

W. Y. a.

DATE: December 4, 2003
TO: Lane County Board of County Commissioners
FROM: Warren G. Wong, Managing Director
Lane County Fair Board
Subject: Handout Material

The attached packet will be used at the December 10th Joint Meeting of the Commission and Fair Board. The graphs represent audited financial results for FY93 – FY03 and projections for FY04 – FY08.

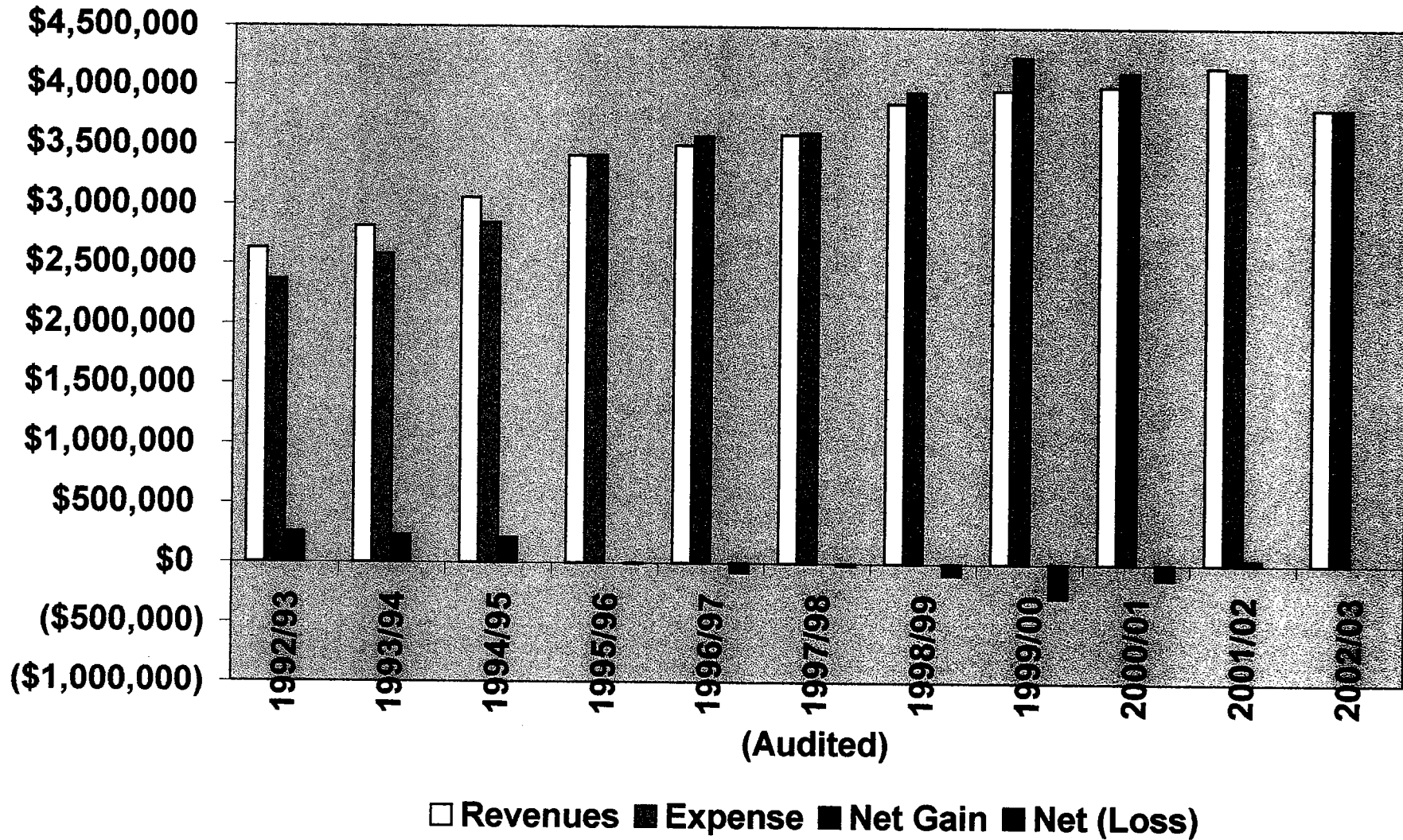
ATTACHMENTS – Packet

Lane County Board of
Commissioners
And
Lane County Fair Board

Joint Meeting
December 10, 2003

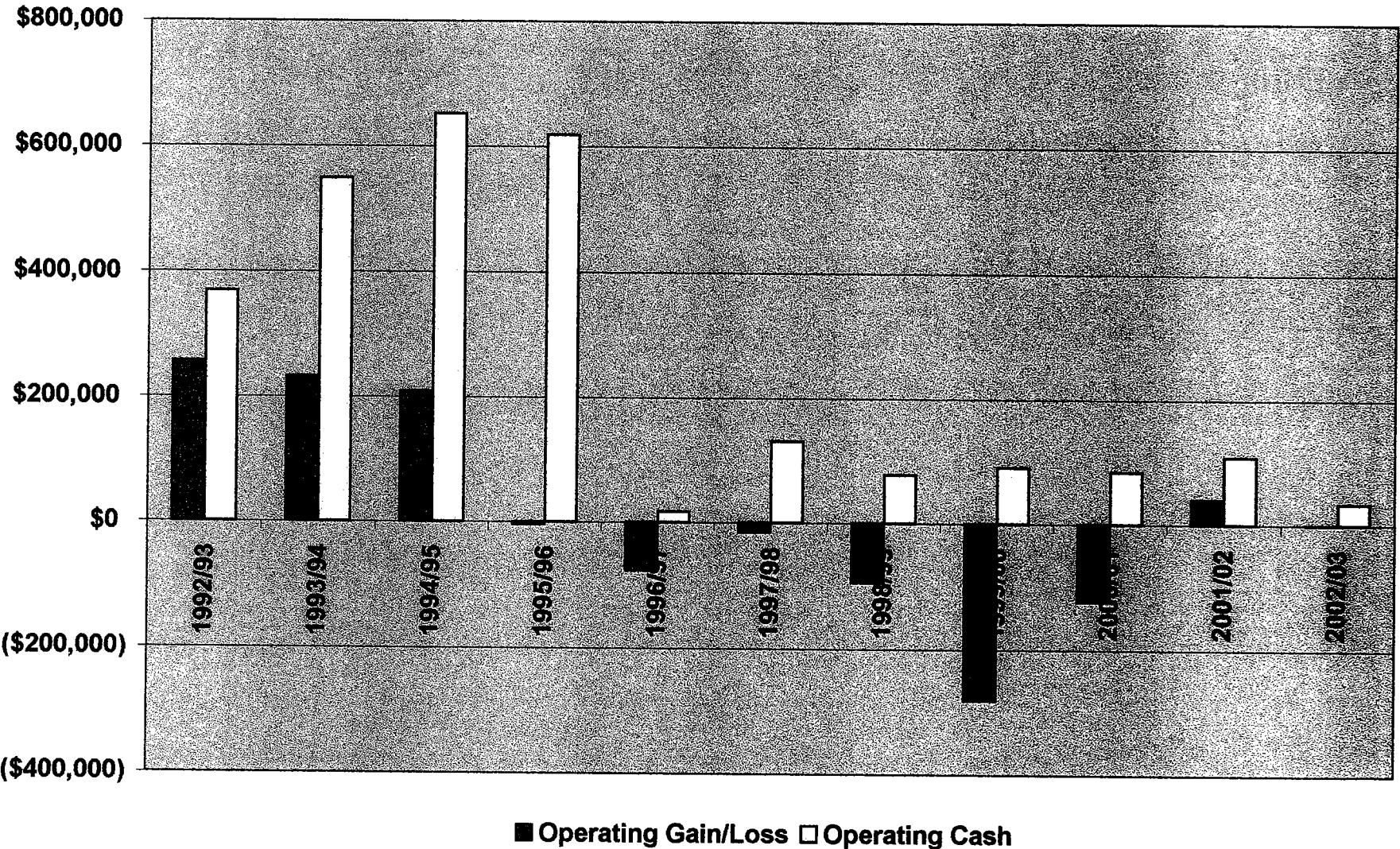
Operating Budget Actuals

SCHEDULE A



Operating Gain/Loss and Operating Cash

SCHEDULE B



Oregon Fairs Survey

2002/03 and 2003/04

