



*The mission of OCFEC is...*

**CELEBRATION OF ORANGE COUNTY'S  
COMMUNITIES, INTERESTS, AGRICULTURE AND HERITAGE**  
*(with results justifying resources expended)*

**NOTICE OF MEETING**

32<sup>ND</sup> District Agricultural Association  
OCFEC Board of Directors  
Thursday, September 24, 2009  
10 a.m.

Administration Building  
OC Fair & Event Center  
88 Fair Drive  
Costa Mesa, California

Board of Directors  
Kristina Dodge, Board Chair  
David Ellis, Vice Chair

Julie Vandermost, Member  
Dale Dykema, Member  
David Padilla, Member

Gary Hayakawa, Member  
Joyce Tucker, Member  
Mary Young, Member

Those persons wishing to attend the meeting and who may require special accommodations pursuant to the provisions of the Americans with Disabilities Act are requested to contact the office of the 32<sup>nd</sup> District Agricultural Association (714) 708-1500, at least five working days prior to the meeting to insure the proper arrangements can be made.

This agenda, and all notices required by the Bagley-Keene Open Meeting Act are available on the Internet at: [www.ocfair.com](http://www.ocfair.com)

## AGENDA

**1. CALL TO ORDER**

All matters noticed on this agenda, in any category, may be considered for action as listed. Any item not so noticed may not be considered. Items listed on this Agenda may be considered in any order, at the discretion of the chairperson.

**2. THE MISSION OF OCFEC IS...Celebration of Orange County's Communities, Interests, Agriculture and Heritage (with results justifying resources expended).**

**3. PLEDGE OF ALLEGIANCE**

**4. ROLL CALL (Policy Reference: 4.5.2.B)**

**5. MATTERS OF PUBLIC COMMENT** - Speakers are requested to sign in prior to the start of the meeting and are limited to three minutes. Public comment is allowed on issues NOT on the current Agenda. However, no debate by the Board shall be permitted on such public comments, and no action will be taken on such public comment items at this time, as law requires formal public notice prior to any action on a docket item.

Comments will be accepted on Agenda items during the meeting. Speakers wishing to address the Board on items on the agenda are requested to sign in prior to the start of the meeting and identify the agenda item[s] on which you desire to address the Board. Speakers are limited to three minutes.

**6. CONSENT CALENDAR: (Policy Reference: 4.3.4)**

All matters listed under Consent Calendar are operational matters about which the Board has governing policies, implementation of which is delegated to the CEO. They will be enacted in one motion by category in the order listed below. There will be no discussion of these items prior to the time the Board of Directors votes on the motion, unless members of the board, staff or public request specific items to be discussed separately and/or removed from this section.

Any member of the public who wishes to discuss Consent Calendar items should notify the Chair of the Board, at the time requested and be recognized by invitation of the Chair to address the Board.

MINUTES:

A. Board Meeting held August 27, 2009

AGREEMENTS:

A Standard Agreements: SA-217-09SH

B. Amendments: SA-11-09FA

C. Rental Agreements: none.

D. Out of State Travel:

- i. Kathlyn Keife, Accounting Supervisor, and Beth Delgado, Accounting Specialist, to attend the nQative Users' Group workshop in Largo, MD, from October 26-28.
- ii Steve Beazley, Doug Lofstrom, Jerome Hoban and any Board members to attend Barrett-Jackson event in Las Vegas, Oct 8 and 9, 2009.

*--End of Consent Calendar--*

**7. GOVERNANCE PROCESS:**

- A. Final Report on 2009 OC Super Fair**  
Information Item
- B. Vendor Pricing for the 2009 OC Super Fair**  
Action Item
- C. 2010 OC Super Fair Dates**  
Action Item
- D. Barrett-Jackson 2010 Event**  
Action Item
- E. Delegation of 2009-2010 Task Force Assignments**  
Information Item

**8. EXECUTIVE SESSION (CLOSED TO PUBLIC)**

A) Pursuant to the provisions of Government Code section 11126(a)(1) the Board of Directors will meet in closed executive session to consider the evaluation of performance of a public employee. (Policy Reference 3.4)

**9. CEO'S OPERATIONAL UPDATE**

**10. BOARD OF DIRECTORS MATTERS OF INFORMATION**

**11. NEXT BOARD MEETING: OCTOBER 22, 2009**

**12. ADJOURNMENT**

Respectfully submitted,  
OC Fair & Event Center



Steve Beazley  
President & CEO

Date of notice: 3:30 p.m. September 14, 2009

**MINUTES OF OCFEC BOARD OF DIRECTORS MEETING  
HELD AUGUST 27, 2009**

**1. CALL TO ORDER:**

Board Chair Vandermost called the meeting to order at 10:08 a.m.

**2. MISSION STATEMENT:**

Board Chair Vandermost recited the OCFEC Mission Statement.

**3. PLEDGE OF ALLEGIANCE:**

The Pledge of Allegiance was recited by Director Padilla and roll call taken.

**4. DIRECTORS PRESENT:**

Board Chair Vandermost, Vice Chair Dodge, Director Dykema, Director Hayakawa, Director Tucker, Director Ellis, Director Padilla and Director Young.

**DIRECTORS ABSENT/EXCUSED:**

None.

**OTHERS PRESENT:**

Steve Beazley, President and CEO; Dena Heathman, Senior VP Finance; Doug Lofstrom, Events; Jerome Hoban, VP, Operations; Randy Elliott; Maria Elliott; Jeanine Robbins; Mike Robbins; Mike Coffee; Maria Coffee; Wynter McGary; Nick Bartlett; Maggie Bartlett; Memory Rose; Carol Proctor, City of Costa Mesa; Chris Gaggo; Patty Wagner; Camilla H. Richter; Jeff Thornberry; Kevin Peralta, SEIU Employee Representative; Bob Mosley; Nicol Shefmire; Dr. Janice Posnikoff, ECOC; Robert Fremont; Marlene Apodaca, court reporter; Larry Sasson.

**5. MATTERS OF PUBLIC COMMENT:**

Dr. Janice Posnikoff asked about the status of the SEIR. Chair Vandermost stated that there are no recent updates.

Mike Coffee, a Fair vendor, stated that he is opposed to the Governor's plan to sell the property and feels that the Board and staff are not providing enough information to vendors. He also criticized the 2009 Fair stating that it was sub-par.

Maria Coffee, a Fair vendor, asked how the Board can expect the state to take \$29 million for the property when they believe it is worth \$180 million. And if the point is to help the state budget, how can the Board think it is correct to pay the smaller amount. She also expressed concern about union employees.

Maggie Bartlett, a neighbor, expressed opposition to the privatization of the property and, specifically, the amphitheatre.

Chair Vandermost stated that it is the Governor's idea to sell the property and there are no plans to sell it piecemeal and stressed that the Board has no plan to privatize the amphitheatre, sale or no sale.

Memory Bartlett, promoter of the Extreme Motorsports Expo, expressed concerns about the 90-day contract limit included in the state budget as a result of the potential sale of the property. She also expressed concern about personnel changes in the Event Sales & Services Department and wanted to know the reasons behind them.

Chair Vandermost stated that the Governor's office has extended the contractual limit to twelve months. Vandermost also stated that the Board cannot legally discuss personnel issues.

Camilla Richter, promoter of the Sugar Plum Festival, asked whether the personnel changes in the ESS department were done to silence dissent in the organization.

Kevin Peralta, representative of the SEIU Local 1000, stated that the union hasn't taken a position on the sale of the property. He also asked that management meet with union representatives to discuss the impact of the sale.

Chair Vandermost asked Mr. Peralta if he was aware of the anonymous letter sent on behalf of the union and employees to the OC Register.

Peralta was unaware of the letter.

Robert Fremont, a Fair vendor, stated that hundreds of Fair patrons were opposed to using Fairplex as a model for a possible non-profit organization. He said the OC Fair is closer to a traditional county fair, whereas Fairplex is a greedy commercial program.

Director Young asked to explain that none of the Board members wanted to change the OC Fair. She was asked to hold her comments until Director's Comments.

## **6. CONSENT CALENDAR**

### MINUTES:

- A. Board Meeting held July 29, 2009

AGREEMENTS:

- A Standard Agreements: SA-209-09LS; SA-210-09PA; SA-211-09LS; SA-212-09LS; SA-213-09GE; SA-214-09PA; SA-215-09FT; SA-216-09FT
- B. Amendments: -13-09GE; SA-189-09FT; SA-178-09FR; SA-192-08GS
- C. Rental Agreements: R-061-09; R-076-09; R-132-09; R-136-09; R-137-09; R-140-09; R-141-09; R-145-09; R-147-09; R-148-09; R-149-09; R-151-09; R-153-09; R-155-09; R-156-09; R-157-09; R-159-09; R-160-09; R-164-09
- D. Out of State Travel:
  - i. Steve Beazley, President & CEO, Jerome Hoban, Vice President, Operations to attend Western Washington State Fair in Puyallup, Washington September 11-27, 2009 (actual dates of attendance TBD)

**ACTION:** Director Ellis motioned and Director Dykema seconded to approve the Consent Calendar. **CARRIED with the change in role call. Director Dodge was listed twice and Dykema was not listed. Both were in attendance on July 29.**

**7. GOVERNANCE PROCESS:**

**A. Report on 2009 OC Super Fair**  
Information Item

OCFEC President & CEO Steve Beazley presented the item.

Beazley played a three minute media recap video and congratulated the Communications Department for their efforts.

Beazley then discussed attendance trends in the 23-day model, media coverage, advertizing, and Super Thursdays. He also discussed per capita spending, which was down about \$1 in 2009.

The patron survey showed that a majority of patrons felt that they got good value for their money.

