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## ***BOARD OF DIRECTORS AGENDA REPORT***

MEETING DATE: **DECEMBER 15, 2022** ITEM: **8A**

SUBJECT: **Review of 2023 Budget with Board Approved Price Increases and Presentation of 2023 Budget Submittal Letter**

DATE: December 9, 2022

FROM: Michel Richards, CEO

PRESENTATION BY: Michel Richards, CEO

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### *Information Item*

### **BACKGROUND**

At its November 17, 2022 meeting, the Board of Directors approved the 2023 budget as presented by staff, along with the following price increases:

- Fairtime parking will increase from \$10 to \$12.
- Year-round parking will increase from \$10 to \$12.
- Adult general admission to the OC Fair will increase from \$12 to \$13 on Wednesdays and Thursdays.
- Adult general admission to the OC Fair will increase from \$14 to \$15 on Fridays, Saturdays and Sundays.
- Youth and senior admission to the OC Fair will increase from \$7 to \$9.

Staff will present the final 2023 budget roll-up with the approved price increases, along with the CEO's 2023 Budget Summary Letter to complete the budget process.

Copies of the 2023 budget rollup and Summary Letter are attached.

**OCFEC - Business Unit Budget Analysis**  
**Department P&L Snapshot**  
**YTD as of December 31, 2023**

			2023 Budget			
Dept #	Description	SMT	Rev	Labor	Expenses	Net
<b>Attractions:</b>						
06	Administration	Michele Richards	881,560	1,382,256	874,735	(1,375,431)
07	Human Resources	Bianca Kulback	-	988,566	235,440	(1,224,006)
08	Technology	Rob Castagnoli	-	422,936	487,915	(910,851)
09	Presentation	Jason Jacobsen	-	336,697	52,130	(388,827)
10	Accounting	Max Tang	18,000	804,772	598,070	(1,384,842)
11	Heroes Hall	Carol Singleton	3,725	253,033	59,280	(308,588)
12	Business Services	Max Tang	-	460,199	22,370	(482,569)
14	Exhibit & Education	Carol Singleton	-	878,156	6,710	(884,866)
15	Marketing	Ruby Lau	-	470,585	2,073,266	(2,543,851)
18	Comm/Info	Terry Moore	-	556,621	70,300	(626,921)
19	Production	Jason Jacobsen	-	-	734,896	(734,896)
20	Operations	Jerry Eldridge	-	3,497,860	838,880	(4,336,740)
21	Creative Services	Ruby Lau	-	557,017	62,250	(619,267)
22	Facilities	Jerry Eldridge	-	493,250	1,754,715	(2,247,965)
23	Safety & Security	Nick Buffa	-	1,259,264	33,600	(1,292,864)
25	EQC - Boarding	Evy Young	1,409,064	306,187	2,435,796	(1,332,919)
27	Cent Farm - Admin	Evy Young	73,766	742,293	32,922	(701,449)
28	Cent Farm Ops	Evy Young	-	702,268	78,530	(780,798)
29	Culinary - Fair	Carol Singleton	-	87,226	26,325	(113,551)
30	Event Services	Howard Sandler	8,471,000	1,011,271	478,800	6,980,929
31	Event Admissions	Love Hertel	-	210,986	3,000	(213,986)
32	Event Parking	Love Hertel	-	465,567	38,600	(504,167)
33	Event Operations	Howard Sandler	-	1,286,698	590,000	(1,876,698)
38	Event Parking Sales	Love Hertel	-	346,582	8,900	(355,482)
41	Imaginology	Carol Singleton	43,350	6,766	107,150	(70,566)
42	Cent Farm - Fair	Evy Young	-	74,173	23,980	(98,153)
43	Youth Program	Carol Singleton	-	69,179	17,120	(86,299)
44	Visual Arts	Carol Singleton	-	71,205	57,215	(128,420)
46	Exhibits - Fair	Carol Singleton	74,545	31,531	154,912	(111,898)
47	Guest Services	Terry Moore	-	384,545	63,300	(447,845)
48	Box Office	Dan Gaines	-	223,999	15,600	(239,599)
49	Cash Operations	Max Tang	-	81,762	49,420	(131,182)
50	Admissions - Fair	Love Hertel	13,119,346	89,605	32,000	12,997,741
51	Parking - Fair	Love Hertel	-	278,777	627,217	(905,994)
52	Safety & Security - Fair	Nick Buffa	-	817,797	1,410,140	(2,227,937)
53	Home Arts	Carol Singleton	-	76,735	19,649	(96,384)
58	Carnival Sales	Max Tang	7,000,000	333,451	67,400	6,599,149
59	Audit	Max Tang	-	25,129	8,680	(33,809)
62	Livestock	Evy Young	7,660	100,591	201,675	(294,606)
63	Maintenance - Fair	Jerry Eldridge	-	328,708	2,016,300	(2,345,008)
64	Conc/Comm - Fair	Howard Sandler	10,992,200	394,634	168,800	10,428,766
66	Gate Operations - Fair	Love Hertel	-	190,358	13,900	(204,258)
67	Parking Sales - Fair	Love Hertel	2,649,600	141,335	25,900	2,482,365
69	OCFEC Produced Events (Boo	Dan Gaines	353,500	-	287,075	66,425
70	Attr/Grnds - Fair	Dan Gaines	1,266,500	653,449	1,585,600	(972,549)
72	PacAmp - Fair	Dan Gaines	11,658,771	245,139	9,323,519	2,090,113
74	PacAmp FOH - Fair	Merged budget w/ Dept. 72	-	-	-	-
78	Gate Ops - Pac Amp - Fair	Love Hertel	-	40,539	-	(40,539)
82	Junior Livestock Auction	Evy Young	263,189	-	261,124	2,065
84	Feature Exhibit - Fair	Carol Singleton	-	123,066	357,405	(480,471)
87	Sales	Ruby Lau	2,083,000	9,065	331,000	1,742,935
88	Community Outreach	Michele Richards	-	-	-	-
97	Major Projects	Jerry Eldridge	-	-	105,000	(105,000)
99	Depreciation	Max Tang	-	-	3,600,000	(3,600,000)
<b>Total OCFEC</b>			<b>60,368,776</b>	<b>(22,311,830)</b>	<b>(32,528,511)</b>	<b>5,528,435</b>

