



**SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT
CORPORATION (SCCFMC)
FINANCIAL HIGHLIGHTS
YEAR TO DATE AS OF SEPTEMBER 30, 2023**

Statement of Activities

Actual revenues, year-to-date as of September 30, 2023, total \$7,124,244 or \$ 2,365,367 less than budget. The adopted budget for Property Management revenue included six acres to license to potential licensees. To date, these acres remain vacant, therefore, resulting in a shortfall of projected anchor licensee revenue. The unfavorable variance of approximately \$500,000 in Hosted Events revenue is the result of SCCFMC unable to host several key events including Cinco de Mayo, Hop N' Vine and the 4th of July celebration during the first six months of the year since the County continued to use the Fairgrounds for ongoing COVID vaccinations and testing. The shortfall in Fair revenue resulted from the unavailability of the Arena for concerts since the facility requires major upgrades and improvements.

The \$1,009,242 in Venue Sales & Event Services includes revenue generated from the Bay Area Tamil Manram, SCV Gem Show, South Bay Islamic, Jurassic Quest, Foodie land, Hot Production and Santa Clara Dog Training. The 2023 County Fair held from July 26, 2023 through August 6, 2023 generated \$1,677,632 in revenue, primarily from admissions, parking, beverage sales and sponsorships. The financials include \$784,748 in recognized revenue as a reimbursement from the County of Santa Clara for expenses incurred year to date as of September 30, 2023. The \$295,321 in Exceptional Other Income resulted from the Employee Retention Tax Credit, which is a refundable tax credit available to businesses and tax-exempt organization.

Expenses year to date totaled \$8,117,089 or \$ 961,821 less than budget. Management is currently reviewing all expenditures to align with forecasted revenues through the balance of 2023. SCCFMC has incurred extraordinary expenses for security services, janitorial services, and utilities in connection with managing the Fairgrounds and remaining RV Park users. The top five expenditures year-to-date are salaries & benefits, security & sheriff, utilities, repair & maintenance, and entertainment.

In summary, SCCFMC has a loss of (\$992,845) compared to the budgeted Net Income of \$410,701 resulting in an unfavorable variance of (\$1,403,546) year to date.

Balance Sheet

SCCFMC's total cash balance as of September 30, 2023, is \$2,428,403 compared with the prior year's (2022) cash balance total of \$4,858,559. SCCFMC's current ratio is 3.78 for September 2023 compared to 5.53 in September 2022 which reflects SCCFMC's ability to pay its current liabilities.

**SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT
CORPORATION (SCCFMC)
FINANCIAL HIGHLIGHTS
YEAR TO DATE AS OF SEPTEMBER 30, 2023
(continued)**

Supplemental Schedules for 2023

Anchor License Agreements – September 2023: Summarizes the status of Anchor License Agreements totaling \$183,371.92 in revenue.

Events through March 2024:

Summarizes event sales activity as of September 30, 2023. Includes name of event, event date(s), location, estimated number of patrons and event type. Schedule also includes Hosted Events planned for 2023 and 2024. All events are tentatively scheduled and subject to change or cancellation.

SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT CORP
STATEMENT OF ACTIVITIES
Year to date as of September 30, 2023
(UNAUDITED)
Actual vs Budget

	2023		
	Actual	Budget	Variance
Support and revenue			
Property Management *	\$ 1,846,639	\$ 2,175,000	\$ (328,361)
Off-Track Betting	995,252	1,070,439	(75,187)
Food & Beverages	515,149	451,348	63,801
Venue Sales & Event Services	1,009,242	1,139,157	(129,915)
County Fair	1,677,632	3,225,000	(1,547,368)
Hosted Events	0	496,667	(496,667)
General and Administrative	785,010	932,000	(146,990)
Total support & revenue	<u>\$ 6,828,924</u>	<u>\$ 9,489,611</u>	<u>\$(2,660,688)</u>
Expenses			
Program Services	\$ 5,331,211	\$ 5,979,291	\$ 648,080
Facilities	1,316,383	740,927	(575,456)
General & Administrative	1,469,495	2,358,692	889,197
Total expenses	<u>\$ 8,117,089</u>	<u>\$ 9,078,910</u>	<u>\$ 961,821</u>
Change in unrestricted net assets before exceptional other income	(1,288,165)	410,701	(1,698,866)
Exceptional other income **	<u>295,321</u>	<u>0</u>	<u>295,321</u>
Change in unrestricted net assets	\$ (992,845)	\$ 410,701	\$(1,403,546)
Unrestricted net assets, January 1	<u>6,546,788</u>	<u>6,546,788</u>	<u>0</u>
Unrestricted net assets, September 30	<u>\$ 5,553,943</u>	<u>\$ 6,957,489</u>	<u>\$(1,403,546)</u>