With 9,300 Super Passes sold, Beazley discussed the success of the program and the spike in the number of repeat visitors in 2009. Over 250,000 people experienced the AI's Brain exhibit and survey results show that the exhibit had a direct impact on patron's understanding of the human brain.

Beazley then discussed the success of the Market Place Village.

Chair Vandermost suggested that staff include a shopping guide in the 2010 Daily Calendar.

The 2009 Summer Concert Series at Pacific Amphitheatre sold the most tickets since reopening in 2003, had eight sold out shows, and grossed over \$400,000.

Director Hayakawa stated that accounting procedures changed this year and comparing Pacific Amphitheatre numbers to last year is apples to oranges.

Beazley stated that he didn't believe that to be the case.

Relevant to Pacific Amphitheatre, Director Padilla asked, "Just to clarify, so you're stating here, in a public meeting, that the numbers year over year, the assumptions made in comparison are similar, are identical. There is no changes, let's say above five thousand dollars?"

Vice President Heathman answered, no.

Chair Vandermost, on behalf of the Board, thanked staff on a great Fair.

**B. Public Hearing on Vendor Feedback for the 2009 OC Super Fair  
Action Item**

Beazley presented the item.

Approximately 30 vendors were subject to rent increases after OCFEC had already sent out their initial rental quotes and confirmations.

While the increases were justified, Beazley suggested that the Fair reimburse vendors the amount of the increase due to a lack of communication.

Chair Vandermost asked that the Fair process these refunds without the vendors having to petition for redress.

Vandermost also requested the creation of a Vendor Task Force that will meet with Fairtime and year round vendors.

Director Young suggested tabling the task force until a later date.

Vandermost stated that the creation of two other task forces is part of another agenda item and she will include the Vendor Task Force as part of that discussion.

Vandermost then asked about concerns regarding the campground.

Beazley stated that this year there wasn't enough power for the campground due to the drain resulting from Market Place Village. He stated that this would be corrected in 2010.

Vandermost suggested that some kind of mechanism be in place in 2010 that allowed these issues to be addressed in the first week of Fair.

Vandermost then asked for public comment regarding vendor issues.

Jeff Thornberry, Fair vendor, explained that the OC Fair's reputation took a hit this year and that while revenue is important part of the relationship, feeling appreciated is also a valid aspect of the relationship. He also expressed opposition to the sale of the property.

Randy Elliot, Fair vendor, expressed concerns about the rent increase, disparity of rents in Market Place Village and Crafters Village versus other Fair vendors, and Ovations taking prime concession locations. He asked if Fair vendors were paying property tax for the property for the whole year.

Jeanine Robbins, Fair vendor, expressed concerns about the rent increase and lack of communication from staff.

Mike Robbins, Fair vendor, expressed concerns about the rent increase.

Chris Gaggo, Fair vendor, expressed concerns about the rent increase and the sale of the property.

Patty Wagner, with the Sugar Plum Festival, expressed concerns about communication from OCFEC and overcharges from the last three years for the Sugar Plum Festival.

Director Ellis asked how staff went from an approved 6 percent increase to a 62% increase in rent.

Vice President Lofstrom explained that rate increases are initiated by the departments and the increases were a result of rectifying rate disparities that had existed for years as well as the addition of days, inconsistent billing for electricity and other items. While excepting responsibility for the lack of oversight and effective communication, Lofstrom stated that these rates were approved as part of the budget process in October.

Director Padilla suggested that staff should have worked with vendors to correct this parity issue.

Director Hayakawa asked whether electricity should be included in the rental rate and how Ventura and Fairplex handled these charges. Lofstrom stated that he would do further research to answer these questions.

Director Young motioned and Director Padilla seconded to authorize staff to refund money, as appropriate, based on what the published rates were at the time the vendors made their business decision.

No vote was taken.

Discussion ensued.

Chair Vandermost requested a motion to authorize staff to refund money, as appropriate; create a vendor task force; and revise the Governance Manual to clearly state that there are no rental increases without board approval. Motion was not seconded but Board went forward with vote in which the motion was carried.

- C. The 32<sup>nd</sup> District Agricultural Association Board of Directors delegates authority to execute all forms of agreements, contracts, and purchase orders without further authorization from the Board of Directors (Policy Reference 2.3.5). All such agreements, contracts and purchase orders are to be submitted to the Board of Directors for review at subsequent meetings. This delegation is subject to board review at each annual meeting.**

President & CEO: The President & CEO is granted contractual authority up to \$200,000 for general contracts and \$300,000 for entertainment contracts.

Action Item.

- D. Review and approve annual resolution for Workers Compensation coverage to be extended to the Board of Directors and all volunteers for Youth Expo, annual OC Fair and all other fair sanctioned activities and events.**

Action Item

- E. Review and approve the appointment of the President & CEO to serve on behalf of the 32<sup>nd</sup> District Agricultural Association as an elector for the California Fair Services Authority (CFSA) Board of Directors elections.**

Action Item

- F. Review and approve the appointment of Jerome Hoban to serve on behalf of the 32<sup>nd</sup> District Agricultural Association as a member of the board of directors for California Construction Authority and for Dena Heathman to serve as alternate.**

Action Item

Beazley presented Items C-F together.

**ACTION:** Director Ellis motioned and Director Hayakawa seconded to delegate authority to execute all forms of agreements, contracts, and purchase orders without further authorization from the Board of Directors (Policy Reference 2.3.5); to approve annual resolution for Workers Compensation coverage to be extended to the Board of Directors and all volunteers for Youth Expo, annual OC Fair and all other fair sanctioned activities and events; to approve the appointment of the President & CEO to serve on behalf of the 32<sup>nd</sup> District Agricultural Association as an elector for the California Fair Services Authority (CFSA) Board of Directors elections; to approve the appointment of Jerome Hoban to serve on behalf of the 32<sup>nd</sup> District Agricultural Association as a member of the board of directors for California Construction Authority and for Dena Heathman to serve as alternate. **CARRIED**

Chair Vandermost asked that Item H and Item I be addressed and Item G moved to the end of the meeting.

- H. Board and Staff Task Forces for 2009-2010.**

Action Item

Beazley presented the item.

Chair Vandermost suggested the creation of Fair and Youth Expo Task Forces.

**No action taken. The item will come back before the Board in September.**

**I. Review and Approval of Third Party Audits of Ovations and OC Market Place**

Action Item

Vice President Heathman presented the item.

Director Hayakawa suggested hiring a third party to audit the box office operating functions, separate from the annual CDFA financial audit.

Chair Vandermost asked that staff provide suggestions for operational audits for the organization at the September Board meeting.

**ACTION:** Director Ellis motioned and Director Hayakawa seconded to approve the third party audits of Ovations and OC Market Place.

**CARRIED**

**G. Review of Board of Directors Nominating Task Force Minutes and Election of Board Officers**

Action Item

The Nominating Task Force proposed the election of Kristina Dodge as Board Chair, David Ellis as Vice Chair, and Steve Beazley as Secretary-Treasurer.

**ACTION:** Director Hayakawa motioned and Director Dykema seconded to approve the election of Kristina Dodge as Board Chair, David Ellis as Vice Chair, and Steve Beazley as Secretary-Treasurer.

**CARRIED**

**8. EXECUTIVE SESSION**

None.

**9. CORRESPONDENCE**

1. Orange County Business Council letter
2. Henry Vaquez Neighbor Policy letter
3. Rachel Perez-Hamilton letter

**10. CEO'S OPERATIONAL UPDATE**

None.

**11. BOARD OF DIRECTORS MATTERS OF INFORMATION**

Director Hayakawa expressed concern about the Fair becoming too commercialized and long time vendors having to compete against new vendors.

Director Tucker thanked those in attendance and stated that the Board would address concerns about the operation.

Director Dykema echoed Director Tucker.

Vice Chair Ellis thanked those in attendance for their comments and congratulated Steve for taking a risk on AI's Brain.  
Director Young thanked everyone and stated that the Board of Directors do not want to change the Fair.

Director Padilla had no comment.

Chair Dodge thanked those in attendance.

Director Vandermost thanked those in attendance and asked for open communication.

**12. NEXT BOARD MEETING: SEPTEMBER 24, 2009**

**13. ADJOURNMENT**

Meeting adjourned at 12:22 p.m.

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Julie Vandermost, Board Chair

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Steve Beazley, President & CEO

| Contract #        | Contractor                  | Description             | Type | Amount      |
|-------------------|-----------------------------|-------------------------|------|-------------|
| SA-217-09SH       | Fairplex                    | Shuttle & Driver Rental | EXP  | \$23,035.00 |
| <u>Amendments</u> |                             |                         |      |             |
| SA-11-09FA        | Medical & Safety Management | First Aid Services      | EXP  | \$5,077.20  |

# Memo

**DATE:** 9/10/09  
**TO:** Board of Directors  
**FROM:** Dena Heathman  
**RE:** Out-of-State Travel

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I am requesting approval for out-of-state travel for Kathlyn Keife, Accounting Supervisor, and Beth Delgado, Accounting Specialist, to attend the nQative Users' Group workshop in Largo, MD, from October 26-28.

nQative software is used by OCFEC to run its business systems. The users' group sessions are valuable in providing training on the programs we use, tips and tools to better use our systems, and previews of upcoming new software features. In addition to educational benefits there are also good opportunities to network with other users of the software to exchange ideas.

This travel was included in the 2009 budget.

If there are any questions regarding this request, please contact me.

# Memo

**DATE:** 9/15/09  
**TO:** Board of Directors  
**FROM:** Steve Beazley  
**RE:** Out-of-State Travel

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I am requesting approval for out-of-state travel for Steve Beazley, Doug Lofstrom, Jerome Hoban and any Board members to attend Barrett-Jackson event in Las Vegas, Oct 8 and 9, 2009.



