



BOARD OF DIRECTORS AGENDA REPORT

MEETING DATE: **JANUARY 26, 2023** ITEM: **8A**

SUBJECT: **Review of New Order of Priority for Master Site Plan Projects and Proposed Finance Plan**

DATE: January 20, 2023

FROM: Michel Richards, CEO

PRESENTATION BY: Michel Richards, CEO

Information Item

BACKGROUND

At its November 2022 meeting, the Board of Directors approved the Master Site Plan project concepts presented by staff, along with staff's recommendation on the priority order of those projects.

Staff will review the amended Master Site Plan presentation to reflect the Board's approved order of priority, along with a proposed finance cash flow plan.

The list of Master Site Plan projects in priority order is attached, along with a chart illustrating 10-year finance cash flow for the projects with back-up spreadsheet information.

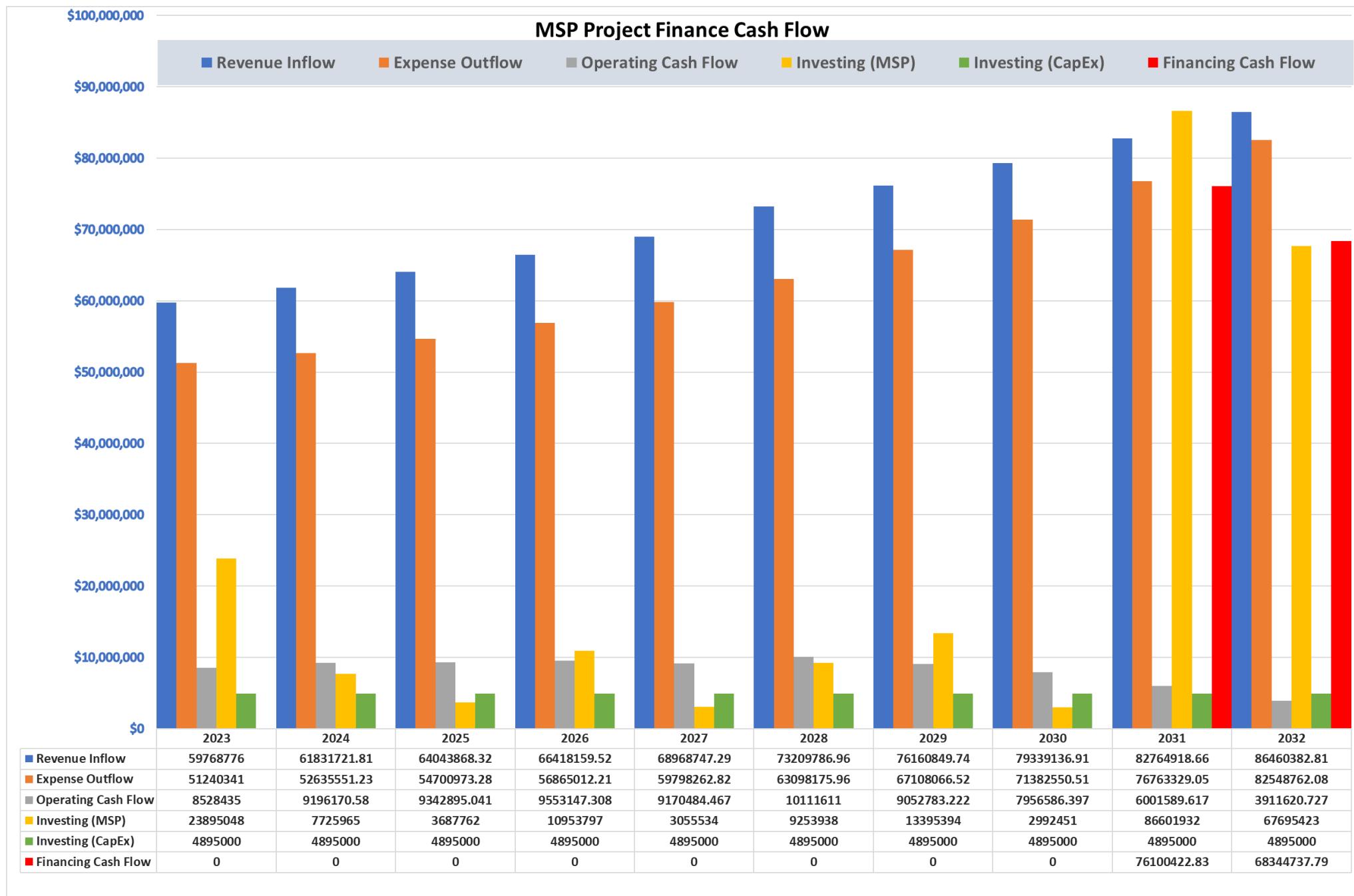
ROUGH ORDER OF MAGNITUDE BUDGET RECAP

- Phase 1 - \$ 23,895,048
- Phase 2 - \$ 7,725,962
- Phase 3A - \$ 3,687,762
- Phase 3B - \$ 10,953,797
- Phase 4 - \$ 3,055,534
- Phase 5A - \$ 9,253,938
- Phase 5B - \$ 13,395,394
- Phase 6 - \$ 2,992,451

