



The following financial reports as of June 30, 2020 are enclosed for your reference.

Statement of Operations

YTD June 2020 revenue is unfavorable to budget by \$4.1M. This is wholly due to the effects of the business cancellations due to COVID-19. Some revenue was recognized in June – storage fees from Cirque du Soleil and rent for the fireworks stand, in addition to the Equestrian Center rent.

Management continues to watch events in the county in order to execute a restart. Recently, there have been dramatic increases in the infection rate in Orange County, and the state. At this time, more events planned for late summer / early fall are affected. A reforecast as of June accompanies our financials this month, and reflects this change in our local environment.

Additionally, our interest earnings continue to decrease, as does our cash balance.

Operating expenses for YTD June 2020 are favorable to budget by \$4.7 M, while total expenses are favorable by \$5M. Management continues to look for ways to decrease operating expenses.

For the YTD period ending June 30, 2020, YTD net proceeds are favorable to the budget by \$920k.

Balance Sheet

As of June 30, 2020 Accounts Receivable was \$819K vs. \$2.3M at the end of June of the prior year. Once again, this difference is wholly due to the business cancellations.

Deferred Revenues were \$2.9M compared to \$12.3M at this time a year ago. This difference is due to business cancellations and the refunding of ticket sales through Ticketmaster.

In December 2019, we recorded our liability under SB84, \$1.7M. The balance is unchanged as of June 2020, and will continue to show a variance from the prior year until we reach December 2020.

Statement of Cash Flows

As of June 30, 2020, OCFEC's Cash and Investments are \$48.8M, a decrease of \$5.4 over June 30, 2019. The current balance represents a decrease of \$6.1 from December 31, 2019. Surplus cash is invested in the State LAIF account. The interest rate for the month was 1.217%, a decrease of .146% from May. In comparison, the rate for June 2019 was 2.428%, and the rate for January 2020 was 1.967%. The rate continues to decline steadily each month.

**32nd D A A - OC Fair & Event Center
MTD and YTD Actual vs. Budget Comparison
June 30, 2020**

2020 Month Actual	2020 Month Budget	Variance	2020 YTD Actual	2020 YTD Budget	Variance
OCFEC-PRODUCED EVENT REVENUE					
ADMISSIONS TO GROUNDS					
Subtotal					
COMMERCIAL SPACE RENTALS					
CARNIVAL & CONCESSIONS					
Concessions					
Subtotal					
EXHIBITS REVENUE					
Entry Fees					
Exhibit Awards					
Garden Classes & Misc Sales					
Subtotal					
Sponsorships					
Exhibitor Fees					
Subtotal					
TOTAL OCFEC-PRODUCED EVENT REVENUE					
RENTAL REVENUE					
RENTAL OF FACILITIES					
Grounds Wide Rentals					
Building 10					
Building 12					
Building 14					
Building 16					
The Hangar					
Parade of Products					
Breezeway					
Wine Courtyard					
Silo Building					
Millennium Barn					
Little Theater					
Baja Blues Restaurant					
Parking Lot					
Lawns					
Event Camping					
Festival Grounds					
Mall					
Grandstand Arena					
Trailer Rallies					
Individual Camping					
Pacific Amphitheater					
Subtotal					
OTHER RENTAL EVENT REVENUES					
Interim Admissions					
Interim Parking					
Revenue from Personnel Services					
Equipment Rentals					
Year-Round Concessions					
Outside Caterers					
Outdoor Signs					
Subtotal					
EQUESTRIAN CENTER REVENUES					
Stall Rentals					
Subtotal					
Miscellaneous Rental Revenues					
Subtotal					
TOTAL RENTAL REVENUE					
62,435	1,077,729	(1,015,294)	1,883,168	5,984,673	(4,101,505)

32nd D A A - OC Fair & Event Center
MTD and YTD Actual vs. Budget Comparison
June 30, 2020

2020 Month Actual	2020 Month Budget	Variance
62,435	1,092,386	(1,029,952)

48,191	100,000	(51,809)
6,687	5,000	1,687
-	400	(400)
3,583	-	3,583
58,461	105,400	(46,939)
120,895	1,197,786	(1,076,891)

556,676	657,958	101,282
149	5,127	4,979
25,767	447,223	421,457
366,731	454,137	87,406
-	12,295	12,295
422	9,950	9,528
949,744	1,586,690	636,947

51,379	266,141	214,762
700	5,310	4,610
52,079	271,451	219,372

-	125	125
1,265	1,675	411
1,265	1,800	536

(42,531)	35,335	77,866
23,444	21,415	(2,029)

1,024	29,631	28,607
176	42,950	42,774
-	72,400	72,400
720	4,100	3,380
-	-	-
5,498	3,900	(1,598)
4,462	-	(4,462)
25	2,550	2,525
-	12,550	12,550
9,808	180,125	170,317
6,375	18,010	11,635
-	50,905	50,905
28,089	417,121	389,033

31,588	41,400	9,812
52,669	81,235	28,566
13,295	119,060	105,765
24,728	81,700	56,972
122,280	323,395	201,115