## **Board of Directors Agenda Report**

MEETING DATE: SEPT. 24, 2009

ITEM NUMBER: 7A

**SUBJECT:** Final Report on 2009 OC Super Fair

**DATE:** September 18, 2009

**FROM:** Dena Heathman

**PRESENTATION BY:** Dena Heathman

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### **RECOMMENDATION**

Information Item

### **BACKGROUND**

An important element of reviewing the success of the 2009 OC Fair is evaluation of whether and how the fair accomplished its financial goals. This report will summarize the performance of the 2009 fair, including the Pacific Amphitheatre program, compared with the established budgets.

As of the current financial reports, both the Fair Business Unit and the Pacific Amphitheatre Business Unit are ahead of their projected contribution margins. The financial results of the 2009 fair have exceeded the planned results.

Looking ahead to the end of the year, with the information we know today, we forecast that it is highly likely that the Fair Business Unit will meet or exceed its budgeted \$4.9 million contribution margin. The Pacific Amphitheatre will definitely exceed its budgeted contribution margin, which was zero. We are forecasting the Pacific Amphitheatre contribution margin at \$600k for the year.

#### Fair

As of August 31, the Fair Business Unit shows a contribution of \$6.2 million to overhead and capital expenditures, compared with a budgeted contribution to date of \$5.7 million – a favorable variance of \$500k.

Total YTD fair revenue (excluding Pacific Amphitheatre, which is presented separately) of **\$16.0 million** is unfavorable to budget by **\$1.1 million**. Revenue categories are analyzed as follows:

**Admissions Revenue** of \$5.9 million is below budget by \$0.4 million. Though overall fair attendance increased by 1% over 2008, about 68,000 fewer general admission tickets were sold than planned, resulting in the revenue shortfall.

**Concessions Revenue** of \$3.9 million exceeds budget by \$0.1 million. Overall food and beverage sales decreased by about 1% from 2008, but the percentage rent was increased on food concession sales by 1% (from 22% to 23%) and on independent beer sales (from 40% to 52%).

**Carnival Revenue** of \$1.8 million is below budget by \$0.2 million. Gross carnival ride revenue decreased by 12% from 2008. Ride revenue was below budget by \$218k, but this was partially offset by an increase in games rent of \$47k.

**Sponsorship Revenue** of \$0.8 million is below budget by \$0.5 million. Renewal and new sponsorships were adversely affected by economic conditions.

**Commercial Space Revenue** of \$1.7 million exceeds budget by \$0.2 million. This is due to unbudgeted Market Place Village revenue of \$173k, which is offset by expenses incurred for the presentation of Market Place Village.

**Parking Revenue** of \$1.2 million is below budget by \$0.1 million. Parking was budgeted to increase by 10% over 2008, but actual revenue increased about 1%, consistent with turnstile attendance.

**Other Revenue** of \$0.8 million is below budget by \$0.1 million. This is primarily due to a \$115k shortfall in Livestock Auction revenue, which is offset by a corresponding reduction in expenses, as livestock auction proceeds are passed through to the youth exhibitors.

Total YTD fair expenses (excluding Pacific Amphitheatre) of **\$9.9 million** are favorable to budget by **\$1.5 million**. Expense category analysis is as follows:

**Payroll/Related Expense** of \$3.2 million is below budget by \$0.1 million. This is primarily due to full-time staff salaries and benefits expense below budget.

**Outside Services Expense** of \$1.9 million is below budget by \$0.1 million. This variance is made up of small variances across numerous departments and programs, with no significant individual variances.

**Marketing Expense** of \$1.3 million is below budget by \$0.4 million. Radio, TV, and print advertising are all under budget as well as printing and promotional expenses.

**Supplies and Equipment Expense** of \$1.5 million is below budget by \$0.5 million. This favorable variance is primarily due to Feature Exhibit equipment coming in \$455k below budget.

**Attractions Expense** of \$0.9 million is favorable to budget by \$0.1 million. This represents the performers' expense for grounds and arena entertainers.

**Other Expense** of \$1.0 million is below budget by \$0.4 million. This favorable variance is primarily due to Livestock Auction expense under budget by \$114k (offset by a revenue shortfall) and bank/credit card charges below budget by \$50k. Facility expenses are favorable to budget by \$36k.

Pacific Amphitheatre

As of August 31, the Pacific Amphitheatre Business Unit shows a contribution of \$0.8 million to overhead and capital expenditures, compared with a budgeted contribution to date of \$0.2 million – a favorable variance of \$600k.

Total YTD Pacific Amphitheatre revenue of **\$5.6 million** is favorable to budget by **\$0.9 million**. Revenue categories are analyzed as follows:

**Ticket Sales Revenue** of \$4.3 million is favorable to budget by \$1.0 million. Budgeted ticket sales were based on 126,500 tickets sold at an average price of \$30. Actual sales were over 133,000 tickets sold at an average price of \$36.28.

**Facility Fee Revenue** of \$0.6 million is consistent with budget.

**Concessions Revenue** of \$0.3 million exceeds budget by \$0.1 million. Favorable variance is due to increased ticket sales plus per capita spending for alcoholic beverages exceeding the estimated rate.

**Parking Revenue** of \$0.2 million is consistent with budget.

**Sponsorship Revenue** of \$20,000 is \$0.2 million below budget. Lexus did not renew their sponsorship in 2009, and no replacement sponsor was located due to challenging economic conditions.

**Other Revenue** of \$0.1 million is below budget by \$0.1 million. Revenue for non-fair revenue of the amphitheatre facility is below budget by \$84k.

Total YTD Pacific Amphitheatre expenses of **\$4.8 million** exceed budget by **\$0.3 million**. Expense category analysis is as follows:

**Performers Expense** of \$3.0 million exceeds budget by \$2.3 million. The budget was based on an average of \$100,000 per show; actual average is \$128,000 per show. More “premier” acts were booked than planned.

**Outside Services Expense** of \$0.6 million is below budget by \$0.2 million. Stagehand expense is \$20k below budget; marketing and web services are \$35k below budget. Theater cleaning services were budgeted here in the amount of \$61k but were posted to Other Expense.

**Marketing Expense** of \$0.4 million is favorable to budget by \$0.2 million. Radio and print advertising expenses were reduced as e-mail, social media, and web-based marketing initiatives were implemented.

**Supplies and Equipment Expense** of \$0.4 million is below budget by \$0.1 million. Purchased supplies and rented equipment were under budget.

**Payroll Expense** of \$0.2 million is consistent with budget.

**Other Expense** of \$0.3 million exceed budget by \$0.2 million. Theater cleaning expense of \$84k was recorded here but budgeted in Outside Services Expense. Additionally, a capital improvements charge of \$150,000 was recorded, consistent with past years. The capital improvements expense was not budgeted.

## 2009 OC Super Fair – Financial Results to Date

|                      | Actual          | Budget          | Variance         |
|----------------------|-----------------|-----------------|------------------|
| <b>Fair Revenue:</b> |                 |                 |                  |
| Admissions           | \$5.9 m         | \$6.3 m         | \$(0.4 m)        |
| Concessions          | 3.9 m           | 3.8 m           | 0.1 m            |
| Carnival             | 1.8 m           | 2.0 m           | (0.2 m)          |
| Sponsorships         | 0.8 m           | 1.3 m           | (0.5 m)          |
| Coml Space           | 1.7 m           | 1.5 m           | 0.2 m            |
| Parking              | 1.2 m           | 1.3 m           | (0.1 m)          |
| Other                | <u>0.8 m</u>    | <u>0.9 m</u>    | <u>(0.1 m)</u>   |
| <b>Total</b>         | <b>\$16.0 m</b> | <b>\$17.1 m</b> | <b>\$(1.1 m)</b> |



## 2009 OC Super Fair – Financial Results to Date

|                         | Actual         | Budget          | Variance        |
|-------------------------|----------------|-----------------|-----------------|
| <b>Fair Expenses:</b>   |                |                 |                 |
| Payroll                 | \$3.2 m        | \$ 3.3 m        | \$ 0.1 m        |
| Services                | 1.9 m          | 2.0 m           | 0.1 m           |
| Marketing               | 1.3 m          | 1.7 m           | 0.4 m           |
| Supplies/Equip          | 1.5 m          | 2.0 m           | 0.5 m           |
| Attractions             | 0.9 m          | 1.0 m           | 0.1 m           |
| Other                   | <u>1.0 m</u>   | <u>1.4 m</u>    | <u>0.4 m</u>    |
| <b>Total</b>            | <b>\$9.9 m</b> | <b>\$11.4 m</b> | <b>\$ 1.5 m</b> |
| <b>Net Contribution</b> | <b>\$6.2 m</b> | <b>\$ 5.7 m</b> | <b>\$ 0.5 m</b> |



## 2009 OC Super Fair – Financial Results to Date

|                         | Actual         | Budget         | Variance        |
|-------------------------|----------------|----------------|-----------------|
| <b>Pac Amp Revenue:</b> |                |                |                 |
| Ticket Sales            | \$4.3 m        | \$3.3 m        | \$ 1.0 m        |
| Facility Fee            | 0.6 m          | 0.6 m          | - -             |
| Concessions             | 0.3 m          | 0.2 m          | 0.1 m           |
| Parking                 | 0.2 m          | 0.2 m          | - -             |
| Sponsorship             | 0.0 m          | 0.2 m          | (0.2 m)         |
| Other                   | <u>0.1 m</u>   | <u>0.2 m</u>   | <u>(0.1 m)</u>  |
| <b>Total</b>            | <b>\$5.6 m</b> | <b>\$4.7 m</b> | <b>\$ 0.9 m</b> |



## 2009 OC Super Fair – Financial Results to Date

|                          | Actual         | Budget         | Variance         |
|--------------------------|----------------|----------------|------------------|
| <b>Pac Amp Expenses:</b> |                |                |                  |
| Performers               | \$3.0 m        | \$2.3 m        | \$(0.7 m)        |
| Services                 | 0.6 m          | 0.8 m          | 0.2 m            |
| Marketing                | 0.4 m          | 0.6 m          | 0.2 m            |
| Supplies/Equip           | 0.4 m          | 0.5 m          | 0.1 m            |
| Payroll                  | 0.2 m          | 0.2 m          | - -              |
| Other                    | <u>0.3 m</u>   | <u>0.1 m</u>   | <u>(0.2 m)</u>   |
| <b>Total</b>             | <b>\$4.8 m</b> | <b>\$4.5 m</b> | <b>\$(0.3 m)</b> |
| <b>Net Contribution</b>  | <b>\$0.8 m</b> | <b>\$0.2 m</b> | <b>\$ 0.6 m</b>  |





## **Board of Directors Agenda Report**

MEETING DATE: SEPT. 24, 2009

ITEM NUMBER: 7B

**SUBJECT:** Vendor Pricing for the 2009 OC Super Fair

**DATE:** September 16, 2009

**FROM:** Doug Lofstrom, Vice President of Events

**PRESENTATION BY:** Doug Lofstrom

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Update on vendor pricing issue for the 2009 OC Super Fair.