* Includes both Anchor Licensees and RV Park guests

** Received Employee Retention Credit

SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT CORP
STATEMENT OF ACTIVITIES
(UNAUDITED)
Year to date as of September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Support and revenue		
Property Management *	\$ 1,846,639	\$ 2,375,372
Off-Track Betting	995,252	1,090,964
Food & Beverages	515,149	130,281
Venue Sales & Event Services	1,009,242	86,670
County Fair	1,677,632	92,907
General and Administrative	785,010	2,854,246
Total support & revenue	<u>\$ 6,828,924</u>	<u>\$ 6,630,500</u>
Expenses		
Program Services	\$ 5,331,211	\$ 3,064,852
Facilities	1,316,383	710,377
General & Administrative	1,469,495	1,765,069
Total expenses	<u>\$ 8,117,089</u>	<u>\$ 5,540,298</u>
Change in unrestricted net assets before exceptional other income	(1,288,165)	1,090,202
Exceptional other income **	<u>295,321</u>	<u>669,772</u>
Change in unrestricted net assets	\$ (992,845)	\$ 1,759,974
Unrestricted net assets, January 1	<u>6,546,788</u>	<u>4,527,028</u>
Unrestricted net assets, September 30	<u>\$ 5,553,943</u>	<u>\$ 6,287,002</u>

* Includes both Anchor Licensees and RV Park guests

** Received Employee Retention Credit

SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT CORPORATION
SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENSES
(UNAUDITED)

Year to date as of September 30, 2023

	Program Services										
	OFF Track Betting	Property Management	Venue Sales & Event Svc.	Food & Beverages	Bingo	Hosted Events	County Fair	Total Program Services	Facility	General & Administrative	Total
Support and Revenue	\$ 995,252	\$ 1,846,639	\$ 1,009,242	\$ 515,149	\$ -	\$ -	\$ 1,677,632	\$ 6,043,914	\$ -	\$ 1,080,330	\$ 7,124,244
Cost of Sales:											
Labor	-		68,737	76,576			32,964	178,277		75,983	254,259
Racing Forms	47,800							47,800			47,800
Parking			143,630				28,322	171,952			171,952
Entertainment	2,700						791,244	793,944			793,944
Equipment Rental						169,001	-	169,001		-	169,001
Food & Beverages				97,324			17,436	114,760			114,760
Sponsorship-Exchange											-
Bingo-Regular											-
Bingo-Flash cards											-
Sub-Contractor			33,782					33,782			33,782
Commission							1,715	1,715			1,715
Other											-
Material										-	-
Admission Clerks											-
Awards and Trophies											-
Ticketing Services							11,094	11,094			11,094
Judges							8,998	8,998			8,998
Lottery	4,934							4,934			4,934
Total Cost of Sales	55,434	-	246,149	173,900	-	169,001	891,772	1,536,256	-	75,983	1,612,239
Direct Expenses:											
Payroll and employee benefits	32,148	-	-	91,791	-	-	-	123,939	70,526	-	194,465
Facility	-	665,666	-	-	-	-	-	665,666	-	-	665,666
Repairs and maintenance	-	-	5,148	1,607	-	6,930	-	13,685	625,310	-	638,995
Security and sheriff	96,492	1,022,904	54,320	-	-	10,603	141,939	1,326,258	-	-	1,326,258
Depreciation	-	-	-	-	-	-	-	-	126,051	-	126,051
Other	114,574	164	9,682	30,833	-	5,075	71,471	231,800	277,488	185,522	694,809
Reimbursed expenses	-	-	-	-	-	-	-	-	-	-	-
Total Direct Expenses	243,214	1,688,734	69,151	124,231	-	22,608	213,410	2,361,348	1,099,374	185,522	3,646,244
Gross Profit (Loss)	696,604	157,905	693,942	217,018	-	(191,609)	572,450	2,146,310	(1,099,374)	818,826	1,865,762
General and Administrative Expenses:											
Labor and benefits	273,775	59,311	56,548	-	-	23,400	171,506	584,540	-	712,216	1,296,756
Professional Services	-	-	-	-	-	-	-	-	-	214,801	214,801
Marketing	42,451	-	-	-	-	159,082	245,182	446,715	-	24,172	470,886
Insurance	-	123,986	-	-	-	-	-	123,986	-	4,795	128,781
Depreciation	-	-	-	-	-	-	-	-	327	-	327
Deferred Costs	-	-	-	-	-	-	-	-	-	-	-
Other	30,316	82,384	21,458	12,360	-	8,127	123,721	278,367	216,681	252,007	747,054
Total General and Administrative Expenses	346,542	265,681	78,006	12,360	-	190,608	540,410	1,433,607	217,008	1,207,991	2,858,606
Change in Unrestricted Net Assets (Deficit)	\$ 350,062	\$ (107,776)	\$ 615,936	\$ 204,658	\$ -	\$ (382,217)	\$ 32,040	\$ 712,703	\$ (1,316,383)	\$ (389,165)	\$ (992,845)

SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT CORPORATION
SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENSES
(UNAUDITED)

Year to date as of September 30, 2022

	Program Services										
	OFF Track Betting	Property Management	Venue Sales & Event Svc.	Food & Beverages	Bingo	Hosted Events	County Fair	Total Program Services	Facility	General & Administrative	Total
Support and Revenue	\$ 1,090,964	\$ 2,375,372	\$ 86,670	\$ 130,281	\$ -	\$ 60	\$ 92,907	\$ 3,776,253	\$ -	\$ 3,524,018	\$ 7,300,272
Cost of Sales:											
Labor	25,677		1,140	45,721			1,860	74,398		466,678	541,076
Racing Forms	49,504							49,504			49,504
Parking								-			-
Entertainment								-			-
Equipment Rental						36,850	1,055	37,905			37,905
Food & Beverages				30,567				30,567			30,567
Sponsorship-Exchange											-
Awards and Trophies											-
Ticketing Services											-
Judges							7,707	7,707			7,707
Lottery	4,592							4,592			4,592
Total Cost of Sales	79,773	-	5,140	76,288	-	36,850	10,622	208,674	-	466,678	675,351
Direct Expenses:											
Payroll and employee benefits	32,132	-	-	79,222				111,354	30,577		141,932
Facility	-	751,043	-	-				751,043	-		751,043
Repairs and maintenance	-	-	5,363	-		5,395	43,507	54,265	340,829		395,094
Security and sheriff	71,590	805,819	31,978	-		5,782	12,921	928,090	-		928,090
Depreciation	-	-	-	-				-	126,524		126,524
Other	72,333	5,766	-	5,875		42,877	49,950	176,801	176,604	72,352	425,757
Reimbursed expenses	-	(2,216)	-	-				(2,216)	-		(2,216)
Total Direct Expenses	176,055	1,560,413	37,341	85,097	-	54,054	106,378	2,019,338	674,534	72,352	2,766,224
Gross Profit (Loss)	835,135	814,959	44,189	(31,104)	-	(90,844)	(24,093)	1,548,241	(674,534)	2,984,989	3,858,696
General and Administrative Expenses:											
Labor and benefits	220,267	133,004	50,541	-		25,988		429,800		760,006	1,189,806
Professional Services	-	-	-	-			600	600		236,602	237,202
Marketing	10,983	-	-	-		25,651	20,756	57,390		44,884	102,275
Insurance	-	110,148	-	-				110,148		4,725	114,873
Depreciation	-	-	-	-				-	25,456		25,456
Deferred Costs	-	-	-	-				-			-
Other	131,780	64,411	4,024	1,562		12,795	24,329	238,901	10,387	179,821	429,110
Total General and Administrative Expenses	363,030	307,563	54,565	1,562	-	64,434	45,685	836,840	35,843	1,226,039	2,098,722
Change in Unrestricted Net Assets (Deficit)	\$ 472,105	\$ 507,396	\$ (10,377)	\$ (32,667)	\$ -	\$ (155,278)	\$ (69,778)	\$ 711,402	\$ (710,377)	\$ 1,758,950	\$ 1,759,974

SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT CORP
STATEMENT OF FUNCTIONAL EXPENSES
(UNAUDITED)
Year to date as of September 30, 2023

