

2022 Operating Budget

22nd District Agricultural Association

Board of Directors

December 14, 2021

Key Points

- Incorporates former RTA and RTLC budget items within
- Aligned with strategic direction set by the board
 - Developing The Center budget with input from ASM/Premier
 - Develop future Capital Improvement budget, including revenues to support
- Realistic: conservative on revenues and expenses
- Anticipate 2022 to provide positive cash flow from the operations

Zero-Based Budget Program Format

Approach

- Zero-based budgeting allocates resources based on program necessity, not previous budget history (though 2019 has been provided as a reference)
- Nothing is automatically included
- Supports cost reducing efforts by encouraging resource allocation vs automatic budget increases

Format

- Provides greater transparency and understanding of revenues and expenses
- Distinguishes each as it relates to a particular program or programs
- Financial reports are clear and provide the reader a clear understanding of net operations
- Budgetary information organized around DAA programs and services

Understanding Budget vs Balance Sheet

Budget

- A financial plan for where the organization wants to go next year
- Provides understanding into whether our business is self-sustaining
- Ability to measure the expected operational performance to actual results

Balance Sheet

- Items that affect overall value of the organization showing assets and existing claims against those assets
- Cash balances at the end of each year fund principal debt payment obligations the following year
- Liabilities are previously expensed

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22nd District Agricultural Association

Revenue Summary

Revenue Source	San Diego County Fair	Rentals + Sales	Horse Racing	The Center	Administration + Overhead	Resiliency Center	TOTAL
Admissions	\$13,428,531	\$0	\$0	\$0	\$0	\$0	\$13,428,531
Concessions	10,202,733	775,866	8,615,422	0	0	0	19,594,021
Facility Rentals	931,867	1,185,379	24,900	0	5,500	0	2,147,646
Leases	0	0	1,225,000	0	1,382,447	0	2,607,447
Programs	3,565,095	1,140,890	716,550	0	0	0	5,422,535
Miscellaneous	46,000	91,500	54,500	0	305,892	0	497,892
Grants	0	0	0	0	10,500,00	0	10,500,000
Donations	5,000	0	0	0	0	0	5,000
Sponsorships	656,880	0	1,219,920	0	55,200	0	1,932,000
Reimbursed Cost	171,500	0	1,139,089	0	69,150	0	1,379,739
Interest	0	0	0	0	25,000	0	25,000
TOTALS	\$ 29,007,606	\$ 3,193,635	\$ 12,995,381	\$ 0	\$ 12,343,189	\$ 0	\$ 57,539,812

Grants

- Grants
 - The Budget Act of 2021: \$10.5 million
 - Fiscal year July 1, 2021 through June 30, 2022
 - Cash Flow Projections submitted with Targeted Support Application demonstrated the need beginning January 1 through April 30, 2022
 - The Budget Act of 2021: \$3.5 million
 - AB/SB 129 allocating surplus of Fiscal Year July 1, 2020 through June 30, 2021
 - \$3.5 million direct allocation to 22nd DAA – to be recognized in 2021
 - Cash Flow Projections submitted with Targeted Support Application that demonstrated \$10.5 million need above reflected receipt of this in October 2021

Expense Summary

Expense Source	San Diego County Fair	Rentals + Sales	Horse Racing	The Center	Administration + Overhead	Resiliency Center	TOTAL
Personnel							
Full Time							
Salaries/Wages	\$ 971,922	\$ 360,553	\$ 150,633	\$ 195,257	\$ 5,574,293	\$ 0	\$ 7,252,657
Fringe	625,517	232,047	96,945	125,665	3,587,544	0	4,667,718
Part Time							
Salaries/Wages	2,126,059	225,084	0	0	1,785,834	0	4,136,976
Fringe	324,441	34,348	0	0	272,522	0	631,311
Direct Expenses	18,389,634	2,021,257	8,027,119	90,626	6,392,263	7,000	34,927,899
Shared Expenses	432,411	5,258	2,846,845	559,183	2,048,684	0	5,892,381
TOTALS	\$ 22,869,983	\$ 2,878,547	\$ 11,121,542	\$ 970,731	\$ 19,661,140	\$ 7,000	\$ 57,508,942