SCHEDULE C

What is the amount of subsidy your organization receives? All Fairs receive \$40,000 from State.

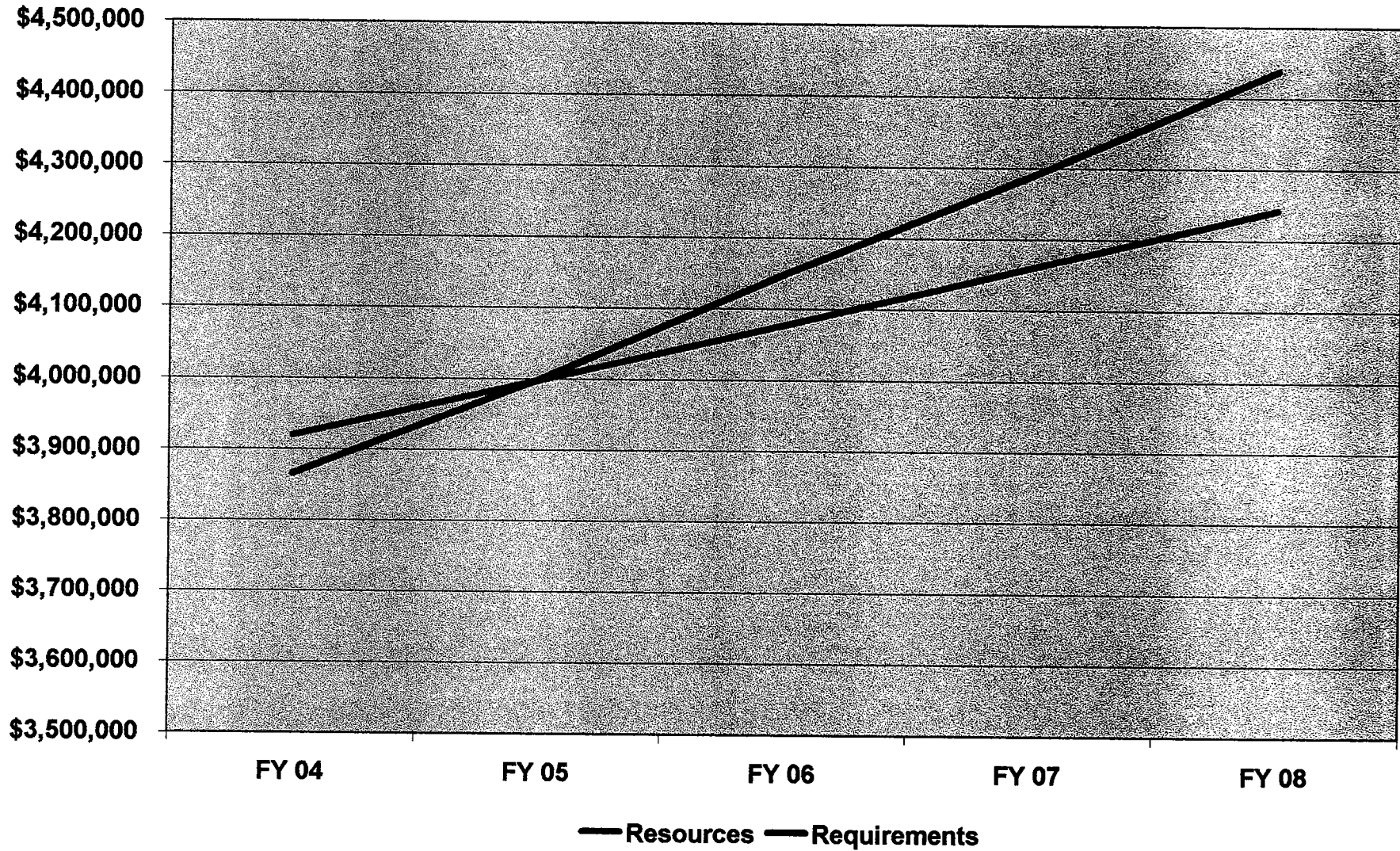
	Gen Fund	TRT	Other	CIP	Comment
Lane FY03		611,893		TRT Restricted to CIP	
FY 04		700,000		TRT Restricted to CIP	
Klamath FY03	0	350,000		0	TRT Unrestricted
FY 04	0	378,000		135,343	
Deschutes FY03	377,401	0		44,100	
FY04	324,582	0		43,000	
Benton FY 03	109,500	0	County lottery \$\$	Loan 254,000	Loan to build RV park
FY04	94,500	0		13,500	\$45,000 from Foundation for bldg upgrade
Linn FY03	229,815	0		7,000	
FY04	354,295	0		0	
Josephine FY03	0	0		0	County charges back
FY04	25,000	0		5,000	\$55,398 for interfund services
Curry FY03	0	0		184,950	
FY04	0	0		234,950	
Tillamook FY03	54,000	0	Racing Commission	16,278	Race Commision funds race meet purses
FY04	74,000	0		99,259	
Harney FY03	0	0	Ctny insurance	County CIP	
FY04	0	0			
Wallowa FY03	0	8,605		137,335	TRT Unrestricted
FY04	12,000	0		83,189	
Polk FY03	0	30,000		N/A	TRT Unrestricted
FY04	0	30,000		50,000	
Ore. State Fair FY03	663,887	0		10 million for Pavilion	
FY04	663,883	0			
Washington FY03	0	524,000		59,000	TRT Unrestricted
FY04	0	538,000		70,000	
Multnomah FY03	0	0		67,220	
FY04	0	0		N/A	
Douglas FY03	100,000	0		County CIP	
FY04	100,000	0	Will request TRT	County CIP	
Lincoln FY03	0	0			\$ from rentals, fairs, sponsors
FY04	0	0			
Clackamas FY03	0	331,408		17,190	TRT Unrestricted
FY04		Unknown			