- Phase 7 - \$ 86,601,932
- Phase 8 - \$ 67,695,423

\$74,959,886

Grand Total \$229,257,242



OC FAIR MASTER SITE PLAN FINANCE CASH FLOW

Year	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Beginning Cash Balance	70,000,000	49,738,387	46,313,593	47,073,726	40,778,076	41,998,026	37,960,699	28,723,089	28,792,224	19,397,304
Revenues:										
Fair Attractions (Carnival, PacAm, Grounds, etc.)	20,270,665	20,554,454	20,842,217	21,134,008	21,429,884	21,729,902	22,034,121	22,342,599	22,655,395	22,972,570
Fair Admissions	12,519,346	12,519,346	12,519,346	12,519,346	13,488,105	13,488,105	13,488,105	13,488,105	13,488,105	13,488,105
Fair Parking	2,649,600	2,649,600	2,649,600	2,649,600	3,179,520	3,179,520	3,179,520	3,179,520	3,179,520	3,179,520
Fair Concessions	10,992,200	11,541,810	12,118,901	12,724,846	13,361,088	14,029,142	14,730,599	15,467,129	16,240,486	17,052,510
Fair Sponsorships	2,083,000	2,187,150	2,296,508	2,411,333	2,531,900	2,658,494	2,791,419	2,930,990	3,077,540	3,231,417
Year Round	11,253,965	12,379,362	13,617,298	14,979,027	16,476,930	18,124,623	19,937,085	21,930,794	24,123,873	26,536,261
Total Inflow	59,768,776	61,831,722	64,043,868	66,418,160	68,968,747	73,209,787	76,160,850	79,339,137	82,764,919	86,460,383
Cost of Revenue:										
Add back NonCash:										
Depreciation	3,600,000	4,000,000	4,400,000	4,800,000	5,200,000	5,400,000	5,800,000	6,200,000	6,600,000	7,000,000
Pension GASB Adjustment	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total Outflow	(51,240,341)	(52,635,551)	(54,700,973)	(56,865,012)	(59,798,263)	(63,098,176)	(67,108,067)	(71,382,551)	(76,763,329)	(82,548,762)
Total Operating Cash Flow (deficit)	8,528,435	9,196,171	9,342,895	9,553,147	9,170,484	10,111,611	9,052,783	7,956,586	6,001,590	3,911,621
Master Site Plan										
Purchases of Equipment & Fixed Assets	(23,895,048)	(7,725,965)	(3,687,762)	(10,953,797)	(3,055,534)	(9,253,938)	(13,395,394)	(2,992,451)	(86,601,932)	(67,695,423)
(4,895,000)	(4,895,000)	(4,895,000)	(4,895,000)	(4,895,000)	(4,895,000)	(4,895,000)	(4,895,000)	(4,895,000)	(4,895,000)	(4,895,000)
Total Investing Cash Flow Provided (Used)	(28,790,048)	(12,620,965)	(8,582,762)	(15,848,797)	(7,950,534)	(14,148,938)	(18,290,394)	(7,887,451)	(91,496,932)	(72,590,423)
Loan (Muni/RDA/Bank)	-	-	-	-	-	-	-	-	82,000,000	80,000,000
Principal Repayment	-	-	-	-	-	-	-	-	(1,006,970)	(1,989,379)
Interest Payment	-	-	-	-	-	-	-	-	(4,892,608)	(9,665,883)
Total Financing Cash Flow Provided (Used)	-	76,100,423	68,344,738							
Total Funds Provided (Used) during period	(20,261,613)	(3,424,794)	760,133	(6,295,650)	1,219,950	(4,037,327)	(9,237,611)	69,135	(9,394,920)	(334,064)
Closing Cash Balance	49,738,387	46,313,593	47,073,726	40,778,076	41,998,026	37,960,699	28,723,089	28,792,224	19,397,304	19,063,240
Free Cash Flow	(20,261,613)	(3,424,794)	760,133	(6,295,650)	1,219,950	(4,037,327)	(9,237,611)	69,135	(85,495,342)	(68,678,802)