**2023 GASB 68 Pension Liability Adjustment** (5,000,000)

2022 Budget			
Rev	Labor	Expenses	Net
135,000	1,256,281	1,599,009	(2,720,290)
-	957,209	199,987	(1,157,195)
-	395,271	458,445	(853,716)
-	426,813	29,000	(455,813)
6,500	607,657	819,700	(1,420,857)
47,500	236,318	89,840	(278,658)
-	423,119	49,160	(472,279)
-	869,661	5,000	(874,661)
-	443,021	1,335,300	(1,778,321)
-	457,996	71,539	(529,535)
-	-	680,094	(680,094)
-	2,868,379	808,993	(3,677,372)
-	570,539	65,850	(636,389)
-	360,556	805,679	(1,166,235)
-	949,038	22,500	(971,538)
178,000	-	64,570	113,430
64,300	495,880	54,435	(486,015)
-	675,089	72,300	(747,389)
-	74,301	18,800	(93,101)
7,000,000	942,973	553,700	5,503,327
-	190,575	3,180	(193,755)
-	369,434	15,700	(385,134)
-	1,214,504	446,500	(1,661,004)
-	236,617	10,500	(247,117)
16,000	6,498	78,750	(69,248)
-	69,923	19,620	(89,543)
-	49,363	11,820	(61,183)
-	67,275	16,385	(83,660)
44,300	37,018	132,442	(125,160)
-	341,983	62,750	(404,733)
-	202,892	9,700	(212,592)
-	72,574	14,620	(87,194)
11,645,148	78,728	27,600	11,538,820
-	321,052	798,155	(1,119,207)
-	919,878	1,500,170	(2,420,048)
-	64,539	16,049	(80,588)
4,600,000	318,901	39,200	4,241,899
-	19,769	3,150	(22,919)
24,154	89,244	175,143	(240,233)
-	330,663	1,372,549	(1,703,212)
10,403,300	362,285	148,400	9,892,615
-	161,354	13,900	(175,254)
2,208,000	113,377	26,340	2,068,283
258,700	-	226,250	32,450
1,222,400	531,099	1,543,195	(851,894)
13,799,560	-	9,007,805	4,791,755
-	110,307	5,500	(115,807)
-	38,335	-	(38,335)
304,799	-	304,799	-
-	117,380	51,300	(168,680)
1,860,937	7,171	194,099	1,659,668
-	-	50,000	(50,000)
-	-	409,000	(409,000)
-	-	3,840,000	(3,840,000)
<b>53,818,598</b>	<b>(19,452,839)</b>	<b>(28,378,471)</b>	<b>5,987,288</b>

Year over Year Change			
Rev	Labor	Expenses	Net
746,560	125,975	(724,274)	1,344,859
-	31,357	35,454	(66,811)
-	27,665	29,470	(57,135)
-	(90,116)	23,130	66,986
11,500	197,115	(221,630)	36,015
(43,775)	16,714	(30,560)	(29,929)
-	37,081	(26,790)	(10,291)
-	8,494	1,710	(10,204)
-	27,564	737,966	(765,530)
-	98,625	(1,239)	(97,386)
-	-	54,802	(54,802)
-	629,481	29,887	(659,368)
-	(13,522)	(3,600)	17,122
-	132,694	949,036	(1,081,730)
-	310,226	11,100	(321,326)
1,231,064	306,187	2,371,226	(1,446,349)
9,466	246,413	(21,513)	(215,434)
-	27,179	6,230	(33,409)
-	12,925	7,525	(20,450)
1,471,000	68,298	(74,900)	1,477,602
-	20,411	(180)	(20,231)
-	96,133	22,900	(119,033)
-	72,194	143,500	(215,694)
-	109,965	(1,600)	(108,365)
27,350	268	28,400	(1,318)
-	4,250	4,360	(8,610)
-	19,816	5,300	(25,116)
-	3,929	40,830	(44,759)
30,245	(5,487)	22,470	13,262
-	42,563	550	(43,113)
-	21,108	5,900	(27,008)
-	9,188	34,800	(43,988)
1,474,198	10,877	4,400	1,458,921
-	(42,275)	(170,938)	213,213
-	(102,081)	(90,030)	192,111
-	12,196	3,600	(15,796)
2,400,000	14,550	28,200	2,357,250
-	5,360	5,530	(10,890)
(16,494)	11,347	26,532	(54,373)
-	(1,955)	643,751	(641,796)
588,900	32,349	20,400	536,151
-	29,004	-	(29,004)
441,600	27,958	(440)	414,082
94,800	-	60,825	33,975
44,100	122,350	42,405	(120,655)
(2,140,789)	245,139	315,714	(2,701,642)
-	(110,307)	(5,500)	115,807
-	2,204	-	(2,204)
(41,610)	-	(43,675)	2,065
-	5,685	306,105	(311,790)
222,063	1,894	136,901	83,268
-	-	(50,000)	50,000
-	-	(304,000)	304,000
-	-	(240,000)	240,000
<b>7%</b>	<b>-15%</b>	<b>-15%</b>	<b>-51%</b>
<b>6,550,178</b>	<b>(2,858,991)</b>	<b>(4,150,040)</b>	<b>(458,854)</b>