Sources of other revenue?

	Rental Fees	Annual Fair	Sponsorships	Friends/Found	Other
Lane	x	x	x		
Klamath	x	x			
Deschutes	x	x	x		
Benton	x	x	x		x
Linn	x	x	x		
Josephine	x	x	x		
Curry	x	x	x		x
Tillamook	x	x	x		Yr. Rnd events
Harney	x	x			
Wallowa	x				Donations
Polk	x	x	x		x Lottery backed bonds for repairs, new pavilion
Oregon State	x				
Washington	x	x	x		
Multnomah		x	x		x
Lincoln	x	x	x		
Douglas	x	x	x		Auto racing, self produced Xmas show, cosponsor Sportsman show

Operating Budget Forecast

SCHEDULE D



SCHEDULE E

DATE: November 21, 2003
TO: Fair Board
FROM: Jean Duncan and Warren Wong
SUBJECT: Financial Report – October 31, 2003, **REVISED**

OPERATING BUDGET: The Income Statement depicts a Net Operating Gain from Operations before Depreciation of \$106,531 vs. \$349,278 in FY03. The Balance Sheet does not reflect audit adjustments at this time.

The following two “adjustments” to the Income Statement will provide a better context to compare the Net Gain between fiscal years:

- FY03 Fair Net Revenue – As of October 2002, the FY03 Fair Net Revenue is overstated by \$102,697. The Actual FY03 Fair Net Revenue is \$472,464.
- The County Commission adopted Board Order 03-06-18-1 which established a Fair “Rainy Day” Cash Reserve. The results of the 2003 Fair will allow access to this Reserve as the Actual Net Revenue is more than 10% less than the Budgeted Net Revenue. As of this date, that infusion to the Operating Budget would be \$74,121.