-	-	-
-	62,830	62,830
-	1,500	1,500
-	15,000	15,000
-	-	-
-	4,625	4,625
833	7,250	6,417

TOTAL OPERATING REVENUE

NON-OPERATING REVENUE

Interest Earnings	463,394	600,000	(136,606)
Discounts Earned	9,990	10,000	(10)
Donations	47,187	2,400	44,787
Prior Year Revenue	129,725	-	129,725

TOTAL NON-OPERATING REVENUE

TOTAL REVENUE

2020 YTD Actual	2020 YTD Budget	Variance
1,897,852	6,092,123	(4,194,271)
650,297	612,400	37,897
2,548,148	6,704,523	(4,156,374)

OPERATING EXPENSES

Payroll and Related:			
Salaries/Wages - Permanents	3,333,806	3,899,721	(565,914)
Salaries/Wages - Overtime	9,522	26,065	(16,544)
Salaries/Wages - Temporaries	640,138	1,592,168	(952,029)
Employee Benefits	2,264,028	2,616,245	(352,217)
Travel Expense	31,646	86,830	(55,184)
Training and Recruiting Expense	3,636	41,225	(37,589)
Subtotal	6,282,778	8,262,254	(1,979,477)

Professional Services:

Professional Services	626,012	1,306,753	(680,741)
Judges	3,171	16,590	(13,419)
Subtotal	629,183	1,323,343	(694,160)

Directors Expense:

Directors Expense	123	750	(627)
Directors Mtg Expense	8,390	10,050	(1,660)
Subtotal	8,513	10,800	(2,287)

Insurance Expense

131,553	211,805	(80,252)
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Telephone & Postage

103,741	109,290	(5,549)
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Supplies and Equipment:

Office Supplies	25,075	71,631	(46,556)
Signs/Banners	39,189	100,835	(61,646)
Decorations/Props	31,168	169,480	(138,312)
Small Equipment	7,740	45,180	(37,440)
Audio Visual	1,231	11,850	(10,619)
Software	14,455	21,970	(7,515)
Computer Hardware & Peripherals	26,223	32,500	(6,277)
Farm	18,355	33,650	(15,295)
Ticketing/Wristbands	13,264	51,812	(38,549)
Equipment Rental	59,724	394,000	(334,276)
Equipment Maintenance & Supplies	72,867	98,260	(25,393)
Uniforms & Laundry	19,950	93,602	(73,652)
Subtotal	329,242	1,124,770	(795,528)

Facility and Related:

Maintenance of Buildings/Grounds	158,225	196,850	(38,625)
Utilities	265,005	352,920	(87,915)
Trash/Waste Removal	205,284	446,610	(241,326)
Special Repairs	143,781	254,900	(111,119)
Subtotal	772,296	1,251,280	(478,985)

Publicity and Related:

Photography	-	4,300	(4,300)
Printing	9,788	103,230	(93,442)
Advertising - Outdoor	3,000	6,000	(3,000)
Advertising - Radio	51,567	100,000	(48,433)
Advertising - TV	1,700	-	1,700
Advertising - Print	3,000	51,530	(48,530)
Advertising - Online	15,142	92,850	(77,708)

32nd D A A - OC Fair & Event Center
MTD and YTD Actual vs. Budget Comparison
June 30, 2020

2020 Month Actual	2020 Month Budget	Variance	2020 YTD Actual	2020 YTD Budget	Variance
39	10,748	10,709	Promotional Expense	25,050	73,432 (48,382)
-	-	-	Brochure Printing	5,371	6,000 (629)
-	-	-	Buttons Printing	2,880	10,000 (7,120)
-	2,500	2,500	Media Relations	77	7,500 (7,423)
-	2,975	2,975	Public Relations Expense	1,543	6,550 (5,007)
-	20,500	20,500	Sponsorships	25,399	81,900 (56,501)
-	-	-	Special Projects	38,944	21,500 17,444
872	127,928	127,055	Subtotal	183,461	564,792 (381,331)
Self-Produced Events Attractions Expense:					
-	-	-	Grounds Acts	-	25,000 (25,000)
-	-	-	Major Acts	2,500	- 2,500
-	-	-	Attractions Expense	1,247	6,000 (4,753)
-	-	-	Subtotal	3,747	31,000 (27,253)
Other Self-Produced Event Expense:					
-	-	-	Competition Handbook	184	27,770 (27,586)
-	-	-	Subtotal	184	27,770 (27,586)
Premium Expense:					
-	-	-	Cash Premiums	-	1,700 (1,700)
102	200	98	Trophies, Ribbons	659	1,300 (641)
102	200	98	Subtotal	659	3,000
Other Operating Expenses:					
-	300	300	Cash Shortages/(Overages)	(394)	1,400 (1,794)
5,563	4,245	(1,318)	Dues & Subscriptions	44,667	46,190 (1,523)
874	11,856	10,983	Bank Charges	26,966	76,431 (49,464)
-	19,546	19,546	Miscellaneous Expense	4,094	191,546 (187,452)
6,437	35,947	29,510	Subtotal	75,333	315,567 (240,234)
1,141,781	2,821,282	1,679,502	TOTAL OPERATING EXPENSE	8,520,689	13,235,671 (4,714,981)
Non-Operating Expenses					
275,000	275,000	-	Depreciation Expense	1,650,000	1,650,000 -
21,274	-	(21,274)	Major Projects	106,204	511,000 (404,796)
70,540	-	(70,540)	Prior Year Expense	43,170	- 43,170
366,814	275,000	(91,814)	TOTAL NON-OPERATING EXPENSE	1,799,374	2,161,000 (361,626)
1,508,595	3,096,282	1,587,688	TOTAL EXPENSES	10,320,063	15,396,671 (5,076,608)
\$ (1,387,699)	\$ (1,898,496)	\$ 510,797	NET PROCEEDS	\$ (7,771,915)	\$ (8,692,148) \$ 920,233