# OC Fair & Event Center

## 2023 Consolidated Budget

	2023 January	2023 February	2023 March	2023 April	2023 May	2023 June	2023 July	2023 August	2023 September	2023 October	2023 November	2023 December	YTD Actual
<b>Revenues</b>													
4100 Gate Admissions	-	-	-	-	-	-	7,676,147	5,443,199	-	270,000	-	-	13,389,346
4110 Adv Admissions Sales	-	-	-	-	-	-	406,500	310,200	-	-	-	-	716,700
4200 Rent In - Conc/Comm	-	-	-	-	-	-	479,100	368,900	-	-	-	-	848,000
4205 Rent Out - Conc/Comm	-	-	-	9,350	-	-	200,650	154,275	-	-	-	-	364,275
4210 Carnival Revenue	-	-	-	-	-	-	4,000,000	3,000,000	-	-	-	-	7,000,000
4220 Conc Rev - Alcohol	-	-	-	-	-	-	2,256,600	1,809,300	-	40,000	-	-	4,105,900
4221 Concess. Rev - Photo	-	-	-	-	-	-	59,600	45,800	-	-	-	-	105,400
4222 Concess. Rev - Food	-	-	-	-	-	-	2,847,200	2,377,100	-	10,000	-	-	5,234,300
4223 Concess. Rev - Merch/Other	25	25	25	25	25	25	90,000	75,400	25	1,525	500	25	167,625
4224 Concess. Rev - Ice/Water	-	-	-	-	-	-	5,900	5,000	-	-	-	-	10,900
4227 Conc Rev Alcohol Compliance	-	-	-	-	-	-	7,900	6,000	-	-	-	-	13,900
4235 Gas / Oil / Water	-	-	-	-	-	-	-	-	-	-	-	2,800	2,800
4310 Exhibitor Entry Fees	-	1,500	3,500	4,600	37,220	17,000	9,300	-	-	-	-	-	73,120
4320 Exhibit Awards and Donations	-	-	-	-	-	-	-	1,840	-	-	-	-	1,840
4332 Straw Sales	-	-	-	140	-	5	350	4,750	-	200	200	-	5,645
4334 Plant Sales	-	-	-	-	-	-	900	-	-	-	-	-	900
4355 Performance Admissions Revenue	-	-	-	-	-	492,296	4,740,462	4,590,462	492,296	-	-	-	10,315,516
4356 Performance Merchandise Revenue	-	-	-	-	-	17,565	158,094	158,094	17,565	-	-	-	351,318
4357 Performance Rebates/Misc. Revenue	100	-	-	-	-	150	150	150	50	-	-	-	600
4359 Ticketmaster Revenue Share	-	-	-	-	-	36,626	369,634	369,634	36,626	20,000	-	-	832,520
4370 Fair Parking Revenue	-	-	-	-	-	37,090	1,618,143	1,272,541	37,091	-	-	-	2,964,865
4375 Sponsorship Revenue	-	-	-	5,000	15,000	-	-	1,288,000	-	-	-	-	1,308,000
4378 Premium Space Revenue-Sponsorship	-	-	-	-	-	-	-	780,000	-	2,000	-	-	782,000
4380 Auction Buyer Revenue	-	-	-	-	-	-	260,809	2,380	-	-	-	-	263,189
4385 Camping Revenue	-	-	-	-	-	-	84,100	64,700	-	-	-	-	148,800
4387 Badge Replacement Rev	-	-	-	-	-	-	500	-	-	-	-	-	500
4391 Elec or Dry Stock Storage	-	-	-	-	-	-	7,000	5,400	-	-	-	-	12,400
4392 Cart Permit	-	-	-	-	-	-	6,000	-	-	-	-	-	6,000
4393 Vendor Hang Tag Parking	17,300	2,700	13,700	1,500	800	20,400	-	9,600	20,200	6,400	6,200	3,900	102,700
4395 Application Fees	-	-	500	3,200	2,400	2,700	3,700	300	-	-	-	-	12,800
4396 Late Fees	-	-	-	-	-	500	-	-	-	-	-	-	500
4600 Horse Boarding Revenue	117,422	117,422	117,422	117,422	117,422	117,422	117,422	117,422	117,422	117,422	117,422	117,422	1,409,064
4685 Garden Classes Revenue	1,504	-	1,004	435	190	-	-	-	-	200	400	600	4,333
4700 Year-Round Event Admissions Sales	-	-	-	-	32,000	-	-	-	119,600	-	-	-	151,600
4705 Year Rnd Event Fees	-	-	-	-	-	-	-	-	1,000	-	-	-	1,000
4710 Year-Round Event Parking Sales	162,300	123,200	185,800	226,600	283,900	399,200	4,500	216,800	324,800	404,700	146,700	288,800	2,767,300
4715 Preferred Parking	-	-	-	-	-	20,668	190,708	189,708	20,668	-	-	-	421,752
4721 Revenue for Outside Services	47,600	22,600	55,700	46,700	75,700	80,700	4,600	40,700	83,600	81,500	42,600	41,700	623,700
4723 Personnel Rev. DPS	23,500	17,900	17,700	20,700	32,900	39,100	1,200	24,100	48,200	35,700	10,100	19,100	290,200
4724 Personnel Rev. Event Ops	36,500	26,800	36,600	30,100	44,400	67,000	2,800	34,400	72,200	62,900	27,300	63,800	504,800
4726 Personnel Rev Pkg.	5,500	5,300	11,300	4,000	9,100	7,700	900	3,100	13,100	6,300	4,600	4,000	74,900
4727 Personnel Rev Admissions	-	-	-	-	200	-	-	-	6,900	-	-	-	7,100