### **RECOMMENDATION**

Action Item.



## **Board of Directors Agenda Report**

MEETING DATE: SEPT. 24, 2009

ITEM NUMBER: 7C

**SUBJECT:** 2010 OC Super Fair Dates

**DATE:** September 16, 2009

**FROM:** Steve Beazley, President & CEO

**PRESENTATION BY:** Steve Beazley, President & CEO

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### **RECOMMENDATION:**

Upon approval of booking the Barrett-Jackson event proposed to be held June 25-27, 2010, the recommended fair dates are:

July 16-August 15, 2010

### **BACKGROUND:**

When the fair expanded to 23 days in 2009, the dates were July 10-August 9. As the calendar dates move one day each year, it is necessary to amend dates slightly.

In this proposal, the dates would move more significantly. As part of the analysis of the proposed dates, fairs within Southern California region were contacted. Del Mar, Ventura, Lancaster and Los Angeles were supportive of OC Fair dates. California State Fair, while out of the region, yet in route with OCFEC was contacted as well and expressed no concern and in fact is seriously considering moving their 2010 dates to July.

RCS and Ovations were contacted and had no concerns. OCFEC's third major partner, OC Market Place has been contacted as well (see Barrett-Jackson proposal for that communication).



## **Board of Directors Agenda Report**

MEETING DATE: SEPT. 24, 2009

ITEM NUMBER: 7D

**SUBJECT:** Barrett-Jackson 2010 Event

**DATE:** September 21, 2009

**FROM:** Steve Beazley, President & CEO

**PRESENTATION BY:** Steve Beazley, President & CEO

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### **RECOMMENDATION:**

Approval to move forward in executing a contract with Barrett-Jackson which includes exercising exclusive use of the property June 25-27, 2010 as provided in the second amendment of the Outdoor Lease with the Orange County Market Place.

### **BACKGROUND ON BARRETT-JACKSON:**

Established in 1971 and headquartered in Scottsdale, Arizona, Barrett-Jackson specializes in providing products and services to automotive enthusiasts around the world. The company produces the "World's Greatest Collector Car Auctions™" in Scottsdale; Palm Beach, Florida; and Las Vegas, Nevada.

In 2003, Barrett-Jackson took its auction and event to Palm Beach, Florida. In 2009, the event boasted over \$20 million in sales, 487 cars and over 1,000 bidders.

In 2005, Barrett-Jackson became one of the first auction houses to offer every vehicle at No Reserve, which means that every vehicle is sold to its highest bidder. This groundbreaking approach led to monumental growth for years to come, including recent Scottsdale sales totals of \$100 million in 2006, \$112 million in 2007, \$88 million in 2008 and \$63 million in 2009. Attendance for the 3 events in the 2008-2009 season exceeded well over 300,000.

Barrett-Jackson's growth continued in 2008 when it added a Las Vegas event at the Mandalay Bay Resort & Casino. The inaugural Las Vegas event attracted 533 collector vehicles, over 50,000 attendants and nearly \$30 million in total sales.

From classic and one-of-a-kind cars to exotics and muscle cars, Barrett-Jackson offers something for everyone. Barrett-Jackson Collector Car Auctions have captured the true essence of a passionate obsession with cars that extends to collectors and enthusiasts throughout the world. Barrett-Jackson's reputation for success in the collector car auctions and services industry became the true benchmark in the industry and nothing less than stellar.

## **BARRETT-JACKSON AT OC FEC**

### **EVENT DESCRIPTION**

The core element of the Barrett-Jackson event is a collector car auction which consists of prequalified bidders vying for consigned cars that are paraded across a stage in an organized fashion for the auction process. The auction consists of a diverse offering of collector cars that create touch points for the various constituents ranging from muscle cars, hot rods, classics, to exotics and everything in between. The auction environment is open to the public with general admission purchased tickets and seating. This creates a well-attended environment for buyers, loyalists, and the community. The cars are on display in "museum style" arrangement for viewing by all prior to being auctioned across the block (stage). This attracts large crowds of interested spectators on both a local and national basis.

An exposition is wrapped around the core nucleus of the auction which consists of sponsor pavilion with displays and interactivity, vendors selling various wares and services, and food and beverage. The vendors range from luxury items and services, jewelry, art, to other collectibles. This results in a thoroughly diverse event that provides something to do for all participants. Most participants stay for long periods of time at the event and are generally multi-day attendees. The auction is filmed and broadcast by the SPEED channel, which is owned by FOX Television. The presence of cameras and camera crews creates an exciting environment for all attendees.

### **EVENT MINIMUM REQUIREMENTS FOR OC FEC**

- Main Mall Area
- Buildings 10, 12, 14, 16, Hangar Building
- POP/14 – 16 Breezeway
- Festival Field
- Kid Land
- Campground
- Grandstand
- Parking for 8,000 vehicles
- Off-site parking for 2,500 vehicles
- Off-site marshaling yard (15 acres)

### **EVENT DATES**

Barrett-Jackson presented five years of event dates for the end of June/beginning of July each year, with similar dates for the years thereafter. Barrett-Jackson identified two options for each of the five years.

| <b>Year</b> | <b>Option#1</b>  | <b>Option#2</b> |
|-------------|------------------|-----------------|
| ➤ 2010      | July 2 – 4       | June 25 – 27    |
| ➤ 2011      | June 30 – July 3 | June 23 – 26    |
| ➤ 2012      | June 27 – July 1 | June 20 – 24    |
| ➤ 2013      | June 26 – 30     | June 19 – 23    |
| ➤ 2014      | June 25 – 29     | June 18 – 22    |

While options were presented for OCFEC staff to review, the preferred time period for Barrett-Jackson is the fourth week of June each year and the goal of the event is to expand to additional event days in the near future.

## **THE IMPACT OF BARRETT-JACKSON**

- Live television coverage:  
Scottsdale – 39 hours  
West Palm Beach – 12 hours  
Las Vegas – 16 hours
- Strong and loyal attendance:  
Scottsdale – +200,000  
West Palm Beach – +50,000  
Las Vegas – +50,000
- Desirable demographic with attractive spending habits
- Strong loyalists to the Barrett-Jackson brand and the events
- Continued new growth to the hobby of collector cars
- Tremendous website activity (over 100,000,000 unique visitors during the Scottsdale event, making the Barrett-Jackson website one of the most trafficked websites during its events)

## **INTANGIBLE BENEFIT OF BARRETT-JACKSON TO OCFEC**

- Major branded, prestigious, high-profile event with national as well as international exposure.
- Strong desire to develop a long-term relationship with the event facility and community

## **BARRETT-JACKSON CLASSIC CAR AUCTION ECONOMIC IMPACT STUDY - CITY OF SCOTTSDALE, ARIZONA**

Attached is a copy of an excerpt (Overall Economic Impact and Executive Summary) from the economic study conducted by O'Neil Associates, Inc. regarding visitor spending generated by the 2006 Barrett-Jackson Classic Car Auction in Scottsdale, Arizona. The inclusion of this economic information in this report is for information purposes only and is not meant to infer any anticipated performance at OCFEC.

### **ESTIMATED REVENUE TO OCFEC – Conservative Model**

Estimated Facility Fee/Reimbursable Charges (equipment, event staff, other) -  
\$100,000

Estimated Food & Beverage Revenue - \$75,000  
(does not include sponsor-hosted areas, B-J staff per diems)

Paid Parking  
Estimated parking revenue - \$100,000  
(General and Preferred Parking - fees subject to further review/adjustment)

Estimated Total Gross Revenue - \$275,000

Less:

Loss of OCMP Revenue - Estimated at \$50,000

Capital Infrastructure Costs (tent structure footings) - Estimated at \$150,000

Estimated Value of OCFEC Impressions Through BJAC Touch Points

\$400,000 - Opening Night Gala Sponsor, on-site banners, OCFEC banner ad on BJAC homepage, OCFEC logo on all posters, ads in Lifestyle magazine, insert in bidder credential, logo on stage banner, ad in event catalog, website logo on sponsor page, email blasts.

**CONTRACTING THE EVENT**

Prior to affecting a contract with Barrett-Jackson, their requested dates need to be confirmed as available. The Barrett-Jackson event at OCFEC will require all buildings and grounds for their event. To accommodate that request, OCFEC will need to designate the weekend of June 25-27 to be event free, which includes the operation of the Orange County Market Place.