	PROGRAM SERVICES	FACILITIES	MANAGEMENT AND GENERAL	TOTAL
Salaries & Benefits	\$ 745,806	\$ 65,412	\$ 715,000	\$ 1,526,217
Security & Sheriff	1,326,258	547	123,414	1,450,219
Entertainment	962,945	-	0	962,945
Repair & Maintenance	143,734	625,310	31,965	801,009
Utilities	723,508	5,218	23,582	752,308
Marketing	446,597	-	62,602	509,199
Outside Services	232,901	-	141,256	374,156
Depreciation and amortization	-	315,778	0	315,778
Equipment Rental	79,029	194,531	13,066	286,626
Other	102,372	15,290	93,050	210,712
Supplies	66,094	80,722	54,431	201,247
Parking	171,952	-	0	171,952
Professional Services	261	-	166,294	166,555
Insurance	123,986	7,846	4,795	136,628
Food & Beverage Cost	114,760	-	0	114,760
Payroll taxes	27,427	5,115	33,170	65,711
Racing Forms	47,800	-	0	47,800
Miscellaneous	4,647	-	7,010	11,657
Fees & Licenses	11,135	616	(140)	11,611
Total Functional Expenses	<u>\$ 5,331,211</u>	<u>\$ 1,316,383</u>	<u>\$ 1,469,495</u>	<u>\$ 8,117,089</u>

SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT CORP
STATEMENT OF FINANCIAL POSITION
(UNAUDITED)
Year to date as of September 30, 2023 and 2022

ASSETS	2023	2022
Current Assets		
Cash and cash equivalent	\$ 2,428,403	\$ 4,858,559
Accounts Receivable	735,671	978,943
Other Current Assets	468,316	271,534
Total current assets	<u>\$ 3,632,390</u>	<u>\$ 6,109,035</u>
Property and Equipment, net	<u>3,352,350</u>	<u>1,727,509</u>
Total assets	<u><u>\$ 6,984,739</u></u>	<u><u>\$ 7,836,544</u></u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 263,539	\$ 109,445
Wells Fargo Business Elite	11,498	25,427
Accrued liabilities	476,135	633,467
Deferred revenue, nonmonetary exchange, current	3,000	3,000
Customer deposits	205,102	333,541
Total current liabilities	<u>\$ 959,273</u>	<u>\$ 1,104,879</u>
Long term liabilities		
Deferred revenue, nonmonetary exchange, net of current portion	\$ 230,656	\$ 230,656
Equipment Loan #1	43,229	0
Equipment Loan #2	45,339	0
Restricted Fund	12,800	71,000
Economic Injury Disaster Loan(EIDL)	139,499	143,006
Total long-term liabilities	<u>471,523</u>	<u>444,662</u>
Total liabilities	<u>\$ 1,430,796</u>	<u>\$ 1,549,542</u>
Unrestricted net assets	<u>\$ 5,553,943</u>	<u>\$ 6,287,002</u>
Total liabilities and net assets	<u><u>\$ 6,984,739</u></u>	<u><u>\$ 7,836,544</u></u>

SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT CORP
STATEMENT OF CASH FLOWS
(UNAUDITED)

Year to date as of September 30, 2023 and 2022

	2023	2022
Cash flows from operating activities		
Change in net assets	\$ (992,845)	\$ 1,759,974
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation expenses	315,778	151,980
Change in operating assets and liabilities		
Accounts Receivable, net	628,256	1,147,768
Prepaid Expenses	(298,029)	(88,054)
Accounts payable	(49,438)	(4,670)
Accrued liabilities	116,886	197,597
Restricted Fund	(453,521)	71,000
Customer Deposits	16,261	127,525
Net cash provided by operating activities	(716,651)	3,363,121
Cash flows from financing activities:		
Repayment of loans payable	(6,410)	(6,410)
PPP Loan #2 Forgiveness	-	(669,772)
Equipment Loan #1	43,229	-
Equipment Loan #2	45,339	-
Net cash used in capital and related financing activities	82,158	(676,182)
Cash flows from investing activities:		
Acquisition of property and equipment	(793,360)	(265,481)
Net cash used in investing activities	(793,360)	(265,481)
Net change in cash and cash equivalents	(1,427,853)	2,421,458
Cash and cash equivalents, January 1	3,856,257	2,437,101
Cash and cash equivalents, September 30	\$ 2,428,404	\$ 4,858,559

SANTA CLARA COUNTY FAIRGROUNDS MGMT CORP.