**OC Fair & Event Center**  
2023 Consolidated Budget

	2023 January	2023 February	2023 March	2023 April	2023 May	2023 June	2023 July	2023 August	2023 September	2023 October	2023 November	2023 December	YTD Actual
4728 Personnel Rev. Technology	400	800	500	1,200	500	400	-	200	2,500	1,000	300	300	8,100
4729 Personnel Rev. Event Coordinator	7,100	7,700	8,100	4,700	8,700	7,800	500	3,700	9,700	11,900	6,800	16,500	93,200
4730 Equipment Rental	32,100	33,300	29,900	39,100	50,400	74,800	3,800	42,800	85,700	53,500	25,800	47,800	519,000
4732 ATM Revenue	-	-	-	-	-	3,600	2,300	1,800	2,000	2,000	-	2,400	14,100
4733 OC Sheriff Contract Revenue	8,000	2,700	-	1,500	1,200	46,100	-	26,500	6,000	35,700	-	2,700	130,400
4734 CMPD Contract Revenue	-	-	-	-	-	7,000	-	3,500	6,800	-	-	-	17,300
4735 Electrical Usage Fees	11,900	9,400	12,000	9,800	12,800	7,600	500	6,000	11,800	17,100	4,900	14,100	117,900
4740 Year-Round Concessions Revenue	27,500	22,500	52,200	68,700	103,400	144,400	6,800	86,400	217,700	106,500	38,700	76,400	951,200
4750 Catering Services	12,300	4,100	19,400	12,700	16,700	9,600	5,100	6,000	74,300	24,700	17,700	65,100	267,700
4765 Billboard Revenue	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000
4801 Main Mall Rental	-	1,800	10,200	7,400	1,900	-	-	1,900	500	1,800	9,200	1,800	36,500
4805 Silo Building Rental	300	300	300	300	300	300	-	-	300	300	300	300	3,000
4806 Millennium Barn Rental	-	-	-	-	-	-	-	-	-	1,300	-	-	1,300
4809 Breezeway	-	7,700	14,200	12,900	-	23,200	-	10,300	11,600	43,800	12,900	11,600	148,200
4810 Building #10 Rental	25,700	42,100	56,100	23,400	18,700	7,000	-	18,700	28,100	18,700	18,700	30,400	287,600
4811 Parade of Products Rental	9,100	9,100	19,300	9,100	9,100	2,300	-	9,100	15,900	9,100	-	12,500	104,600
4812 Building #12 Rental	14,700	18,400	38,600	16,500	12,900	12,900	-	-	16,500	-	9,200	9,200	148,900
4814 Building #14 Rental	16,400	18,000	29,500	14,700	-	-	-	-	-	22,900	16,400	6,500	124,400
4816 Building #16 Rental	21,900	7,700	23,200	19,300	-	-	-	-	6,400	3,900	12,900	11,600	106,900
4817 Hangar Bldg Rental	19,400	18,800	34,900	30,400	7,700	16,800	-	3,200	31,000	69,100	-	7,100	238,400
4818 Grandstand Arena Rental	-	-	-	5,900	5,900	3,000	-	3,000	5,900	3,000	-	-	26,700
4819 Pacific Amphitheater Rental	-	-	-	-	-	-	2,700	2,700	-	-	-	-	5,400
4820 Baja Blues Rental	-	-	3,200	1,600	-	-	-	-	1,100	-	-	-	5,900
4821 Parking Lot Rental	23,000	10,300	23,900	20,400	9,400	35,500	3,600	17,200	27,500	135,300	55,500	101,800	463,400
4822 Event Camping Rental	-	-	-	-	-	-	-	-	14,000	-	-	12,500	26,500
4825 Park Plaza Rental	-	4,100	-	-	2,500	-	-	-	4,100	-	-	-	10,700
4826 Lawn Area Rental	300	300	300	300	300	2,300	300	300	2,400	300	300	300	7,700
4829 Courtyard Rental	-	-	-	3,300	500	-	-	-	-	500	-	1,400	5,700
4831 Individual Camping	200	200	200	200	200	200	-	-	200	200	200	200	2,000
4834 Festival Grounds Asphalt	-	-	-	-	-	-	-	-	5,500	-	-	-	5,500
4836 WiFi Revenue	800	1,400	700	4,900	3,700	900	13,500	400	11,400	2,400	500	1,400	42,000
4837 Grounds Wide Rental	-	-	-	-	33,300	-	-	-	-	-	-	-	33,300
4915 Discounts Earned	-	-	3,000	-	-	6,000	-	-	6,000	-	-	3,000	18,000
4920 Misc Revenue	5	5	383	310	852	5	1,637	3,986	9,328	5	5	5	16,526
4950 Interest Income	90,000	95,000	60,000	59,000	63,000	61,000	64,000	68,000	68,000	76,000	88,000	88,000	880,000
4960 Grants Revenue	45,000	-	-	-	-	-	-	-	-	-	-	-	45,000
4980 Donations - General	457	396	5,655	992	695	829	-	618	-	-	-	-	9,642
<b>Total Revenues</b>	<b>782,313</b>	<b>637,548</b>	<b>892,989</b>	<b>842,374</b>	<b>1,019,904</b>	<b>1,833,681</b>	<b>25,719,606</b>	<b>23,089,559</b>	<b>2,097,571</b>	<b>1,703,852</b>	<b>678,327</b>	<b>1,071,052</b>	<b>60,368,776</b>

**Labor Expenses**

	Increase / (Decrease)			Increase / (Decrease)			Increase / (Decrease)			Increase / (Decrease)			Increase / (Decrease)		
5010 Salaries/Wages - Permanent	772,446	772,446	772,446	778,238	778,238	778,238	799,921	799,921	799,921	799,921	799,921	799,921	799,921	9,451,574	
5011 Salaries/Wages - Overtime	350	750	450	1,500	850	1,050	11,500	12,150	5,500	1,050	250	450	35,850		
5012 Payroll Taxes - FT	59,119	59,149	59,127	59,596	59,585	59,616	62,020	62,039	61,615	61,274	61,213	61,228	725,581		

