



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

Statement of Activities

Actual revenues, year-to-date as of November 30, 2023, total \$7,667,643 or \$ 3,328,881 less than budget. The shortfall of projected anchor licensee revenue resulted from acres remaining vacant throughout the year. The unfavorable variance of approximately \$723,000 in Hosted Events revenue is the result of SCCFMC unable to host several key events including Cinco de Mayo, Hop 'N Vine, Puptober Fest 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 \$1,247,247 in Venue Sales & Event Services includes revenue generated from the Bay Area Tamil Manram, SCV Gem Show, South Bay Islamic, Jurassic Quest, Foodieland Night Market, Hot Production, Open World, SSA Veterans, San Jose Toy Show, Cactus & Succulent Society, Rockumbiando and Santa Clara Dog Training. The 2023 County Fair held from July 26, 2023, through August 6, 2023 generated \$1,526,963 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 November 30, 2023.

Expenses year to date total \$9,392,630 or \$ 1,306,725 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 remaining RV Park users. At the same time, the cost of savings on entertainment, professional services, marketing, outside services and salaries & benefits resulted in favorable variances. The top five expenditures year-to-date are salaries & benefits, security & sheriff, utilities, repair & maintenance, and entertainment.

The completion of the financial audit of SCCFMC's financial statements for 2022 resulted in audit adjustments reversing \$456,321 of Exceptional Other Income/ Other Revenue. These adjustments were booked in November, increasing the revenue in 2022 and decreasing revenue in 2023.

In summary, SCCFMC has a loss of (\$1,724,986) compared to the budgeted Net Income of \$297,170 resulting in an unfavorable variance of (\$2,022,157) year to date.

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

Balance Sheet

SCCFMC's total cash balance as of November 30, 2023, is \$1,962,579 compared with the prior year's (2022) cash balance total of \$4,451,629. SCCFMC's current ratio is 3.96 for November 2023 compared to 7.81 in November 2022 which reflects SCCFMC's ability to pay its current liabilities.

Supplemental Schedules for 2023

Anchor License Agreements – November 2023: Summarizes the status of Anchor License Agreements totaling \$224,644.92 in revenue.

Events through May 2024:

Summarizes event sales activity as of November 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 November 30, 2023
(UNAUDITED)
Actual vs Budget

	2023		
	Actual	Budget	Variance
Support and revenue			
Property Management *	\$ 2,317,450	\$ 2,658,333	\$ (340,884)
Off-Track Betting	1,150,389	1,254,279	(103,890)
Food & Beverages	618,832	602,319	16,512
Venue Sales & Event Services	1,247,247	1,579,593	(332,346)
County Fair	1,526,963	3,225,000	(1,698,037)
Hosted Events	21,719	745,000	(723,281)
General and Administrative	785,043	932,000	(146,958)
Total support & revenue	<u>\$ 7,667,643</u>	<u>\$ 10,996,525</u>	<u>\$ (3,328,881)</u>
Expenses			
Program Services	\$ 6,112,101	\$ 6,879,945	\$ 767,844
Facilities	1,506,242	904,782	(601,460)
General & Administrative	1,774,287	2,914,628	1,140,341
Total expenses	<u>\$ 9,392,630</u>	<u>\$ 10,699,354</u>	<u>\$ 1,306,725</u>
Change in unrestricted net assets	<u>\$ (1,724,986)</u>	<u>\$ 297,170</u>	<u>\$ (2,022,157)</u>
Unrestricted net assets, January 1	<u>7,008,928</u>	<u>7,008,928</u>	<u>0</u>
Unrestricted net assets, November 30	<u>\$ 5,283,942</u>	<u>\$ 7,306,099</u>	<u>\$ (2,022,157)</u>