LICENSEES AGREEMENTS - SEPTEMBER 2023

	<u>ACRES OCCUPIED</u>	<u>MONTHLY FEES</u>	<u>MONTHLY PER ACRES</u>
AT&T/CROWN CASTLE* #645	N/A	\$ 5,994.00	N/A
VYSH #620	0.2	\$ 1,442.00	\$ 7,210.00
88 LUMBER & HARDWARE #661	0.5	\$ 3,605.00	\$ 7,210.00
DATALINX COMMUNICATIONS, INC.#654	0.5	\$ 3,605.00	\$ 7,210.00
EVERGREEN WASTE SERVICES #642	0.5	\$ 3,605.00	\$ 7,210.00
FAIRGROUND ENTERPRISES #639	2.07	\$ 14,925.00	\$ 7,210.14
DGDG #650	1.5	\$ 10,815.00	\$ 7,210.00
GARDEN SUPPLY #641	3.25	\$ 23,433.00	\$ 7,210.15
GREEN BAY HAULING, LLC #649	0.5	\$ 3,605.00	\$ 7,210.00
JETMULCH #667	1	\$ 7,210.00	\$ 7,210.00
LE MANS KARTING #643	0.5	\$ -	\$ -
PACIFIC WEST BUILDERS INC. #646	8	\$ 57,680.00	\$ 7,210.00
RA RA TRUCKING #679	1	\$ 7,210.00	\$ 7,210.00
SC PAINTBALL #602	6	\$ 21,000.00	\$ 3,500.00
SPECTRASITE/AMERICAN TOWER* #638	N/A	\$ 1,998.20	N/A
SILICON VALLEY TELECOM INC #658	0.5	\$ 3,605.00	\$ 7,210.00
SOUTH BAY TELECOM #664	1	\$ 7,210.00	\$ 7,210.00
THE FENCE-4-RENT #662	0.25	\$ 1,803.00	\$ 7,212.00
TA CONCRETE CONSTRUCTION #666	0.5	\$ 3,605.00	\$ 7,210.00
T-MOBILE/CROWN CASTLE* #644	N/A	\$ 1,021.72	N/A
TOTAL	27.77	\$ 183,371.92	

* PHONE TOWER - EXECUTED CONTRACT BY SANTA CLARA COUNTY

	MARKET RATE
	UNDER MARKET RATE
	Suspended due to Application for County Permit



Santa Clara County Fairgrounds Management Corporation (SCCFMC)

black = executed contract blue = contract in process green = hosted event

as of Oct 16, 2023

Date (s)	Name of Event	Location	Est Patrons	Event Type
10/05/2023-10/08/2023	Hot Tub & Swim Spa	Pavilion Hall	200	Sale
10/07/2023	Celebration of Life	Heritage Hall	100	Celebration of Life
10/07/2023-10/08/2023	San Jose Toy Show	Expo Hall	2,000/day	Family Exhibit
10/07/2023-10/08/2023	Cactus & Succulents Sale	Fiesta Hall	500	Sale
10/13/2023-10/16/2023	Hot Tub & Swim Spa	Fiesta Hall	200	Sale
10/14/2023	Bubble Run	Promenade, Lot F, Concert Lawn	5,000	Concert and Food Festival
10/15/2023	Street Low Car Show	Pavilion, Expo, Esplanade, Promenade & Heritage Garden	6,000	Car Show/Concert
10/28/2023	Muddy Dash	Promenade, Lot F, Green Area	6,000/day	Fun Run
11/04/2023	Santa Clara County Flash Back Tribute	International Park & Plaza	3,000	Concert
11/08/2023	Resource Fair	Fiesta Hall	1,000	Job Fair
11/10/2023	High School Reunion	Fiesta Hall	150	Reunion
11/17/2023-11/18/2023	The Stampede Rabbit and Cavy Show	Fiesta Hall	500	Jackpot Show
11/22/2023	Rockumbiando Concert	Expo Hall & Outside Area	6,000	Concert
12/02/2023-12/03/2023	San Jose Toy Show	Expo Hall	3,000	Toy Show
12/09/2023-12/10/2023	Loving Cats Worldwide	Pavilion Hall	2,000	Cat Show
11/07/2023-12/12/2023	Santa Clara Dog Training	Fiesta Hall Every Tuesday	100	Dog Training
01/02/2024-05/21/2024	Santa Clara Dog Training	Fiesta Hall Every Tuesday	100	Dog Training
01/18/2024	Volunteer Appreciation	Heritage Hall	500	
01/28/2024	Quinceanera Expo	Expo Hall	1,000	Expo

02/23/2024-02/25/2024	Train Show	Expo Hall	3,000	Trade Show
02/28/2024-03/07/2024	March Elections	Heritage Hall	1,000	Voting
02/29/2024-02/30/2024	Robotics	Pavilion Hall	2,000	Trade Show
03/02/2024-03/03/2024	San Jose Toy Show	Expo Hall	2,000	Trade Show
03/16/2024	Concert	Expo Hall	5,000	Concert
03/16/2024-03/17/2024	Gem Show	Pavilion Hall	3,000	Trade Show

*All events are tentatively scheduled and subject to change or cancellation