**OC Fair & Event Center**  
2023 Consolidated Budget

	2023 January	2023 February	2023 March	2023 April	2023 May	2023 June	2023 July	2023 August	2023 September	2023 October	2023 November	2023 December	YTD Actual
5013 Employee Benefits - FT	137,870	137,901	137,875	138,528	138,515	138,581	143,917	143,910	142,963	142,467	142,366	142,390	1,687,282
5014 PERS - FT	247,295	247,423	247,327	249,292	249,244	249,372	259,431	259,511	257,735	256,311	256,055	256,119	3,035,112
5015 WComp - FT	57,960	57,990	57,967	58,428	58,417	58,447	60,804	60,823	60,407	60,073	60,013	60,028	711,355
5016 Unemployment Ins - FT	12,000	-	-	12,000	-	-	12,000	-	-	12,000	-	-	48,000
5018 CERBT	27,952	27,966	27,956	28,177	28,171	28,186	29,371	29,380	29,057	29,011	28,888	28,875	342,989
5020 Wages - Temporary	119,156	157,755	173,588	229,805	268,856	477,016	1,933,039	1,604,839	240,048	185,215	155,354	174,574	5,719,242
5022 Payroll Taxes - PT	2,137	2,697	2,926	3,741	4,308	7,417	28,621	23,771	3,770	3,172	2,577	2,820	87,957
5023 Employee Ins - PT	365	365	365	365	365	365	513	513	171	490	228	171	4,275
5024 PERS - PT	2,111	2,111	2,111	2,111	2,111	4,883	6,416	4,644	1,491	2,513	1,674	1,491	33,669
5025 WComp - PT	8,937	11,832	13,019	17,235	20,164	35,776	144,978	120,363	18,004	13,891	11,652	13,093	428,943
<b>Sub-Total Labor Expenses</b>	<b>1,447,697</b>	<b>1,478,384</b>	<b>1,495,156</b>	<b>1,579,016</b>	<b>1,608,824</b>	<b>1,838,947</b>	<b>3,492,530</b>	<b>3,121,863</b>	<b>1,620,679</b>	<b>1,567,388</b>	<b>1,520,189</b>	<b>1,541,159</b>	<b>22,311,830</b>
<b>Non-Labor Expenses</b>	Increase / (Decrease)			Increase / (Decrease)									
5040 Employee Travel	25,980	1,800	5,480	6,160	3,000	600	-	3,600	2,000	4,880	4,410	-	57,910
5045 Employee Training	6,466	10,066	14,016	5,516	4,966	6,166	4,866	5,466	6,516	5,766	5,016	4,974	79,800
5046 Employee Relations	-	-	-	-	500	3,000	-	10,000	-	-	-	30,000	43,500
5047 Training Materials	-	200	-	-	-	-	-	-	-	500	-	-	700
5050 Recruiting Expense	300	300	300	300	900	900	900	300	300	-	-	-	4,500
5061 Labor Offset-Events	-	-	-	-	-	-	-	-	-	7,500	-	-	7,500
5100 Professional Services	136,772	77,314	217,004	288,354	215,495	283,899	779,277	1,946,844	214,269	212,769	79,814	73,283	4,525,094
5101 Orange County Sheriff	8,500	3,200	500	2,000	1,700	46,600	407,000	359,500	6,500	36,200	500	3,200	875,400
5102 Costa Mesa PD	-	-	-	-	-	7,000	141,625	145,125	6,800	-	-	-	300,550
5105 Contractor's Exp's	1,200	-	-	-	-	-	17,200	17,400	-	-	-	-	35,800
5110 Legal Services	9,250	9,250	9,250	9,250	9,250	9,250	9,250	9,250	9,250	9,250	9,250	9,250	111,000
5115 Audit Services	10,000	-	12,800	-	-	-	-	-	33,500	-	-	-	56,300
5120 Web Development Services	9,713	4,713	4,713	4,713	4,713	4,713	4,713	4,713	4,713	4,713	4,713	4,713	61,556
5125 Media Services	23,000	-	-	-	-	-	-	-	-	-	-	-	23,000
5130 Stall Cleaning Services	184,364	184,364	184,364	184,364	184,364	184,364	184,364	184,364	184,364	184,364	184,364	184,364	2,212,368
5140 Judging Services	-	-	-	400	-	8,700	23,850	2,550	-	-	-	-	35,500
5150 Directors Expense	-	-	500	475	-	500	2,500	-	500	-	-	500	4,975
5155 Directors Meeting Expense	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,375	1,075	2,150	1,075	14,275
5190 Insurance Expense	47,000	47,000	47,800	47,200	47,000	47,300	47,180	47,650	47,000	47,000	47,000	47,000	566,130
5200 Office Supplies	6,434	6,089	5,853	7,653	11,280	18,305	27,125	13,076	4,150	2,050	2,800	2,150	106,965
5201 Signs/Banners & Assoc Supplies	2,435	5,350	7,400	10,800	14,500	31,960	28,725	39,800	7,000	5,100	5,500	1,100	159,670
5202 Decorations/Props & Assoc Supplies	3,750	13,000	13,000	18,200	17,675	27,475	17,735	1,500	5,500	10,550	500	-	128,885
5203 Mascot Expenses	-	-	-	-	-	-	500	100	750	-	-	-	1,350
5205 Small Equip/Furniture	18,250	8,385	4,750	2,500	9,268	3,000	3,200	2,950	4,400	10,500	1,500	500	69,203
5206 Large Equipment	15,000	-	-	-	-	-	-	-	-	30,000	-	-	45,000
5207 Audio Visual & Assoc Supplies	4,500	-	-	10,200	-	-	-	-	500	-	-	-	15,200
5208 Software/Equip Support	5,445	3,747	6,134	1,747	1,747	5,740	1,747	1,747	8,072	1,747	1,747	1,747	41,367
5209 Computer Hardware & Peripherals	4,882	6,236	1,463	3,214	1,662	615	365	555	250	250	250	250	19,992
5210 Farm Supplies	13,000	11,900	2,900	6,200	2,300	27,000	10,000	20,050	1,500	1,750	12,000	1,000	109,600
5215 Tickets/Wristbands	-	500	-	-	1,000	26,000	1,000	27,000	-	-	-	-	55,500
5220 Equip Rental	7,000	4,500	21,200	60,900	58,900	85,265	668,045	1,363,640	40,492	9,400	5,500	5,500	2,330,342