* Includes both Anchor Licensees and RV Park guests

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

	<u>2023</u>	<u>2022</u>
Support and revenue		
Property Management *	\$ 2,317,450	\$ 2,993,516
Off-Track Betting	1,150,389	1,141,548
Food & Beverages	618,832	192,355
Venue Sales & Event Services	1,247,247	112,300
County Fair	1,526,963	94,344
Hosted Events	21,719	0
General and Administrative	785,043	3,426,265
Total support & revenue	<u>\$ 7,667,643</u>	<u>\$ 7,960,328</u>
Expenses		
Program Services	\$ 6,112,101	\$ 3,702,830
Facilities	1,506,242	851,484
General & Administrative	1,774,287	2,196,658
Total expenses	<u>\$ 9,392,630</u>	<u>\$ 6,750,972</u>
Change in unrestricted net assets before exceptional other income	(1,724,986)	1,209,356
Exceptional other income **	<u>0</u>	<u>669,772</u>
Change in unrestricted net assets	\$ (1,724,986)	\$ 1,879,128
Unrestricted net assets, January 1	<u>7,008,928</u>	<u>4,527,028</u>
Unrestricted net assets, November 30	<u>\$ 5,283,942</u>	<u>\$ 6,406,156</u>

* Includes both Anchor Licensees and RV Park guests

** As of March 24, 2022, Paycheck Protection Program Loan 2 was totally forgiven.

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

Year to date as of November 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	\$ 1,150,389	\$ 2,317,450	\$ 1,247,247	\$ 618,832	\$ -	\$ 21,719	\$ 1,526,963	\$ 6,882,601	\$ -	\$ 785,043	\$ 7,667,643
Cost of Sales:											
Labor	-		88,579	94,009			32,964	215,552		75,983	291,534
Racing Forms	57,120							57,120			57,120
Parking			155,093				28,322	183,414			183,414
Entertainment	2,700						791,244	793,944			793,944
Equipment Rental						169,001	-	169,001		-	169,001
Food & Beverages				112,033			17,436	129,469			129,469
Sponsorship-Exchange											-
Bingo-Regular											-
Bingo-Flash cards											-
Sub-Contractor			36,973					36,973			36,973
Commission							1,715	1,715			1,715
Other											-
Material											-
Admission Clerks											-
Awards and Trophies											-
Ticketing Services							11,094	11,094			11,094
Judges							11,348	11,348			11,348
Lottery	5,999							5,999			5,999
Total Cost of Sales	65,819	-	280,644	206,042	-	169,001	894,122	1,615,628	-	75,983	1,691,610
Direct Expenses:											
Payroll and employee benefits	32,903	-	-	114,904				147,807	77,324	-	225,132
Facility	-	788,676	-	-				788,676	-	-	788,676
Repairs and maintenance	-	-	5,148	2,436		6,930		14,514	721,947	-	736,461
Security and sheriff	121,757	1,221,810	89,093	-		10,603	141,939	1,585,201	-	-	1,585,201
Depreciation	-	-	-	-				-	153,328	-	153,328
Other	135,415	1,048	25,077	37,301	-	9,075	69,582	277,499	286,696	187,348	751,542
Reimbursed expenses	-	-	-	-	-	-	-	-	-	-	-
Total Direct Expenses	290,075	2,011,533	119,319	154,641	-	26,608	211,521	2,813,697	1,239,295	187,348	4,240,340
Gross Profit (Loss)	794,496	305,916	847,285	258,148	-	(173,889)	421,320	2,453,276	(1,239,295)	521,712	1,735,693
General and Administrative Expenses:											
Labor and benefits	339,447	73,708	64,972	-	-	30,900	217,457	726,483	-	913,690	1,640,173
Professional Services	-	-	-	-	-	-	-	-	-	266,631	266,631
Marketing	49,980	-	8,874	-	-	164,470	249,935	473,258	-	28,360	501,618
Insurance	-	153,159	-	-	-	-	-	153,159	-	5,842	159,001
Depreciation	-	-	-	-	-	-	-	-	651	-	651
Deferred Costs	-	-	-	-	-	-	-	-	-	-	-
Other	40,331	106,472	23,727	18,072	-	8,126	133,147	329,876	266,296	296,434	892,605
Total General and Administrative Expenses	429,758	333,339	97,573	18,072	-	203,497	600,538	1,682,776	266,946	1,510,957	3,460,679
Change in Unrestricted Net Assets (Deficit)	\$ 364,738	\$ (27,423)	\$ 749,712	\$ 240,076	\$ -	\$ (377,386)	\$ (179,218)	\$ 770,500	\$ (1,506,242)	\$ (989,244)	\$ (1,724,986)