If the two adjustments are made respectively to the October **FY04** and October **FY03** Net Gain amounts, the comparison would be \$180,652 to \$246,581.

CAPITAL BUDGET: As of October \$405,128 has been received in Excess TRT Capital monies. An additional \$114,235 was received in November for a total-to-date of \$519,363, compared to \$422,409 at the end of November 2002. With the Excess TRT Receipts to-date, less disbursements, and for the next several months, cash will be accumulated to fund the debt payment on the Planetarium Loan and establishment of the Fair “Rainy Day” Cash Reserve.

LINES OF CREDIT: As of the end of October, the draws on both the Operating and Capital Lines of credit were zero. However, in November \$150,000 was drawn on the Operating Line and that is outstanding as of this date.

SUMMARY: Management and staff continue with efforts to stabilize the Fair Board’s finances. With the anticipated infusion from the Fair “Rainy Day” Cash Reserve, the Operating Budget is behind FY03 at this time, principally because of the situation in Ice. As you know, we have a verbal understanding with the Executive Director of the Ice Skating Institute to review our data and conduct a

site visit to provide recommendations for improvement of the service and financials at the Ice Arena. The Capital Budget looks fine.

cc: B. VanVactor

Lane County Fair Board
Income Statement
For July 1, 2003 through October 31, 2003

	YEAR TO DATE 4th Period			
	Unaudited 2002-03 Actual	2003-04 Budget	2003-04 Actuals	Budget Variance
<u>ADMINISTRATION & MARKETING</u>				
REVENUE				
Other Income	29,603.12	19,264.00	4,680.98	(14,583.02)
Sponsorships	0.00	0.00	0.00	0.00
Advertising Revenue	9,255.00	10,000.00	5,635.00	(4,365.00)
Advertising and Support Fee	3,350.00	5,333.32	3,925.21	(1,408.11)
Total Revenue	42,208.12	34,597.32	14,241.19	(20,356.13)
EXPENSE				
Personnel	98,907.25	109,897.08	88,801.98	21,095.10
Contract Labor	-	-	-	-
Direct Overhead	130,447.44	113,966.64	90,002.95	23,963.69
Advertising Expense	7,771.19	20,850.00	22,369.82	(1,519.82)
Interest Expense - LOC	115.60	-	2,590.53	(2,590.53)
Miscellaneous/Contingency	-	-	-	-
Total Expense	237,241.48	244,713.72	203,765.28	40,948.44
Net Administrative Expense	(195,033.36)	(210,116.40)	(189,524.09)	20,592.31
<u>CONVENTION AND EVENT OPERATIONS</u>				
REVENUE				
Facility Rental Income	148,478.16	177,390.00	131,464.74	(45,925.26)
Equipment Rental Income	27,601.25	26,000.00	34,304.60	8,304.60
Food and Beverage Income	148,167.28	155,000.00	190,767.90	35,767.90
Total Revenue	324,246.69	358,390.00	356,537.24	(1,852.76)
EXPENSE				
Personnel	106,296.65	110,835.00	104,541.63	6,293.37
Contract Labor	24,955.55	17,500.00	28,881.30	(11,381.30)
Facility Maint/Supply/Utility	69,681.45	80,100.00	104,722.03	(24,622.03)
Food and Beverage Expense	116,624.67	127,325.00	141,605.45	(14,280.45)
Grounds Maint./Landscape	21,361.82	18,900.00	26,929.88	(8,029.88)
Total Expense	338,920.14	354,660.00	406,680.29	(52,020.29)
Net Convention and Event Operations	(14,673.45)	3,730.00	(50,143.05)	(53,873.05)
<u>SPORTS CENTER</u>				
REVENUE				
Ice Center	161,137.95	137,570.00	86,280.21	(51,289.79)
Basketball/Volleyball Center	3,780.00	2,830.00	2,980.00	150.00
Equestrian Center	4,800.00	7,500.00	1,265.00	(6,235.00)
Total Revenue	169,717.95	147,900.00	90,525.21	(57,374.79)
EXPENSE				
Ice Center	156,985.07	138,760.00	135,643.28	3,116.72
Basketball/Volleyball Center	10,737.53	9,825.00	10,735.12	(910.12)
Equestrian Center	3,432.26	5,790.00	3,967.90	1,822.10
Total Expense	171,154.86	154,375.00	150,346.30	4,028.70
Net Sports Center	(1,436.91)	(6,475.00)	(59,821.09)	(53,346.09)