**OC Fair & Event Center**  
2023 Consolidated Budget

	2023 January	2023 February	2023 March	2023 April	2023 May	2023 June	2023 July	2023 August	2023 September	2023 October	2023 November	2023 December	YTD Actual
5221 Digital Radio Rental	3,280	3,280	3,280	3,280	3,280	3,360	13,005	5,080	12,935	3,280	3,280	3,280	60,620
5230 Equip Maint & Supplies	12,750	15,200	10,750	10,900	11,300	18,700	3,000	3,500	10,250	8,750	12,100	8,500	125,700
5235 Equipment - Gas & Oil	2,500	2,500	2,500	4,000	2,500	2,500	-	25,000	2,500	2,500	2,500	2,500	51,500
5240 Uniform Expense	8,550	11,600	14,800	1,500	7,600	40,565	2,445	1,800	750	-	6,500	900	97,010
5245 Laundry Expense	-	-	-	-	-	-	-	300	400	-	-	-	700
5270 Telephone	14,168	2,020	13,877	17,916	6,585	2,592	30,929	8,756	10,360	10,360	10,360	10,360	138,283
5272 Data Access	4,210	4,210	4,210	4,210	4,210	4,210	4,210	4,210	4,210	4,210	4,210	4,210	50,520
5280 Postage	600	606	610	815	810	1,210	716	510	570	500	500	500	7,947
5300 Buildings & Grounds Supply	9,500	19,250	7,500	10,000	10,500	10,500	7,500	14,000	13,000	7,000	7,500	5,500	121,750
5301 Repairs - Misc. Facility	-	1,500	5,000	1,250	1,500	250	-	1,000	1,500	1,000	1,500	-	14,500
5302 AC/Heater Systems	-	5,000	-	2,500	-	4,000	3,500	8,000	6,000	-	3,500	-	32,500
5303 Pest Control	8,000	4,000	4,000	4,000	4,000	9,000	3,000	3,500	3,000	3,500	3,500	2,500	52,000
5304 Facility Safety Systems	1,625	125	1,625	125	1,625	125	125	125	3,125	125	125	1,625	10,500
5305 Contracted Landscape Maintenance	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	5,800	69,600
5306 Recycling/Doc Disposal	2,000	-	-	-	-	-	-	-	-	-	-	-	2,000
5310 Trash Removal	16,194	12,894	12,394	15,994	14,494	23,794	294,794	360,694	19,994	14,994	13,394	12,394	812,028
5311 Sewer Assessment	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	46,800
5312 Parking Lot Sweeping	8,400	6,000	8,700	8,400	8,400	11,100	54,800	44,800	8,400	9,900	7,200	12,300	188,400
5313 Outside Janitorial	21,600	11,900	31,900	31,900	29,900	49,500	248,800	270,200	53,400	38,900	19,100	30,200	837,300
5314 Sweeping / Pressure Wash	3,500	-	1,500	6,500	9,900	59,978	201,102	214,002	21,278	12,900	500	1,000	532,160
5320 Utilities - Electricity	25,000	50,000	75,000	75,000	60,000	72,650	370,300	295,300	72,650	68,000	80,000	80,000	1,323,900
5322 Utilities - Gas	1,500	2,900	1,400	900	800	1,000	1,300	2,000	440	500	500	1,800	15,040
5324 Utilities - Water	8,400	13,000	16,000	14,000	17,813	15,358	52,575	69,279	20,000	18,000	16,000	17,000	277,425
5330 Special Repairs	-	5,000	-	-	-	-	6,000	-	-	-	-	-	11,000
5331 Special Repairs - Electrical	3,500	3,500	5,000	3,000	5,000	6,000	6,000	7,500	5,000	3,500	5,500	1,000	54,500
5332 Special Repairs-Plumbing	7,000	6,000	6,000	6,000	6,000	2,500	13,000	6,000	6,000	5,000	5,000	6,000	74,500
5333 Special Repairs-Carpentry	2,000	2,000	3,000	3,000	4,000	5,500	2,500	2,500	2,000	1,000	2,000	1,000	30,500
5334 Special Repairs-Painting	3,500	5,500	4,500	5,000	4,500	9,500	1,000	1,000	5,500	4,000	4,000	3,500	51,500
5335 Special Repairs- Fence Repair	2,500	1,000	3,500	1,000	1,000	1,000	1,000	1,000	1,000	1,000	3,500	1,000	18,500
5336 Special Repairs-Landscape	5,500	5,500	9,000	10,000	10,500	13,000	1,000	9,000	5,500	10,500	11,000	5,500	96,000
5337 Special Repairs-Asphalt/Concrete	10,000	-	10,000	-	15,000	-	8,000	9,000	10,000	-	10,000	-	72,000
5338 Janitorial Maint & Expenses	5,500	1,000	3,500	11,500	10,000	41,500	95,000	66,000	-	1,000	1,000	500	236,500
5339 Major Projects	105,000	-	-	-	-	-	-	-	-	-	-	-	105,000
5350 Rental of Facilities	-	-	-	-	-	-	-	-	-	20,000	-	-	20,000
5356 Merchandise	4,000	-	-	-	-	-	-	-	-	1,000	-	-	5,000
5410 Special Projects	100	100	350	1,100	100	7,600	100	100	100	100	100	100	9,950
5430 Photography	-	-	500	12,000	-	-	5,000	15,000	500	-	-	-	33,000
5440 Contest Supplies	-	-	-	800	-	1,300	6,500	2,000	-	500	-	-	11,100
5445 Printing	1,600	100	7,100	9,150	3,850	24,450	33,931	3,430	1,100	2,100	400	100	87,311
5447 Button Printing	-	-	-	2,000	-	-	-	-	-	-	-	-	2,000
5450 Advertising - Outdoor	2,500	-	-	2,500	-	-	150,000	-	2,500	-	-	2,500	160,000
5451 Advertising - Radio	5,000	6,000	7,000	8,000	9,000	10,000	136,000	86,000	3,000	-	-	-	270,000
5452 Advertising - TV	-	-	-	-	-	-	500,000	-	-	-	-	-	500,000

**OC Fair & Event Center**  
2023 Consolidated Budget

	2023 January	2023 February	2023 March	2023 April	2023 May	2023 June	2023 July	2023 August	2023 September	2023 October	2023 November	2023 December	YTD Actual
5453 Advertising - Print	12,500	12,500	12,750	12,500	12,500	12,500	22,500	12,500	-	11,000	-	-	121,250
5454 Advertising - Online	12,500	12,500	17,500	22,800	12,500	12,800	388,000	13,000	-	10,300	-	-	501,900
5460 Promo Material	15,750	7,050	12,650	9,550	8,350	11,950	19,750	6,750	-	2,000	-	-	93,800
5470 Opening Ceremonies	-	-	-	-	-	-	-	-	-	2,000	1,000	-	3,000
5471 Media Relations	-	-	400	-	-	-	-	-	-	-	-	-	400
5472 Promotional Offsite Booth Space	-	-	500	-	500	5,000	-	-	-	-	-	-	6,000
5475 PR/Manager Functions	-	1,750	1,050	250	2,300	1,650	22,500	-	2,800	3,940	650	650	37,540
5480 Creative Design/Production Services	-	-	-	2,500	5,000	-	-	-	-	-	-	-	7,500
5490 Sponsorships & Sales Commision	10,700	10,800	18,000	27,600	5,800	2,400	500	500	346,400	5,400	13,100	1,800	443,000
5685 Garden Classes Expenses	300	150	100	50	50	-	-	-	-	300	200	1,000	2,150
5710 Cash Premium Expenses	-	-	-	-	-	-	-	111,450	-	-	-	-	111,450
5720 Rib/Trophy/Award	-	-	-	2,000	1,595	6,435	1,200	600	-	-	-	-	11,830
5761 JLA - Sellers Expense	-	-	-	-	-	-	233,189	-	-	-	-	-	233,189
5762 JLA - Meals	-	-	-	-	-	-	4,000	-	-	-	-	-	4,000
5763 JLA - Other	-	-	-	-	-	535	-	-	-	-	-	-	535
5770 Arena/Hangar Acts	-	-	-	-	-	-	325,000	325,000	-	-	-	-	650,000
5780 Ground Acts	-	-	-	-	-	-	200,000	234,500	-	-	-	-	434,500
5790 Headline Acts	-	-	-	-	-	320,000	2,880,000	2,880,000	320,000	40,000	-	-	6,440,000
5795 Performer Hospitality	-	-	-	-	-	10,400	91,836	91,836	10,400	1,200	500	-	206,172
5900 Depreciation Expense	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	3,600,000
5910 Dues/Subs/Fees	43,705	10,020	8,602	2,112	1,970	20,412	1,590	465	948	1,290	765	4,387	96,266
5921 Chargebacks	-	-	-	-	-	200	25,200	200	-	-	-	-	25,600
5925 Bank/Credit Card Fees	4,000	6,045	7,105	5,638	10,115	33,051	260,279	260,000	5,000	4,400	4,000	4,000	603,633
5935 Ticket Printing Fee	2,500	500	700	500	600	1,000	8,435	8,185	1,200	1,000	-	-	24,620
5980 Cash Over/Short	-	100	200	100	100	250	6,725	6,725	250	150	100	200	14,900
5981 Donations	-	-	-	-	-	-	-	-	-	4,000	-	-	4,000
5990 Miscellaneous Expense	-	-	200	-	400	-	-	-	200	35,000	-	-	35,800
<b>Sub-Total Non-Labor Expenses</b>	<b>1,265,448</b>	<b>971,789</b>	<b>1,224,455</b>	<b>1,354,761</b>	<b>1,226,942</b>	<b>2,030,452</b>	<b>9,439,778</b>	<b>10,010,252</b>	<b>1,893,561</b>	<b>1,271,163</b>	<b>931,798</b>	<b>908,112</b>	<b>32,528,511</b>
<b>Total Expenses</b>	<b>2,713,145</b>	<b>2,450,173</b>	<b>2,719,611</b>	<b>2,933,777</b>	<b>2,835,766</b>	<b>3,869,399</b>	<b>12,932,308</b>	<b>13,132,115</b>	<b>3,514,240</b>	<b>2,838,551</b>	<b>2,451,987</b>	<b>2,449,271</b>	<b>54,840,341</b>
<b>Net Proceeds</b>	<b>(1,930,832)</b>	<b>(1,812,625)</b>	<b>(1,826,622)</b>	<b>(2,091,403)</b>	<b>(1,815,862)</b>	<b>(2,035,718)</b>	<b>12,787,298</b>	<b>9,957,444</b>	<b>(1,416,669)</b>	<b>(1,134,699)</b>	<b>(1,773,660)</b>	<b>(1,378,219)</b>	<b>5,528,435</b>
<b>6930 GASB 68 PensionAdj. Below Line</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,000,000)</b>	<b>(5,000,000)</b>