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

Year to date as of November 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	\$ 1,141,548	\$ 2,993,516	\$ 112,300	\$ 192,355	\$ -	\$ -	\$ 94,344	\$ 4,534,063	\$ -	\$ 4,096,037	\$ 8,630,100
Cost of Sales:											
Labor	25,677		1,140	52,587			1,860	81,263		525,970	607,233
Racing Forms	61,000							61,000			61,000
Parking								-			-
Entertainment								-			-
Equipment Rental						36,850	1,055	37,905		-	37,905
Food & Beverages				37,377				37,377			37,377
Sponsorship-Exchange											-
Awards and Trophies											-
Ticketing Services											-
Judges							7,707	7,707			7,707
Lottery	6,541							6,541			6,541
Total Cost of Sales	93,218	-	5,140	89,964	-	36,850	10,622	235,794	-	525,970	761,764
Direct Expenses:											
Payroll and employee benefits	42,628	-	-	100,114		-	-	142,742	45,054	-	187,795
Facility	-	911,275	-	-		-	-	911,275	-	-	911,275
Repairs and maintenance	-	-	5,363	4,484		5,822	43,507	59,176	405,912	-	465,087
Security and sheriff	95,098	1,061,157	31,978	-		7,434	12,921	1,208,588	-	-	1,208,588
Depreciation	-	-	-	-		-	-	-	153,762	-	153,762
Other	94,890	6,841	36,892	822		48,762	51,721	239,930	196,054	106,218	542,201
Reimbursed expenses	-	(2,216)	-	-		-	-	(2,216)	-	-	(2,216)
Total Direct Expenses	232,616	1,977,057	74,234	105,420	-	62,018	108,149	2,559,494	800,781	106,218	3,466,492
Gross Profit (Loss)	815,714	1,016,459	32,926	(3,029)	-	(98,868)	(24,427)	1,738,775	(800,781)	3,463,849	4,401,844
General and Administrative Expenses:											
Labor and benefits	277,744	150,203	62,081	-		31,763	-	521,791	-	977,381	1,499,172
Professional Services	-	-	-	-		-	600	600	-	313,612	314,212
Marketing	14,136	-	-	-		29,253	24,498	67,887	-	50,806	118,693
Insurance	-	139,076	-	-		-	-	139,076	-	5,791	144,867
Depreciation	-	-	-	-		-	-	-	35,334	-	35,334
Deferred Costs	-	-	-	-		-	-	-	-	-	-
Other	40,095	81,726	4,024	4,558		14,755	33,030	178,188	15,369	216,881	410,438
Total General and Administrative Expenses	331,976	371,005	66,105	4,558	-	75,770	58,128	907,542	50,703	1,564,470	2,522,716
Change in Unrestricted Net Assets (Deficit)	\$ 483,738	\$ 645,454	\$ (33,179)	\$ (7,586)	\$ -	\$ (174,639)	\$ (82,555)	\$ 831,233	\$ (851,484)	\$ 1,899,379	\$ 1,879,128