The second amendment of the Outdoor Market Place Lease, effective April 1, 2009 provides the following consideration to the District in exchange for an amended rent structure:

“The District will have the option to designate up to four (4) additional operating weekends per calendar year (in addition to the five weekend run of the OC Fair) for the District's exclusive use of the full property, including the Premises, for District events. The District will provide written notice to Lessee within 30 days of contracting an outside-promoted event, or approval of a self-produced event; and in all events the District will provide to Lessee at least six months' written notice in advance of the weekend[s] designated by the District for its exclusive use of the full property, including the Premises. The District and Lessee agree that the exercise of this option will not exceed the following limitations, unless mutually agreed to by the parties:

(1) A maximum of two additional weekends may be designated by the District in the six-month period commencing January 1 through and including June 30 of each calendar year; provided, however, no more than one weekend per month may be designated in the months of May and June.

(2) A maximum of two additional weekends may be designated by the District in the six-month period commencing July 1 through and including December 31 of each calendar year; provided, however, no more than one weekend may be designated in the month of December.”

With the Board's approval of this item, OCFEC will officially notify Tel Phil Enterprises of the exercising of the weekend and assign it to the Barrett-Jackson event.

# OVERALL ECONOMIC IMPACT

# OVERALL ECONOMIC IMPACT

- ◇ O'Neil Associates conducted a study to measure the impact of visitor spending generated by the 2006 Barrell-Jackson Classic Car Auction in Scottsdale. This study measured spending intentions of Auction attendees.
- ◇ *Based on this research, it is estimated that the Auction generated a total of \$96,263,449 through combined non-vehicle spending at the Auction and off-site spending by Auction attendees.*
- ◇ We estimate that \$42,185,219 was spent on non-vehicle items at the Auction. This figure includes: \$4,963,895 spent on automobilia, \$24,077,258 spent on other shopping and \$13,144,066 spent on food and beverages.
- ◇ Outside the Auction, visitors spent an estimated \$40,654,809 on non-lodging expenditures. This figure includes: \$17,159,500 spent on shopping, \$10,492,814 spent on dining and \$13,002,495 spent on entertainment.
- ◇ The Auction generated an estimated \$13,423,421 on lodging in Scottsdale.

| On-Site Auction Spending |                     |
|--------------------------|---------------------|
| Automobilia              | \$4,963,895         |
| Food/Beverages           | \$13,144,066        |
| Other Shopping           | \$24,077,258        |
| <b>TOTAL</b>             | <b>\$42,185,219</b> |

| Off-Site Spending |                     |
|-------------------|---------------------|
| Shopping          | \$17,159,500        |
| Dining            | \$10,492,814        |
| Entertainment     | \$13,002,495        |
| Lodging           | \$13,423,421        |
| <b>TOTAL</b>      | <b>\$54,078,230</b> |

# EXECUTIVE SUMMARY

# EXECUTIVE SUMMARY

- ◇ O'Neil Associates conducted a study measuring the spending impact of the 2006 Barrett-Jackson Classic Car Auction in Scottsdale. This research targeted three groups of Auction attendees:
  - **Bidders/Consignors.** Bidders and consignors were defined as Auction attendees who were at the Auction registered to either bid on, or consign a vehicle.
  - **Vendors/Sponsors.** To understand the spending habits of the Auction's business community, vendors and sponsors were included in this research.
  - **Spectators.** General spectators, or people observing the Auction were also included in this research.
- ◇ Overall, it is estimated that the Auction generated \$42,185,219 through non-vehicle spending.
- ◇ Respondents were asked to estimate what they would likely spend while at the Auction. They estimated what they would spend on vehicles, automobilla, food and beverages and other Auction shopping.
  - The average spectator anticipated spending approximately \$317.45 while at the Auction. Extrapolated out to the entire population of spectators, we estimate spectators spent approximately \$28,047,862 at the Auction.
  - The average bidder/consignor planned on spending \$2,427.12 on things other than vehicles while at the Auction. Extrapolated out to the entire population of bidders and consignors, we estimate this group spent approximately \$11,781,241 on non-vehicle items at the Auction.
    - *The average bidder/consignor estimated spending \$348,128.69 on vehicles alone. Since the supply of autos was limited, however, the amount bidders expected to spend should be interpreted as spending capacity. The spending capacity estimates we obtained are considerably higher than actual auction vehicle expenditures. This strongly suggests there is massive spending capacity that is untapped by the auction. There is a relative shortage is in vehicles; not in ready and willing purchasers with the capacity to purchase.*
  - Vendors and sponsors estimated they would spend approximately \$841.47 while at the Auction. Extrapolated out to the entire population, we estimate that vendors and sponsors spent approximately \$2,356,116 at the Auction.

## EXECUTIVE SUMMARY

◇ Auction attendees who are not Arizona residents at least part of the year were asked a series of questions aimed at better understanding out-of-state Auction visitors. Out-of-state visitors were asked about their transportation to Arizona, their accommodations here in the state, the length of their stay, their expected expenditures outside of the Auction, how they planned their trip, what they plan on doing while here, as well as the role the Barrett-Jackson Classic Car Auction played in their decision to visit Arizona.

- **Bidders and consignors are the most likely Auction attendees to reside outside Arizona.** Roughly two-thirds (65%) of bidders and consignors live elsewhere, compared to 50% of spectators who live out-of-state and 54% of vendors and sponsors.
- **Most of out-of state visitors said the Auction was the primary purpose of their trip.** The vast majority of vendors/sponsors (93%) and bidders/consignors (89%) said the Auction was the primary purpose of their trip. Three-quarters (75%) of out-of-state general spectators cited the Auction as their trip's primary purpose.
- **General spectators, bidders and consignors who live out-of-state are more apt to travel by air to Arizona, while non-local vendors and sponsors prefer traveling by private vehicle.** Almost three-quarters (74%) of out-of-state general spectators flew, as did two-thirds (66%) of bidders and consignors; only 41% of vendors and sponsors. Over half (54%) of all vendors and sponsors traveled by private vehicle.

oneilassociates

## EXECUTIVE SUMMARY

- Out-of-state attendees were asked to estimate what they would spend on this visit outside of the Auction. Spectators estimated what they would spend on shopping, dining and entertainment.
  - We estimate the entire population of out-of-state spectators spent roughly \$35,384,010 outside of the Auction on shopping, dining and entertainment.
  - We estimate the entire population of bidders and consignors spent roughly \$4,123,206 outside of the Auction on shopping, dining and entertainment.
  - We estimate the entire population of vendors and sponsors spent roughly \$2,347,593 outside of the Auction on shopping, dining and entertainment.

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# EXECUTIVE SUMMARY

- **Most out-of-state Auction attendees opt for hotel or other rental accommodations.** In fact, 63% of spectators, 72% of bidders/consignors and 79% of vendors/sponsors stayed in a hotel.
- **Bidders, consignors, vendors and sponsors are more likely than general spectators to stay in Scottsdale on their visit.** A full 72% of bidders/consignors and 69% of vendors/sponsors stayed in Scottsdale, compared to less than half (45%) of spectators.
  - We estimate the Auction generated approximately 69,207 hotel room nights in Scottsdale. Auction spectators generated approximately 53,908 hotel nights in Scottsdale. Bidders and consignors generated roughly 8,423 Scottsdale hotel nights, and vendors/sponsors generated approximately 6,876 Scottsdale hotel night.
  - The Smith Travel Research census in Scottsdale estimated that the average room rate through the duration of the Auction was \$193.96. Extrapolating this figure out to the estimated room nights the Auction generated in Scottsdale, we estimate that spectators spent \$10,455,996 on lodging in Scottsdale. Bidders and consignors spent an estimated \$1,633,725 on Scottsdale accommodations. Vendors and sponsors spent approximately \$1,333,700 on Scottsdale lodging.
- Out-of-state visitors were also asked about the information sources they used while planning their trip. The most common trip planning resource utilized by all groups of Auction attendees is Barrett-Jackson's website. A full 63% of spectators, 59% of bidders/consignors and 64% of vendors/sponsors visited the website when planning their trip to Arizona.
- The calculations presented in this report are based on specific assumptions that are detailed in the report that follows.

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# BACKGROUND

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# CITY OF COSTA MESA

CALIFORNIA 92628-1200

P.O. BOX 1200

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FROM THE OFFICE OF THE MAYOR

September 21, 2009

Kristina Dodge, Board Chair  
Board of Directors  
Orange County Fair and Event Center  
88 Fair Drive  
Costa Mesa, California 92626

**SUBJECT: PROPOSED AGREEMENT WITH BARRETT-JACKSON COLLECTOR  
CAR AUCTION & EVENT**

Dear Chair Dodge:

The City of Costa Mesa has been made aware of the pending agreement between the Orange County Fair and Event Center (OCFEC) and the Barrett-Jackson Collector Car Auction & Event (BJAC) and would like to offer our support.

I understand that the OCFEC and BJAC have discussed the possibility of bringing the Country's premier collector car auction to Costa Mesa for a number of years. We certainly believe that our community and greater Orange County are a perfect compliment to Palm Beach, Scottsdale and Las Vegas as locales to showcase the "World's Greatest Collector Car Event." The OCFEC has certainly proven its ability to host major events and I believe BJAC would serve as a great complement to the Fairground's year-long calendar of events.

The City has reviewed the draft specifications for the event and we look forward to discussing them in greater detail if this arrangement is approved by your Board. Based on an initial staff level review, the City believes all of the needs of Barratt-Jackson can be addressed to make this a very successful event. I believe the long history of cooperation and coordination between the OCFEC and the City for major events at the Fairgrounds is a testament to our ability to fully meet the needs of BJAC. We know Barratt-Jackson and the OCFEC will actively cooperate with the Costa Mesa Conference and Visitors Bureau, the Harbor Boulevard of Cars Association and the Costa Mesa Chamber of Commerce in promoting both the event and Costa Mesa.

