card fees, misc

# Commercial & Concessions

- Labor (\$90K plus taxes & benefits)
  - 4 part time seasonal employees to review vendor applications, maintain partner database, generate rental agreements, support F&B and merchant layout planning and Fair activity
  - Additional temporary seasonal staff to support Fair-time efforts (18)
- Non-Labor (\$180K)
  - Equipment Rental – \$155K (tents, lighting, trussing, golf carts, shower trailers, portable restrooms, office trailers/containers, office equipment, furniture refrigeration, generator)
  - Other – \$25K (employee travel, training, web development, office supplies, signage, props, small equipment, uniforms, postage, printing, promo/award materials, bank/credit card fees)

# Event Operations

- Labor (\$440K plus taxes & benefits)
  - 7 full time Civil Service staff budgeted
  - 12 part time seasonal employees as needed for year-round events
  - Additional temporary seasonal employees to support Fair-time efforts (12)
- Non-Labor (\$1.2M)
  - Janitorial – \$625K
  - Trash Collection & Removal – \$115K
  - Parking Lot Sweeping – \$180K
  - Janitorial Supplies – \$165K
  - All Other – \$90K (employee training, office supplies, small equipment, equipment rental, equipment maintenance & supplies, uniform & laundry, building & grounds supplies)



# Safety & Security

- Labor (\$1.1M plus taxes & benefits)
  - 5 full time Civil Service staff budgeted
  - 2 part time seasonal employees plus up to 95 temporary seasonal staff as needed for year-round events
  - Numerous temporary seasonal employees to support Fair-time efforts (385)
- Non-Labor (\$640K)
  - OC Sheriff – \$525K (Fair-time)
  - Emergency Medical Services – \$45K
  - Equipment Rental – \$25K (golf carts, tents, furniture)
  - Equipment Maintenance & Supplies – \$10K (vehicle, golf cart)
  - Facility Safety Systems – \$5K (fire extinguishers, AED servicing)
  - All Other – \$30K (employee training, office supplies, small equipment, uniforms, laundry, printing, decorations)

# Parking Operations

- Labor (\$410K plus taxes & benefits)
  - 2 full time Civil Service staff budgeted
  - 3 part time seasonal employees plus up to 35 temporary seasonal staff as needed for year-round events
  - Numerous temporary seasonal employees to support Fair-time efforts (200)
- Non-Labor (\$740K)
  - CMPD – \$365K
  - Shuttle Service – \$298K (Silverado Stages)
  - Equipment Rental – \$30K (light towers, reader boards, portable restrooms)
  - Professional Services – \$9K (Experian Lot security)
  - All Other – \$38K (employee training, office supplies, signage, equipment maintenance, uniforms, building & grounds supplies)



# Budget Study Session

Directorate: Facilities  
Maintenance & Operations

# Facilities Maintenance & Operations Overview

- Primary Focus for Directorate: Provide operational support and services to internal and external customers. This is accomplished through planning and communication with an efficient, flexible staff organized in multiple disciplines that work together. We strive to be timely and innovative in a safe, challenging, learning environment while maintaining high standards.
- Directorate is comprised of the following functions/major responsibilities:
  - Maintenance – maintain all OCFEC facilities and equipment
  - Landscape – improve, develop and maintain all landscaping on the grounds
  - Capital Construction – project development and project management for capital and major projects

# Facilities Maintenance and Operations

- Labor (\$1.7M plus taxes & benefits)
  - 24 full time Civil Service staff budgeted
  - 19 full time temporary labor to support year round efforts
  - 40 seasonal employees to support Fair efforts
- Non-Labor (\$2.8M)
  - Utilities – \$1.1M (electricity, water, gas)
  - Janitorial / Parking Lot Sweeping – \$420K
  - Trash Collection / Removal – \$360K
  - Buildings & Grounds Supply – \$125K
  - Asphalt / Concrete – \$100K
  - Plumbing – \$85K
  - Electrical – \$85K
  - Equipment Maintenance & Supplies – \$76K
  - Landscape / Landscape Maintenance – \$120K
  - Equipment Rental / Equipment – Gas & Oil – \$90K
  - AC/Heater Systems – \$45K

# Facilities Maintenance and Operations

- Painting – \$60K
- Other – \$175K (equipment rental, pest control, small equipment, carpentry, professional services, facility safety systems, small repairs, uniforms, office supplies, employee training & travel)



# Budget Study Session

Directorate: Accounting

# Accounting Overview

- Primary Focus for Directorate: The art of accumulating, recording, organizing, maintaining, and analyzing the financial activities of the organization. Provide information to management that is necessary to measure performance, manage cash flow and determine the financial position of the organization.
- Summary of primary accounting functions/major responsibilities:
  - Processing payroll, accounts receivable, and accounts payable
  - Maintenance of the general ledger
  - Preparation of monthly and annual reports
  - Regulatory filings
  - Tracking , recording, and maintaining records of the organization's assets
  - Provide support to other departments as needed