32nd D A A - OC Fair & Event Center
Balance Sheet (Unaudited)
June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Cash	\$ 1,270,007	\$ 608,941
Investments	47,517,498	53,555,536
Accounts Receivable	866,598	2,418,185
Reserve for Bad Debt	(47,559)	(26,779)
Prepaid Expenses	56,391	139,183
Deferred Outflows - Pension	4,984,585	5,488,718
Total Assets	<u>54,647,520</u>	<u>62,183,784</u>
Capital Projects in Process	2,062,470	1,096,631
Land	133,553	133,553
Buildings and Improvements	96,735,428	95,875,663
Equipment	8,053,898	7,509,743
Accumulated Depreciation	(59,516,990)	(56,129,983)
Total Capital	<u>47,468,359</u>	<u>48,485,607</u>
Total Assets	<u>\$ 102,115,879</u>	<u>\$ 110,669,391</u>
Liabilities		
Accounts Payable	81,713	1,238,971
Deferred Revenue	2,915,313	12,293,671
Payroll Liabilities	493,084	914,225
Deposits	47,443	5,835
Loan Payable - SB84	1,739,579	-
Compensated Absences Liability	1,119,650	1,078,416
Deferred Inflows - Pension	630,841	163,845
Pension Liability	15,722,914	17,556,172
Total Liabilities	<u>22,750,537</u>	<u>33,251,135</u>
Net Resources		
Investment in Capital Assets	47,468,359	48,485,607
Net Resources - Designated Use	504,460	563,003
Net Resources - Available for Operations	50,550,923	47,524,613
Unrestricted Net Position - Pension	(11,369,170)	(12,231,299)
Net Resources - Auction Fund	(17,315)	(5,822)
	87,137,257	84,336,102
Net Proceeds from Operations	(7,771,915)	(6,917,846)
Total Net Resources	<u>79,365,342</u>	<u>77,418,256</u>
Total Liabilities and Net Resources	<u>\$ 102,115,879</u>	<u>\$ 110,669,391</u>

**32nd District Agricultural Association
OC Fair & Event Center**

**Statement of Cash Flows (Unaudited)
For the Six Months Ended June 30, 2020**

		2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of Expenses Over Revenues		<u>\$ (7,771,915)</u>
Adjustment to Reconcile Excess of Revenue Over Expenses to Net Cash Provided by Operating Activities:		
Non-Cash Charges (Credits) to Net Income		
Depreciation Expense	\$ 1,650,000	
(AIncrease) Decrease in Assets		
(AIncrease) Decrease in Accounts Receivable	779,832	
(AIncrease) Decrease in Prepaid Expenses	103,350	
(AIncrease) Decrease in Deferred Outflows - Pension	0	
Increase (Decrease) in Liabilities		
Increase (Decrease) in Accounts Payable	(1,036,176)	
Increase (Decrease) in Deferred Revenue	1,412,461	
Increase (Decrease) in Payroll Liabilities	(144,065)	
Increase (Decrease) in Deposits	3,700	
Increase (Decrease) in Other Liabilities	0	
Increase (Decrease) in Compensated Absence Liability	(52,136)	
Increase (Decrease) in Deferred Inflows - Pension	0	
Increase (Decrease) in Net Pension Liability	0	
Total Adjustments	<u>\$ 2,716,966</u>	
Net Cash Provided (Used) by Operating Activities		<u>\$ (5,054,949)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
(AIncrease) Decrease in Capital Projects in Progress	\$ (1,093,662)	
(AIncrease) Decrease in Building & Improvements	0	
(AIncrease) Decrease in Equipment	0	
(AIncrease) Decrease in Equipment	0	
Net Cash Provided (Used) by Investing Activities		<u>\$ (1,093,662)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net Cash Provided (Used) by Financing Activities		<u>0</u>
NET INCREASE (DECREASE) IN CASH		<u>\$ (6,148,611)</u>
Cash and Cash Equivalent - January 1, 2020		<u>54,936,116</u>
Cash and Cash Equivalent - End of Period - June 30, 2020		<u>\$ 48,787,505</u>