On behalf of the Costa Mesa City Council, I look forward to working with the Fair Board and Barrett-Jackson in making this event a great success.

Sincerely,

A handwritten signature in black ink, appearing to read 'Allan R. Mansoor', with a long horizontal flourish extending to the right.

Allan R. Mansoor  
Mayor

c: City Council  
Supervisor John Moorlach, 2<sup>nd</sup> District  
Steve Beazley CEO, OCFEC  
Costa Mesa Chamber of Commerce  
Harbor Boulevard of Cars Association  
Costa Mesa Conference & Visitors Bureau  
City Manager  
Chief of Police  
Assistant City Manager



## **Board of Directors Agenda Report**

MEETING DATE: SEPT. 24, 2009

ITEM NUMBER: 7E

**SUBJECT:** Delegation of 2009-2010 Task Force Assignments

**DATE:** September 16, 2009

**FROM:** Kristina Dodge, Board Chair

**PRESENTATION BY:** Kristina Dodge

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### **RECOMMENDATION**

Task Force assignments for 2009-2010 are as follows:

- **Buildings & Grounds/Capital Expenditures** – David Ellis and Mary Young
- **Financial** – David Ellis and David Padilla
- **Pacific Amphitheatre** – Dale Dykema and Gary Hayakawa
- **Liaison** – Julie Vandermost and Kristina Dodge
- **Centennial Farm Foundation** – Gary Hayakawa
- **Governance** – David Ellis and Kristina Dodge
- **Equestrian** – Julie Vandermost and Joyce Tucker
- **Vendors and Promoters** – Julie Vandermost and David Padilla
- **Fair and Hospitality** – Gary Hayakawa and Mary Young

Information Item.



The following financial reports as of August 31, 2009 are enclosed for your reference.

#### Statement of Cash Flows

As of August 31, OCFEC's cash on hand is \$8,751,076, a decrease of (\$13,037,331) during 2009. Operating activities have resulted in a net cash inflow of \$6,594,862 to date, while investing activities in the form of capital expenditures have resulted in a net outflow of (\$19,632,194) to date.

#### Balance Sheet

The negative balance in the cash account represents checks and payments which have been issued but have not yet cleared the bank. A negative book balance is a normal occurrence in these accounts and does not represent the actual bank account balances, which were not negative.

#### Income Statement

Year-to-date revenues exceed expenses by \$3,412,883, which is favorable to the budgeted net proceeds to date of \$2,729,502.

Revenues of \$25.9 million are unfavorable to budget by (\$1.2) million. Fair revenue of \$21.4 million is unfavorable to budget by \$44k. Admissions revenue is below budget as less general admission tickets were sold than anticipated. Attractions revenue exceeds budget as more Pacific Amphitheatre tickets were sold than planned. In the Miscellaneous Revenue category, Sponsorship Revenue is below budget by \$568k due to the effects of economic conditions on past and potential sponsors. Livestock auction receipts are below budget by \$115k, but this is offset by a corresponding expense savings. Parking revenue is below budget by \$98k.

Year-Round Revenue of \$4.3 million is below budget by \$1.1 million. MarketPlace revenue is unfavorable to budget by \$696k. Building rentals are below budget by \$225k due to cancellations as well as price reductions and refunds due to construction issues. Year-round concessions revenue is below budget by \$138k. Interest revenue is below budget by \$135k due to lower than expected interest rates.

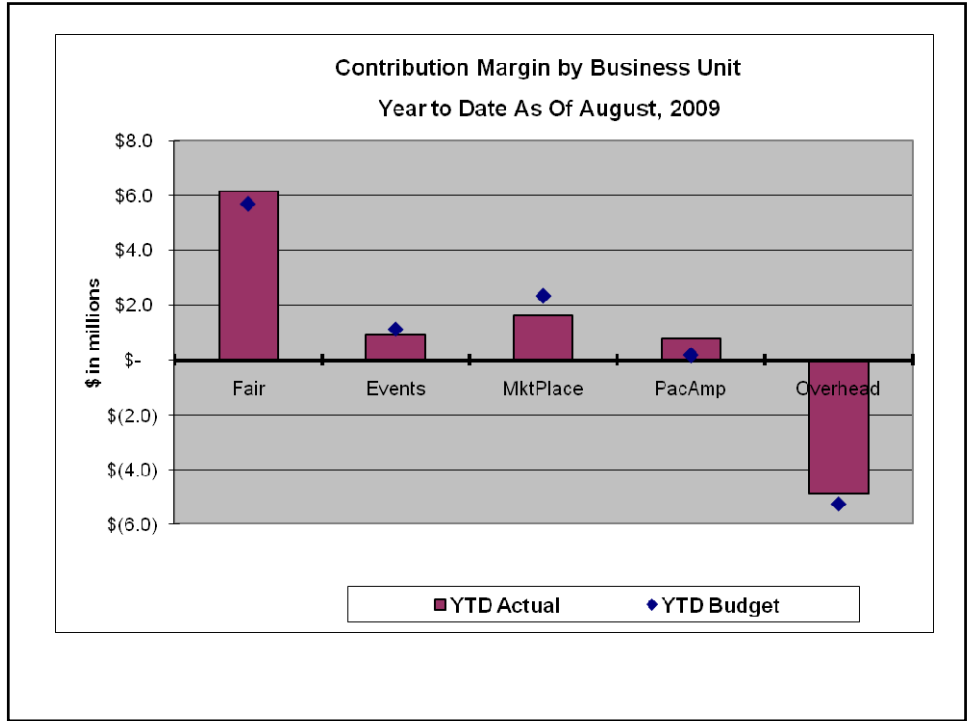
Operating expenses of \$21.4 million are favorable to budget by \$1.7 million. Expenses in most major categories are below or close to budget at this time due to cost monitoring efforts during the fair. Directors Expense shows as exceeding budget but \$52k, but this will be corrected in September. Facility and related expense exceeds budget by \$83k due to overages in business



interruption expenses (\$67k), utilities (\$15k) and trash removal (\$36k). Fair attractions expense is over budget by \$559k, which is offset by the revenue overage pertaining to the Pacific Amphitheatre. Talent expense was higher than expected, which was offset by higher ticket prices and by exceeding ticket sales goals.

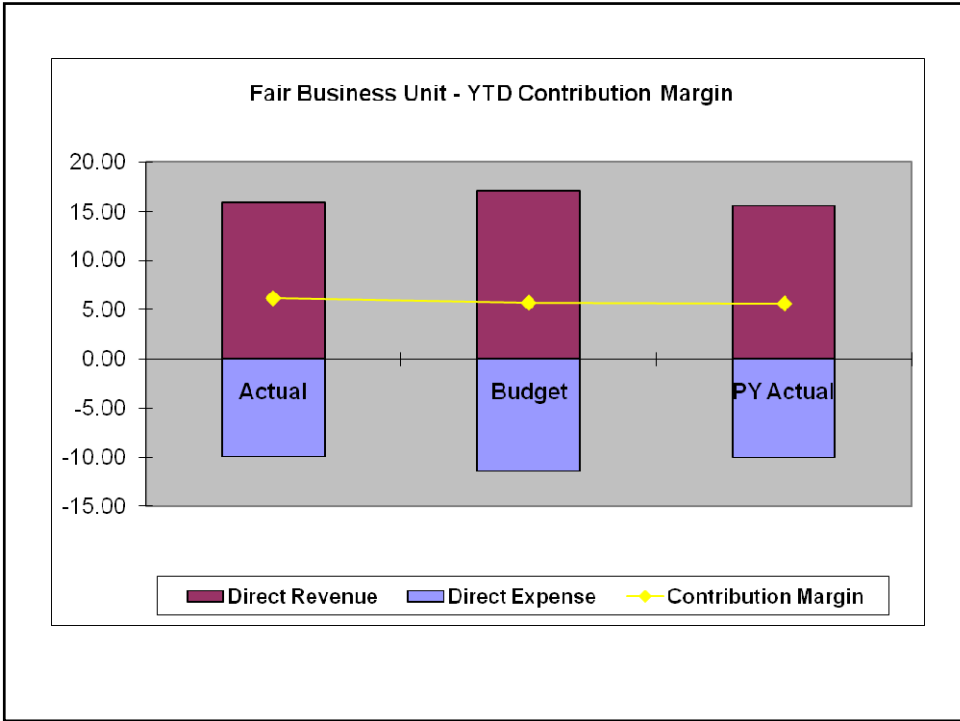
**Year to Date  
Business Unit Financial Results**