# Accounting

- Labor (\$325K plus taxes & benefits)
  - 5 full time Civil Service staff
- Non-Labor (\$137K)
  - Bank and Credit Card Fees – \$63K
  - Audit Service – \$40K (annual audit by CDFA)
  - Sales Taxes – \$12K
  - Software Training – \$16K (nQativ)
  - Miscellaneous – \$6K (employee training & travel, dues, supplies, uniforms)



# Budget Study Session

Directorate: Human Resources

# Human Resources Overview

- Primary Focus for Directorate: HR plays a significant role in managing, controlling, developing, and maintaining a productive workforce which contributes to the profitability of the organization.
- Directorate is comprised of the following functions/major responsibilities:
  - Execution of corporate strategy – developing and implementing policies and procedures that support organizational goals.
  - Recruiting – attracting and retaining talented people. Centralized hiring reduces liability and turnover costs.
  - Management credibility – ensuring strong leadership by managing consistently and fairly.
  - Training and development – increasing value of existing employees by increasing knowledge and skills.
  - Performance management – communicating expectations and measuring results.
  - Innovation – continually seeking process improvements to increase efficiencies.
  - Risk management – reducing legal liability in various claims such as discriminatory hiring practices, harassment, worker’s compensation, wrongful termination, and keeping management aware of new laws affecting the workplace.
  - Compensation & Benefits – analyzing wages and assisting employees with benefits.
  - Carnival Sales – manage and oversee all carnival sales activity for Fair.

# Human Resources

- Labor (\$375K plus taxes & benefits)
  - 4 Full time Civil Service staff
  - 4 Part time seasonal staff to support general HR functions
  - 6 Part time seasonal staff to support centralized hiring
- Non-Labor (\$281K)
  - Unemployment Insurance – \$140K
  - Professional Services – \$55K (background screening, applicant tracking, HRIS updates, CFSA)
  - Legal Services - \$20K
  - Employee Relations – \$15K (service awards, employee & volunteer recognition, retirement recognition, wellness program)
  - Data Access – \$9K (CalHR online system)
  - Recruiting – \$7K (advertisement for employment)
  - Other – \$35K (applicant tracking system, travel, training, printing, postage, supplies, uniforms, dues, subscriptions, misc)

# Carnival Sales

- Labor (\$250K plus taxes & benefits)
  - 150 Part time seasonal staff
- Non-Labor (\$206K)
  - Bank/Credit Card Fees – \$94K
  - Professional Services – \$56K (ride safety inspection)
  - Tickets/Wristbands – \$39K
  - Equip Rental – \$8K (radios, canvas, chairs, carts, refrigerator)
  - Cash Over/Short – \$6K
  - Other – \$3K (uniforms, backpacks, money pouches, zip ties)



# Budget Study Session

Directorate: Administration

# Administration Overview

- Primary Focus for Directorate: Provide executive leadership to the organization; contract and purchase all products and services for the organization in accordance with State rules and regulations; cash management and control including admissions and parking sales
- Directorate is comprised of the following functions/major responsibilities:
  - Administration – organization leadership, legal services, insurance
  - Business Services – RFPs, contracts, purchase actions, State reporting, company office supplies management
  - Admissions/Parking Sales, Concessions Audit and Cash Operations – event admissions, gate operations and parking sales, audit of concessions during Fair, cash/deposit reporting, cash to bank

# Administration

- Labor (\$675K plus taxes & benefits)
  - 6 full time Civil Service staff budgeted; 2 positions currently vacant (Vice President & Sr. Financial Analyst)
  - Part time seasonal staff to support Memorial Gardens Business Development events during Fair
- Non-Labor (\$700K)
  - Insurance – \$300K
  - Legal Services – \$150K
  - Public Relations Functions – \$65K (Memorial Gardens)
  - Sponsorship – \$30K (WFA), \$6K (Maintenance Mania)
  - Postage – \$25K
  - Other – \$124K (travel, training, Fair picnic, directors expense, supplies, uniforms, dues, subscriptions, misc)



# Business Services

- Labor (\$265K plus taxes & benefits)
  - 4 full time Civil Service staff budgeted
  - Part time seasonal staff
- Non-Labor (\$34K)
  - Office supplies – \$22K
  - Equipment maintenance & supplies (copier maintenance) – \$10K
  - Other – \$2K

# Admissions/Parking Sales, Concessions Audit and Cash Operations

- Labor (\$625K plus taxes & benefits)
  - Efforts performed by 1 internal staff and seasonal staff as needed for year-round events
  - numerous seasonal employees to support Fair efforts (300+)
- Non-Labor (\$200K)
  - Equipment Rental – \$55K (tents & trailers)
  - Ticket Stock – \$35K
  - Bank Fees – \$50K (credit card fees)
  - Equipment Maintenance - \$15K
  - Other – \$45K (office supplies, uniforms, forms, misc)

# Capital & Major Projects Budget

- Project review and budgeting in process
- Includes large maintenance / renovation projects including
  - ASA (roof/structural repairs, painting)
  - Pac Amp interior (seat refurbishment, fall protection system)