Lane County Fair Board

Final Adopted Capital Budget 2002-03

As of October 31, 2003

	FY 2003 Actuals	FY 2004 Budget	Year-To-Date Actual	Balance Remaining
SOURCES				
Carryover FY - 03	232,606	(250,000)	(363,320)	
Transient Room Tax	611,895	700,000	405,128	294,872
2002 Bond Proceeds	-	-	-	-
City of Eugene	-	-	-	-
EWEB Loan/Grant (Ice Arena)	-	-	-	-
RIB Grant Reclassified to Capital	-	-	-	-
Capital Line of Credit	57,624	400,000		400,000
Interest Earned	1,986	500	245	255
Total Sources	904,111	850,500	42,053	695,127
REQUIREMENTS				
Land & Improvements				
<i>Stormwater Project</i>				
Base Bid - Eugene Sand & Gravel	220,728			
Alt. #1- N.Livestock Pavilion	247,036			
Alt. #2 - N. Expo Buildings	168,236			
Engineering - CMG/URS	21,198			
Electrical, Walls, Panels/Fair Board	84,046			
Contingency	-			#REF!
Community Green	7,568	3,154	-	#REF!
Parking Lot Electrical Upgrades	40,120	-	18,532	#REF!
Other Land Improvements	15,248	26,667	4,804	#REF!
Total Land/Improvements	804,180	29,821	23,336	#REF!
Buildings & Improvements				
Re-roof Convention Center	199,726	-		
Ice Arena Energy Retrofit	-	-	27,854	#REF!
Re-roof Expo Buildings	10,564	162,500	183,789	#REF!
Other Bldgs. Improvements	65,564	60,772	9,479	#REF!
Total Bldgs./Improvements	275,854	223,272	221,122	#REF!
Machinery & Equipment	24,757	136,491	13,858	#REF!
Debt Service				
Conv. Ctr. Energy Loan	56,948	57,100	18,149	38,951
Ice Energy Loan	21,217	21,116	7,906	13,210
Capital Line of Credit	59,205	410,000	-	410,000
Backflow Preventor Loan	9,038	-	-	-
Equipment Loan	16,232	19,200	5,599	13,601
Planetarium Loan - Lane County		50,000	-	50,000
SDC Loan-City of Eugene		19,000	6,028	12,972
Total Debt Service	162,640	576,416	37,682	538,734
Contingency	-	19,000	-	19,000
Cash Reserves	-	125,000	-	125,000
Total Requirements	1,267,431	1,110,000	295,998	#REF!
Carryover FY 2004-05	(363,320)	(259,500)	(253,945)	#REF!