Date: December 15, 2022

To: 32<sup>nd</sup> District Agricultural Association Board of Directors

Subject: 2023 Operating Budget and Capital Expenditures/Major Projects Highlights

On behalf of the staff of the 32<sup>nd</sup> District Agricultural Association, I am proud to present to you the 2023 operating budget and capital expenditures/major projects highlights. This budget is the result of the collective efforts of management and staff to carefully plan and thoughtfully research and forecast the upcoming year.

### **Operational Highlights from 2022**

OC Fair & Event Center (OCFEC) approached the new year of 2022 with “cautious optimism” as year-round event business continued to build and the organization benefitted from a hugely successful “come-back” fair in 2021. The organization began the year favorable to the 2021 budget by \$15.9M and with a 43.9% year-over-year increase in cash and cash equivalents. Operations were returning to normal and the demand for year-round event rentals were building back to pre-pandemic levels.

The Board completed a four-month process of developing a three-year strategic plan which included new mission and vision statements along with strategic initiatives for the annual OC Fair, year-round events program, educational assets, equestrian center and community support. The Board also approved a master site plan to move forward. This, along with the strategic plan, created a specific roadmap for the organization.

Momentum began building at the beginning of the year with a robust schedule of year-round events. Many guest favorites returned with multiple bookings throughout 2022, i.e. Gem Faire, Fight Club OC, Original OC Swap Meet, Bride World, Costa Mesa Speedway, So Cal Guitar Show and Flying Miz Daisy. Events that had not booked since before the pandemic returned including Tet Festival and the full production of Winter Fest OC. And our sales team came through with several new events in 2022 including Moon Festival, CALA Shows, So Cal Men’s Gymnastics State Championships, OC Wine Fest, Design Build Competition, The Sneaker Show, Maker Faire Orange County, Bridgestone Ride ‘n Drive, Cat Show Extravaganza and Sugoi Saturday – to name a few.

This year also saw the return of an in-person Imaginology, a two-day fun-filled family event with plenty of free hands-on experiences for guests of all ages.

Centennial Farm and Heroes Hall were fully opened in 2022. The farm saw the return of regular school tours hosted by volunteer docents. Even the animals were happy to see the





public fully enjoying the farm again. Heroes Hall launched the very successful speakers' series and opened two new exhibits during the year – “Fighting for the Right to Fight: African-American Experiences in World War II” and “Armed Only With a Camera.”

While COVID continued to be somewhat of a factor, particularly in the first few months of 2022, restrictions were no longer an issue for guests nor did they interrupt operations by fair-time.

The “modified” fair plan was such a success in 2021 on many levels that the plan was extended to the 2022 OC Fair with even more dramatic results. Controlled attendance and advanced online sales once again produced an outstanding guest experience, very minimal impact from traffic and noise in the surrounding neighborhoods and the ability for staff to handle the demand. The 2022 OC Fair contributed net proceeds of nearly \$25M.

With the exception of two carry-over projects and one equipment purchase, all capital expenditure/major projects were completed as planned in 2022.

The budget for 2022 projected proceeds of \$5.98M. The forecast for the end of 2022 is now projecting an additional \$2M in proceeds. By adhering to our principles of careful planning and responsible budget management, the OC Fair & Event Center once again outperformed our budget for the year.

### **2023 Budget Overview**

The approved budget for 2023 is based on careful consideration of economic indicators and forecasting data that define the post-COVID market. We know that supply chain issues and lingering inflation will continue to be a challenge to our operations in 2023 and we have built those factors into the budget. And while consumer confidence is expected to remain low in 2023, we know that the annual OC Fair, our year-round events program and our educational assets are beloved by the community and will remain in strong demand.

The 2023 budget includes the same controlled attendance model for the annual OC Fair. With two years of data from the 2021 and 2022 OC Fairs, we are confident that 2023 will be another successful run. Our budget also includes a slightly more optimistic projection for year-round event bookings compared to 2022 as we continue our rapid recovery. We will continue to expand our important community and educational programs with another in-person Imaginology, new exhibits in Heroes Hall and the continuation of school tours at Centennial Farm.

The budget also includes the projected revenue and full load of operational expenses for the equestrian center for which we will assume operation on January 1, 2023.