As Of August 31, 2009



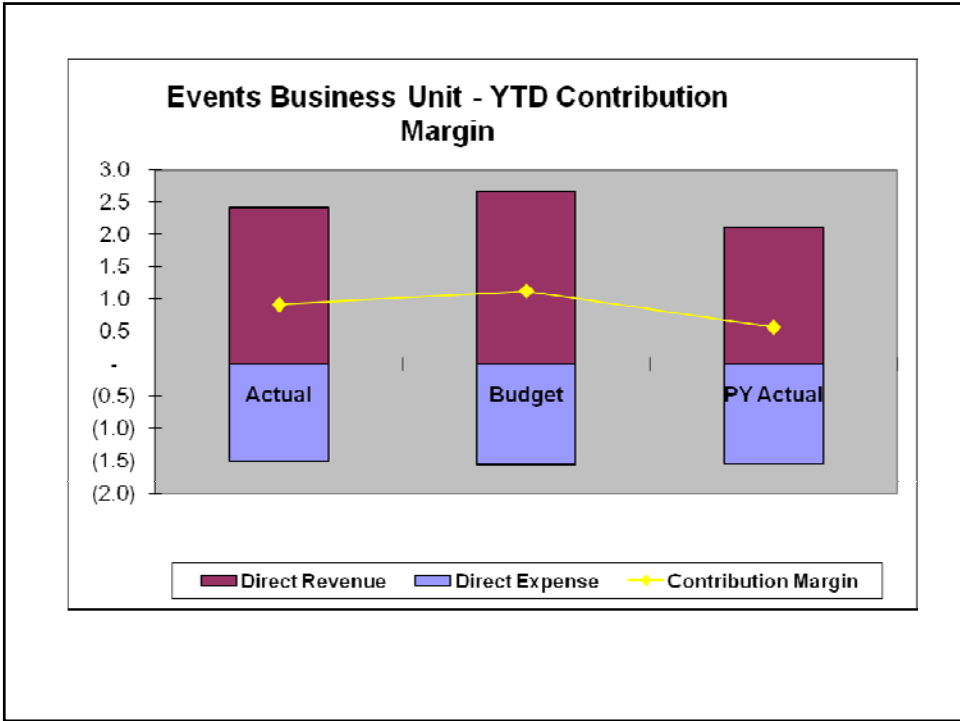
**OC Fair & Event Center**  
**Cash Flow Summary by Business Unit**  
Year to Date As Of August, 2009

|  | 2009<br>Year to Date<br>Actual | 2009<br>Year to Date<br>Budget | 2008<br>Year to Date<br>Actual | 2009<br>Full Year<br>Budget |
|--|--------------------------------|--------------------------------|--------------------------------|-----------------------------|
| <b>Contribution Margins:</b>                   |                                |                                |                                |                             |
| Fair Business Unit                             | \$ 6.2                         | \$ 5.7                         | \$ 5.6                         | \$ 4.9                      |
| Events Business Unit                           | 0.9                            | 1.1                            | 0.6                            | 2.1                         |
| MarketPlace Business Unit                      | 1.6                            | 2.3                            | 2.2                            | 3.5                         |
| Pacific Amphitheatre Business Unit             | 0.8                            | 0.2                            | (0.4)                          | 0.0                         |
| <b>Total Business Unit Contribution Margin</b> | <b>9.5</b>                     | <b>9.3</b>                     | <b>8.0</b>                     | <b>10.5</b>                 |
| Net Overhead Expense (Cash)                    | (4.9)                          | (5.3)                          | (4.5)                          | (7.7)                       |
| <b>Net Cash Provided (Used) Subtotal</b>       | <b>4.6</b>                     | <b>4.1</b>                     | <b>3.5</b>                     | <b>2.8</b>                  |
| Capital Expenditures                           | (19.6)                         |                                | (3.7)                          | (14.4)                      |
| Balance Sheet Changes                          | 2.0                            |                                | 3.5                            | 0.0                         |
| <b>Net Increase (Decrease) in Cash</b>         | <b>\$ (13.0)</b>               | <b>\$ 4.1</b>                  | <b>\$ 3.3</b>                  | <b>\$ (11.6)</b>            |

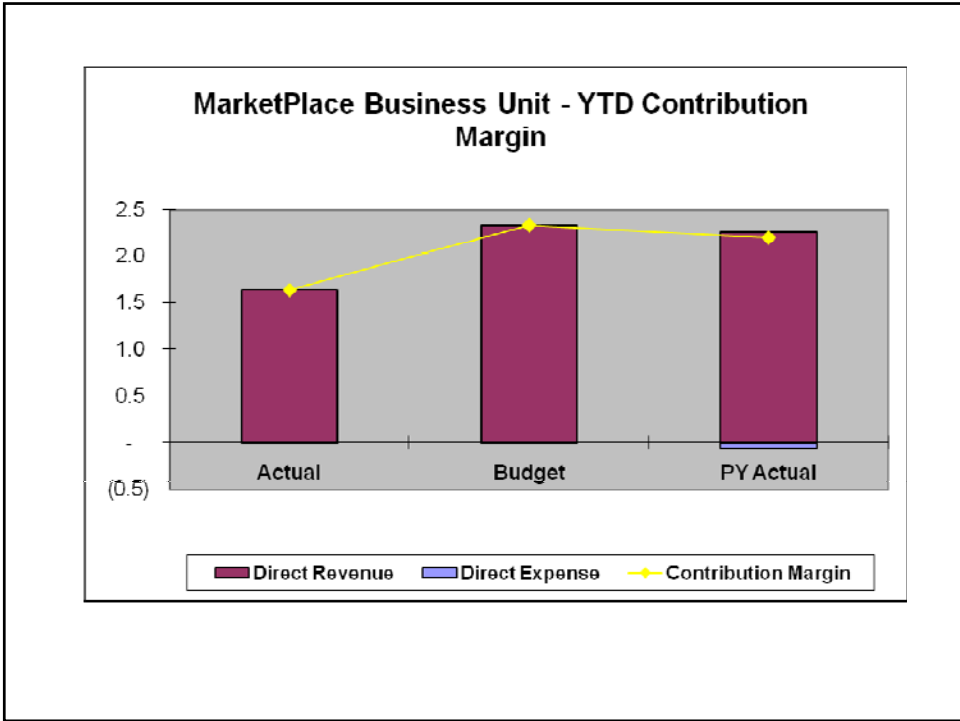


**Fair Business Unit  
Contribution Margin Statement  
Year To Date As Of August, 2009**

|   | 2009<br>Year to Date<br>Actual | 2009<br>Year to Date<br>Budget | 2008<br>Year to Date<br>Actual | 2009<br>Full Year<br>Budget |
|---|--------------------------------|--------------------------------|--------------------------------|-----------------------------|
| Admissions                                | \$ 5.9                         | \$ 6.3                         | \$ 5.8                         | \$ 6.3                      |
| Concessions                               | 3.9                            | 3.8                            | 3.6                            | 3.8                         |
| Carnival                                  | 1.8                            | 2.0                            | 2.0                            | 2.0                         |
| Sponsorships                              | 0.8                            | 1.3                            | 1.2                            | 1.3                         |
| Commercial Space                          | 1.7                            | 1.5                            | 0.9                            | 1.5                         |
| Parking                                   | 1.2                            | 1.3                            | 1.2                            | 1.3                         |
| Other Revenue                             | 0.8                            | 0.9                            | 0.8                            | 0.9                         |
| <b>Total Direct Revenue</b>               | <b>16.0</b>                    | <b>17.1</b>                    | <b>15.6</b>                    | <b>17.1</b>                 |
| Payroll/Related                           | 3.2                            | 3.3                            | 3.1                            | 3.8                         |
| Outside Services                          | 1.9                            | 2.0                            | 2.3                            | 2.2                         |
| Marketing/Related                         | 1.3                            | 1.7                            | 1.7                            | 1.8                         |
| Supplies/Equipment/Rentals                | 1.5                            | 2.0                            | 1.2                            | 2.0                         |
| Attractions                               | 0.9                            | 1.0                            | 0.8                            | 1.0                         |
| Other Expense                             | 1.0                            | 1.4                            | 0.9                            | 1.4                         |
| <b>Total Direct Expense</b>               | <b>9.9</b>                     | <b>11.4</b>                    | <b>10.0</b>                    | <b>12.2</b>                 |
| <b>Contribution to Overhead and CapEx</b> | <b>\$ 6.2</b>                  | <b>\$ 5.7</b>                  | <b>\$ 5.6</b>                  | <b>\$ 4.9</b>               |