Lane County Fair Board
Financial Measures

SCHEDULE F

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Operating Cash	Cash in the bank and investments			
	Goal: Maintain the equivalent of one Fair's Net Revenues as Balance			
<i>FY 01</i>				
Total Cash	1,379,379	159,471	296,286	231,384
Capital Funds	1,131,599	40,821	73,870	147,396
Operating Cash	247,780	118,650	222,416	83,988
<i>FY 02</i>				
Total Cash	207,979	303,743	185,844	199,128
Capital Funds	13,024	100,089	55,294	50,000
Operating Cash	194,955	203,654 (1)	130,550	149,128 (2)
<i>FY 03</i>				
Total Cash	389,859	167,385	158,363	129,720
Capital Funds	215,782	111,046	9,847	31,163
Operating Cash	174,077	56,339	148,516	98,557 (3)
<i>FY 04</i>				
Total Cash	235,061			
Capital Funds	131,038			
Operating Cash	104,023			
Deferred Revenue Ratio	Operating Cash to Deferred Revenue			
	Goal: Make ratio 100% or greater			
<i>FY 01</i>				
Deferred Revenue	118,766	118,977	218,463	218,343
Op.Cash as % of Def. Rev.	209%	99%	136%	39%
<i>FY 02</i>				
Deferred Revenue	91,827	151,556	214,262	303,452
Op.Cash as % of Def. Rev.	212%	134% (1)	61%	49%
<i>FY 03</i>				
Deferred Revenue	133,241	250,391	159,385	299,244
Op.Cash as % of Def. Rev.	131%	22%	93%	33%
<i>FY 04</i>				
Deferred Revenue	133,512			
Op.Cash as % of Def. Rev.	78%			
Operating Income Prior to Depreciation	Difference between Revenue and Expense for core business of Fair Board.			
	Goal: Keep this number positive.			
<i>FY 01</i>				
Total Revenue	2,127,368	2,681,099	3,449,662	3,997,886
Total Expense	1,927,667	2,707,575	3,449,916	4,120,971
Net Profit/Loss	199,701	(26,476)	(254)	(123,085)
<i>FY 02</i>				
Total Revenue	2,131,540	2,757,896	3,571,974	4,166,413
Total Expense	1,861,470	2,625,477	3,357,544	4,126,024
Net Profit/Loss	270,070	132,419	214,430	40,389
<i>FY 03</i>				
Total Revenue	2,100,648	2,657,037	3,423,117	3,820,080
Total Expense	1,740,746	2,415,839	3,152,503	3,769,450
Net Profit/Loss	359,902	241,198	270,614	50,630
<i>FY 04</i>				
Total Revenue	1,990,831			
Total Expense	1,792,600			
Net Profit/Loss	198,231			

Lane County Fair Board
Financial Measures

Net Working Capital		Difference between Liquid Current Assets and Current Liabilities (20 to 30 days) Goal: Make debt computation so liquid		
FY 01				
Current Liquid Assets	442,138	299,934	368,307	340,225
Current Liquid Liabilities	371,913	329,266	354,064	444,666
Net Working Capital	70,225	(29,332)	14,243	(104,441)
FY 02				
Current Liquid Assets	337,861	304,737	239,160	188,370
Current Liquid Liabilities	342,622	607,344	286,282	285,144
Net Working Capital	(4,761)	(302,607) (1)	(47,122)	(96,774)
FY 03				
Current Liquid Assets	322,833	306,920	297,150	164,359
Current Liquid Liabilities	270,708	224,951	175,683	291,337
Net Working Capital	52,125	81,969	121,467	(126,978)
FY 04				
Current Liquid Assets	334,465			
Current Liquid Liabilities	290,628			
Net Working Capital	43,837			
Operating Line of Credit		\$300,000 available annually to augment cash flow Goal: Do not use Operating Line of Credit		
FY 01				
	-	-	-	-
FY 02	-	200,000	40,000	-
FY 03	-	-	-	65,000
FY 04	134,000			
Capital Line of Credit		\$400,000 available for capital improvements only Goal: Use to help pay for capital projects until TRF Funds are received		
FY 01				
	-	-	-	-
FY 02	-	-	-	-
FY 03	-	59,952	57,624	-
FY 04	-	-	-	-

- (1) FY 02 Second Quarter Cash includes \$200,000 from Operating Line of Credit
 (2) FY 02 Third Quarter Cash less the \$40,000 from Operating Line of Credit
 (3) FY 03 Fourth Quarter Cash includes \$65,000 from Operating Line of Credit