Using two years of actual ticket sales from 2021 and 2022, the budget includes projections for fair admission with a controlled attendance of 45,000 tickets sold per day. It also includes the Board-approved admission increases of \$1 for adult general admission and \$2 for senior/youth admission. Year-round and fair-time parking rates will increase from \$10 to \$12 and are reflected in the budget. The budget also reflects a \$0.50 per hour wage increase across the board for all fair-time positions in order to better compete in a very tight job market.

Budgeted revenue in 2023 is \$60.4M compared to a budgeted \$53.8M in 2022. And while rising costs for supplies, materials and equipment were built into the 2023 budget, the staff has continued to apply their budget management skills and their ability to control expenses as evidenced in the budget performance from 2021 and 2022. The 2023 budget includes expenses of \$54.8M compared to a budgeted \$47.8M in 2022.

The larger revenue categories of the 2023 budget include:

- Concerts and Attractions - \$12,925,271
- OC Fair Admissions - \$12,519,346
- Fair Concessions and Merchant Space – \$10,992,200
- Year-Round Event Rentals & Parking - \$8,471,000
- Carnival - \$7,000,000
- OC Fair Parking - \$2,649,600
- Sponsorships - \$2,083,000
- Equestrian Center Boarding - \$1,409,064
- Non-Operating Revenue - \$881,550

The projected bottom line of \$5.5M from the 2023 budget represents a return to full operational capabilities at the OC Fair & Event Center. This includes both an increased ability to generate revenue in addition to an effort to contain costs wherever possible.

### **2023 Budget Assumptions and Considerations**

The following assumptions were provided to staff as a guideline for developing their individual department budgets:

- Use the 2022 fair model for 2023 – “bigger is not always better”
- Control ticket sales at 45,000 per day (advanced online purchase)
- No increase in fair admission pricing\*
- No increase in parking fees\*
- Goal of booking 40 shows in the Pacific Amphitheatre
- Budget for credit card fees to reflect advance online ticket sales
- Earlier closing on Sunday (based on attendance trend analysis)
- Continue the use of Evolv gate screening equipment



- Introduce a loyalty admission product
- Plan for Q1/Q2 events activity using 2022 data
- Plan for Q3/Q4 events activity to be 100% of 2019
- Plan for a two-day, in-person Imaginology event
- Self-operation of equestrian center

*\* While the first draft of the 2023 budget did not include price increases for fair admission or parking, ultimately the Board of Directors voted to increase both. Those increases are built into the final approved budget document attached.*

With two years of actual post-COVID data available, we are better able to forecast for 2023. However, we fully understand the current pressures on our economy including inflation and continued supply shortages. As such, we will provide the Board and public a monthly reforecast report based on actual numbers to-date and adjusted projections for revenues and expenses for the remainder of the year.

In addition, as discussed during the public Budget Study Session held on November 9, 2022, the Financial Monitoring and Audit Committee will also provide a specific status report each month for the equestrian center budget for our first year of self-operation.

### **2023 Capital/Major Projects Highlights**

The Capital Expenditures/Major Projects plan for 2023 brings us back to the historic level of 5% of total assets (\$5M). The budget reflects a 242% increase from 2022 and includes the following:

- **Carry-Forward Projects from 2022:**
  - Complete the Lot G utilities project - \$975,000
  - Complete the Serenity Walk project at Heroes Hall - \$500,000
- **2023 Capital Projects:** \$2,255,500
- **2023 Equipment Purchases:** \$1,064,500
- **2023 Major Expenditures:** \$105,000
- **2023 Contingency:** \$100,000



## **2023 Budget Summary by Department**

<b>Function/Department No.</b>	<b>Projected Revenue</b>	<b>Projected Labor Expenses</b>	<b>Projected Non-labor Expenses</b>
Administration - 06	\$881,560	\$1,382,256	\$874,735
Sales - 87	\$2,083,000	\$9,065	\$331,000
Human Resources - 07	\$0	\$988,566	\$235,440
Carnival - 58	\$7,000,000	\$333,451	\$67,400
Finance/Accounting - 10	\$18,000	\$804,772	\$598,070
Business Services - 12	\$0	\$460,199	\$22,370
Admissions -31, 38, 50, 66, 67	\$15,768,946	\$978,866	\$83,700
Maintenance Operations - 20, 22, 28, 63	\$0	\$5,022,086	\$4,688,425
Technology & Production - 08 09, 19	\$0	\$759,633	\$1,274,941
Entertainment - 48, 69, 70, 72	\$13,278,771	\$1,122,587	\$11,211,794
Security, Parking & Traffic - 23, 32, 51, 52	\$0	\$2,821,405	\$2,109,557
Communications - 18	\$0	\$556,621	\$70,300
Guest Experience – 47	\$0	\$384,545	\$63,300
Marketing - 15	\$0	\$470,585	\$2,073,266
Exhibits & Education - 11, 14, 27, 29, 41, 42, 43, 44, 46, 53, 62, 84	\$203,046	\$2,513,954	\$1,064,343
Event Services - 30, 33	\$8,471,000	\$2,297,969	\$1,068,800
Commercial & Concessions - 64	\$10,992,200	\$394,634	\$168,800
Creative Services - 21	\$0	\$557,017	\$62,250
Equestrian Center – 25	\$1,409,064	\$306,187	\$2,435,796
All Other - 49, 59, 78, 82	\$263,189	\$147,430	\$319,224
Major Projects - 97	\$0	\$0	\$105,000
Depreciation - 99	\$0	\$0	\$3,600,000
<b>Total:</b>	<b>\$60,368,776</b>	<b>\$54,840,341</b>	



## Summary

While economists are warning of a potential recession in 2023 with continued inflation, we know that our property remains in demand by event promoters, that the annual OC Fair is beloved by our community and that our staff excels in resource management.

We remain committed to careful monitoring of the 2023 budget through monthly variance reports, discussions with the Financial Monitoring and Audit Committee and regular reporting to the Board and public. Through two years of COVID interruptions we have learned to be flexible and nimble in order to shift priorities if necessary.

I would like to thank the OCFEC Board of Directors, and in particular the Financial Monitoring and Audit Committee, for your continued support throughout the budget process. The trust you place in our staff and your partnership in guiding the organization is very much appreciated.

The 2023 budget along, with our three-year strategic plan and master site plan, will provide direction to the staff and assurances to the public that OC Fair & Event Center is strong, well-managed and poised for continued success.

Most sincerely,

Michele A. Richards  
Chief Executive Officer