**STATEMENT OF FUNCTIONAL EXPENSES
(UNAUDITED)
Year to date as of November 30, 2023**

	PROGRAM SERVICES	FACILITIES	MANAGEMENT AND GENERAL	TOTAL	Adopted 2023 Budget	Variance
Salaries & Benefits	\$ 898,796	\$ 71,109	\$ 900,581	\$ 1,870,486	\$ 2,385,531	\$ 515,045
Security & Sheriff	1,585,201	-	123,414	1,708,615	1,113,144	(595,471)
Entertainment	962,945	-	0	962,945	1,287,000	324,055
Repair & Maintenance	167,353	721,947	32,881	922,181	715,028	(207,152)
Utilities	874,710	7,988	25,434	908,132	1,048,417	140,284
Marketing	473,141	-	72,354	545,494	1,105,726	560,231
Outside Services	291,061	-	170,087	461,148	617,543	156,395
Depreciation and amortization	-	385,717	0	385,717	352,917	(32,800)
Equipment Rental	95,879	194,531	16,055	306,466	178,933	(127,532)
Other	121,817	17,309	102,745	241,871	382,000	140,129
Professional Services	261	-	217,977	218,238	736,361	518,123
Supplies	68,527	88,073	59,319	215,919	249,761	33,843
Parking	183,414	-	0	183,414	30,000	(153,414)
Insurance	153,159	10,011	5,842	169,012	166,833	(2,179)
Food & Beverage Cost	129,469	-	0	129,469	112,030	(17,439)
Payroll taxes	33,327	6,215	40,250	79,791	124,943	45,152
Racing Forms	57,120	-	0	57,120	75,869	18,749
Fees & Licenses	12,691	3,343	338	16,371	12,733	(3,638)
Miscellaneous	3,230	-	7,010	10,241	4,583	(5,657)
Total Functional Expenses	\$ 6,112,101	\$ 1,506,242	\$ 1,774,287	\$ 9,392,630	\$ 10,699,354	\$ 1,306,725

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

	ASSETS	2023	2022
Current Assets			
Cash and cash equivalent		\$ 1,962,579	\$ 4,451,629
Accounts Receivable		913,367	1,597,150
Other Current Assets		427,679	228,686
Total current assets		<u>\$ 3,303,625</u>	<u>\$ 6,277,465</u>
Property and Equipment, net		<u>3,271,135</u>	<u>1,771,088</u>
Total assets		<u><u>\$ 6,574,760</u></u>	<u><u>\$ 8,048,553</u></u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable		\$ 108,889	\$ 125,129
Wells Fargo Business Elite		3,030	27,973
Accrued liabilities		390,870	450,053
Deferred revenue, nonmonetary exchange, current		3,000	3,000
Customer deposits		329,107	197,541
Total current liabilities		<u>\$ 834,896</u>	<u>\$ 803,696</u>
Long term liabilities			
Deferred revenue, nonmonetary exchange, net of current portion		\$ 230,656	\$ 230,656
Equipment Loan #1		40,448	0
Equipment Loan #2		42,421	0
Restricted Fund		0	466,321
Economic Injury Disaster Loan(EIDL)		142,397	141,724
Total long-term liabilities		<u>455,922</u>	<u>838,701</u>
Total liabilities		<u>\$ 1,290,819</u>	<u>\$ 1,642,397</u>
Unrestricted net assets		<u>\$ 5,283,942</u>	<u>\$ 6,406,156</u>
Total liabilities and net assets		<u><u>\$ 6,574,760</u></u>	<u><u>\$ 8,048,553</u></u>

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

Year to date as of November 30, 2023 and 2022

	2023	2022
Cash flows from operating activities		
Change in net assets	\$ (1,724,986)	\$ 1,879,128
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation expenses	385,717	189,095
Change in operating assets and liabilities		
Accounts Receivable, net	603,955	529,560
Prepaid Expenses	(257,393)	(43,269)
Accounts payable	(204,088)	11,015
Accrued liabilities	22,894	14,793
Restricted Fund		466,321
Customer Deposits	(12,869)	(8,475)
Net cash provided by operating activities	(1,186,771)	3,038,167
Cash flows from financing activities:		
Repayment of loans payable	(7,692)	(7,692)
PPP Loan #2 Forgiveness	-	(669,772)
Equipment Loan #1	40,448	-
Equipment Loan #2	42,421	
Net cash used in capital and related financing activities	75,177	(677,464)
Cash flows from investing activities:		
Acquisition of property and equipment	(782,084)	(346,175)
Net cash used in investing activities	(782,084)	(346,175)
Net change in cash and cash equivalents	(1,893,678)	2,014,528
Cash and cash equivalents, January 1	3,856,257	2,437,101
Cash and cash equivalents, November 30	\$ 1,962,579	\$ 4,451,629