Personnel

STATE CIVIL SERVICE

- 95 positions
- Salary ranges set by Cal HR
 - Currently, 76% at max salary; 87% by year end
- Just over \$1 million per month
- Fringe benefits include employer portion of:
 - Cal PERS retirement
 - Medical, dental, vision, health stipend
 - Workers Comp insurance
 - Other Post Employment Benefits (OPEB)

PART-TIME/SEASONAL/TEMPORARY

- Primarily needed to support the various fair programs, safety and security of the facility and patrons, provide traffic and parking services at events throughout the year, etc.
- Currently calculated as % of revenues – will reallocate based on actual hours worked in program area
- The Center temporary staffing will be dependent on show needs and will be forecasted as best as possible in the budget amendment

Net Summary

	San Diego County Fair	Rentals + Sales	Horse Racing	The Center	Administration + Overhead	Resiliency Center	TOTAL
REVENUE TOTALS	\$ 29,007,606	\$ 3,193,635	\$ 12,995,381	\$ 0	\$ 12,343,189	\$ 0	\$ 57,539,812
EXPENSE TOTALS	\$ 22,869,983	\$ 2,878,547	\$ 11,121,541	\$ 970,731	\$ 19,661,140	\$ 7,000	\$ 57,508,942
TOTALS	\$ 6,137,624	\$ 315,088	\$ 1,873,840	-\$ 970,731	-\$ 7,317,950	-\$ 7,000	\$ 30,870

Putting the Pieces Together



22nd DAA

- Pledged Revenue = Net Food & Beverage

- Direct Payment = Rent

DMTC

- Pledged Revenue = Net Horse Racing

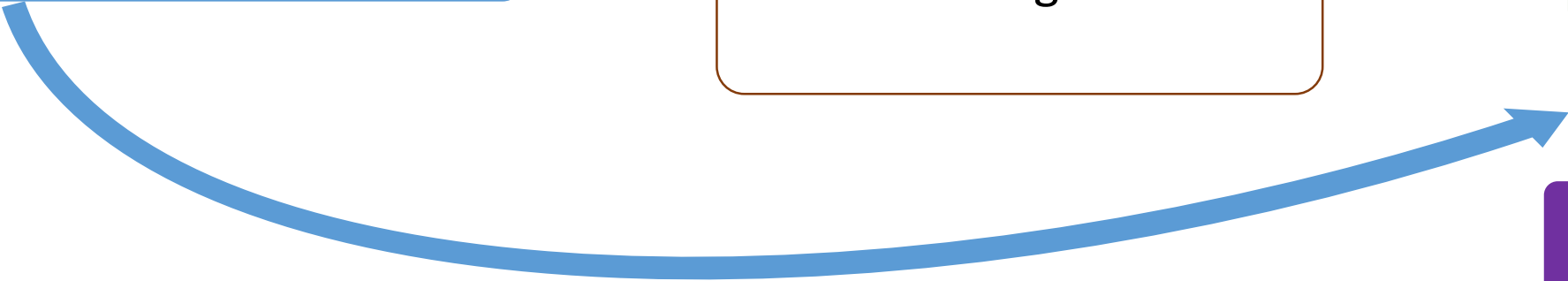


- Receives Pledged Revenues
- Transfers to RTA

SRTLCL

RTA

- Bond Obligation



Professional Development Opportunities Requiring Out of State Travel

- Western Fairs Association
 - Annual Conference & Convention – Reno, NV
 - Feature Fair Tour – New Mexico State Fair
- International Association of Venue Managers
 - Academy for Venue Safety & Security – Las Vegas, NV
 - Venue Management School
 - Senior Executive Symposium – Ithaca, NY
 - Venue Operations Summit – Indianapolis, IN
 - GuestX
- International Association of Fairs & Expositions
 - Annual Conference & Convention – Indianapolis, IN