SANTA CLARA COUNTY FAIRGROUNDS MGMT CORP.

LICENSEES AGREEMENTS - NOVEMBER 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	\$ 1,803.00	\$ 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	18	\$ 118,150.00	\$ 7,210.00
RA RA TRUCKING #679	1	\$ 7,210.00	\$ 7,210.00
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
UNITED RECYCLE SERVICES #647	0.5	\$ 3,605.00	\$ 7,210.00
TOTAL	32.27	\$ 224,644.92	

* PHONE TOWER - EXECUTED CONTRACT BY SANTA CLARA COUNTY

	MARKET RATE
	Licensee exited premises on November 15th.
	Suspended due to Application for County Permit
	Prorated - 5 acres for 21 days @\$24,420.00 & 13 acres at \$7,210.00/per month/per acre@ \$93,730.00

Santa Clara County Fairgrounds Management Corporation (SCCFMC)

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

as of Dec 4, 2023

Date (s)	Name of Event	Location	Est Patrons/Day	Event Type
12/02/2023-12/03/2023	San Jose Toy Show	Expo Hall	3,000	Family Exhibit
12/15/2023-12/16/2023	Valley Health Foundation	Fiesta Hall	200	Bike Assembly
12/15/2023-12/17/2023	Christmas Toy Giveaway	Pavilion and Expo Hall	3,000	Toy Giveaway
01/02/2024-05/21/2024	Santa Clara Dog Training	Fiesta Hall Every Tuesday	100	Dog Training
01/18/2024	Volunteer Appreciation	Heritage Hall	200	Post Fair Event
01/20/2024-01/21/2024	International Brazilian Jiu-Jitsu	Expo Hall	1,000	Jiu-Jitsu Competition
01/27/2024-01/28/2024	Timket	Pavilion Hall	1,000	Religious
02/23/2024-02/25/2024	Train Show	Expo Hall	3,000	Trade Show
02/28/2024-03/07/2024	March Elections	Fiesta Hall	1,000	Elections
02/29/2024-02/30/2024	Robotics	Pavilion Hall	2,000	Trade Show
03/01/2024-06/07/2024	Cirque du Soleil	Lot A	2,000	KOOZA Touring Show
03/02/2024-03/03/2024	San Jose Toy Show	Expo Hall	2,000	Trade Show
03/16/2024-03/17/2024	Gem Show	Pavilion Hall	3,000	Trade Show
03/24/2024	Concert	Central Grounds	6,000	Indo American Concert
04/06/2024	Concert	Expo Hall	5,000	Latin Concert
04/13/2024	Hop 'N Vine 2024	Pavilion Hall, International Park & Plaza, Green Room, Hexagon	2,000	Local Wine & Beer Tasting
04/21/2024-04/30/2024	RoboGames	Expo & Pavilion Hall	5,000	Robotics Competition
04/27/2024-04/28/2024	Cactus & Succulents Sale	Fiesta Hall	1,000	Sale
05/06/2024	Cinco De Mayo Festival	Central Grounds	10,000	Cultural Festival
05/17/2024-05/19/2024	Jurassic Quest	Esplanade, Expo and Pavilion Hall	5,000	Family Exhibit
05/18/2024	The Stampede	Fiesta Hall	500	Jackpot Show
05/24/2024-05/27/2024	Jurassic Quest	Esplanade, Expo and Pavilion Hall	5,000	Family Exhibit

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