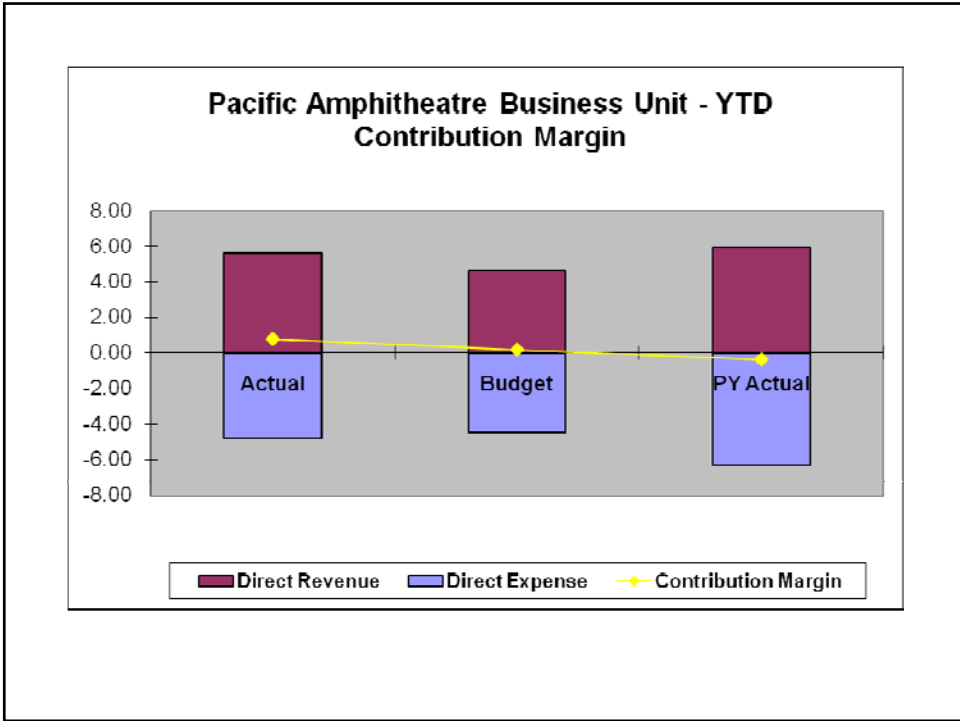


| Events Business Unit<br>Contribution Margin Statement<br>Year To Date As of August, 2009 |                                |                                |                                |                             |
|--|--------------------------------|--------------------------------|--------------------------------|-----------------------------|
|  | 2009<br>Year to Date<br>Actual | 2009<br>Year to Date<br>Budget | 2008<br>Year to Date<br>Actual | 2009<br>Full Year<br>Budget |
| Rental of Facilities   | \$ 0.7                         | \$ 0.9                         | \$ 0.7                         | \$ 1.6                      |
| Personnel Services   | 0.5                            | 0.6                            | 0.6                            | 0.9                         |
| Concessions  | 0.4                            | 0.5                            | 0.4                            | 0.8                         |
| Equipment Rentals  | 0.2                            | 0.2                            | 0.2                            | 0.4                         |
| Admissions/Parking   | 0.6                            | 0.5                            | 0.2                            | 0.8                         |
| Other Revenue  | 0.1                            | 0.0                            | 0.1                            | 0.1                         |
| <b>Total Direct Revenue</b>  | <b>2.4</b>                     | <b>2.7</b>                     | <b>2.1</b>                     | <b>4.6</b>                  |
| Payroll/Related  | 1.2                            | 1.1                            | 1.1                            | 1.9                         |
| Outside Services   | 0.1                            | 0.1                            | 0.1                            | 0.2                         |
| Supplies/Equipment/Rentals   | 0.1                            | 0.1                            | 0.1                            | 0.1                         |
| Facility/Related   | 0.2                            | 0.2                            | 0.2                            | 0.3                         |
| Marketing/Related  | 0.0                            | 0.0                            | 0.1                            | 0.0                         |
| Other Expense  | 0.0                            | 0.0                            | 0.0                            | 0.0                         |
| <b>Total Direct Expense</b>  | <b>1.5</b>                     | <b>1.6</b>                     | <b>1.5</b>                     | <b>2.5</b>                  |
| <b>Contribution to Overhead and CapEx</b>  | <b>\$ 0.9</b>                  | <b>\$ 1.1</b>                  | <b>\$ 0.6</b>                  | <b>\$ 2.1</b>               |



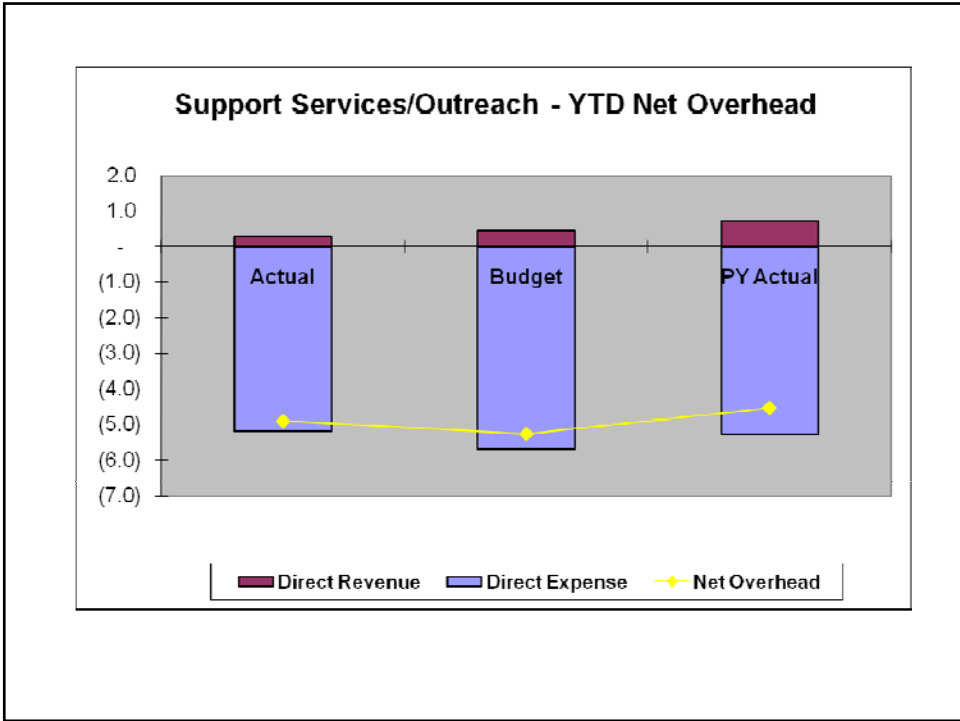
#### MarketPlace Business Unit Contribution Margin Statement Year to Date As Of August, 2009

|   | 2009<br>Year to Date<br>Actual | 2009<br>Year to Date<br>Budget | 2008<br>Year to Date<br>Actual | 2009<br>Full Year<br>Budget |
|---|--------------------------------|--------------------------------|--------------------------------|-----------------------------|
| Rental of Facilities                      | \$ 1.6                         | \$ 2.3                         | \$ 2.3                         | \$ 3.5                      |
| Other Revenue                             | -                              | -                              | -                              | -                           |
| <b>Total Direct Revenue</b>               | <b>1.6</b>                     | <b>2.3</b>                     | <b>2.3</b>                     | <b>3.5</b>                  |
| Marketing/Related                         | -                              | -                              | 0.1                            | -                           |
| Other Expense                             | -                              | -                              | -                              | 0.0                         |
| <b>Total Direct Expense</b>               | <b>-</b>                       | <b>-</b>                       | <b>0.1</b>                     | <b>0.0</b>                  |
| <b>Contribution to Overhead and CapEx</b> | <b>\$ 1.6</b>                  | <b>\$ 2.3</b>                  | <b>\$ 2.2</b>                  | <b>\$ 3.5</b>               |



#### Pacific Amphitheatre Business Unit Contribution Margin Statement Year to Date As Of August, 2009

|   | 2009<br>Year to Date<br>Actual | 2009<br>Year to Date<br>Budget | 2008<br>Year to Date<br>Actual | 2009<br>Full Year<br>Budget |
|---|--------------------------------|--------------------------------|--------------------------------|-----------------------------|
| Ticket Sales                              | \$ 4.3                         | \$ 3.3                         | \$ 4.7                         | \$ 3.3                      |
| Facility Fee                              | 0.6                            | 0.6                            | 0.5                            | 0.6                         |
| Concessions                               | 0.3                            | 0.2                            | 0.4                            | 0.2                         |
| Parking                                   | 0.2                            | 0.2                            | 0.2                            | 0.2                         |
| Sponsorship                               | 0.0                            | 0.2                            | 0.2                            | 0.2                         |
| Other Revenue                             | 0.1                            | 0.2                            | 0.0                            | 0.2                         |
| <b>Total Direct Revenue</b>               | <b>5.6</b>                     | <b>4.7</b>                     | <b>5.9</b>                     | <b>4.7</b>                  |
| Performers' Fees                          | 3.0                            | 2.3                            | 3.8                            | 2.3                         |
| Outside Services                          | 0.6                            | 0.8                            | 0.8                            | 0.9                         |
| Marketing/Related                         | 0.4                            | 0.6                            | 0.8                            | 0.6                         |
| Supplies/Equipment/Rentals                | 0.4                            | 0.5                            | 0.5                            | 0.5                         |
| Payroll/Related                           | 0.2                            | 0.2                            | 0.2                            | 0.2                         |
| Other Expense                             | 0.3                            | 0.1                            | 0.2                            | 0.1                         |
| <b>Total Direct Expense</b>               | <b>4.8</b>                     | <b>4.5</b>                     | <b>6.3</b>                     | <b>4.6</b>                  |
| <b>Contribution to Overhead and CapEx</b> | <b>\$ 0.8</b>                  | <b>\$ 0.2</b>                  | <b>\$ (0.4)</b>                | <b>\$ 0.0</b>               |



| Support Services/Outreach Business Unit |                 |                 |                 |                 |
|---|-----------------|-----------------|-----------------|-----------------|
| Net Overhead Summary                    |                 |                 |                 |                 |
| Year to Date As Of August, 2009         |                 |                 |                 |                 |
|   | 2009            | 2009            | 2008            | 2009            |
|   | Year to Date    | Year to Date    | Year to Date    | Full Year       |
|   | Actual          | Budget          | Actual          | Budget          |
| Interest                                | \$ 0.2          | \$ 0.3          | \$ 0.6          | \$ 0.4          |
| Facility Rentals                        | 0.1             | 0.1             | 0.1             | 0.1             |
| Other Revenue                           | 0.0             | 0.0             | 0.1             | 0.1             |
| <b>Total Revenue</b>                    | <b>0.3</b>      | <b>0.4</b>      | <b>0.7</b>      | <b>0.6</b>      |
| Payroll/Related                         | 3.1             | 3.3             | 3.1             | 4.9             |
| Facility/Related                        | 1.2             | 1.2             | 1.2             | 1.7             |
| Supplies/Telephone/Postage              | 0.4             | 0.4             | 0.4             | 0.5             |
| Outside Services                        | 0.5             | 0.5             | 0.4             | 0.7             |
| Insurance                               | 0.2             | 0.2             | 0.2             | 0.3             |
| Other Expense                           | (0.1)           | 0.1             | (0.0)           | 0.1             |
| <b>Total Expense</b>                    | <b>5.2</b>      | <b>5.7</b>      | <b>5.3</b>      | <b>8.3</b>      |
| <b>Net Overhead</b>                     | <b>\$ (4.9)</b> | <b>\$ (5.3)</b> | <b>\$ (4.5)</b> | <b>\$ (7.7)</b> |
| Non-Cash Expenses:                      |                 |                 |                 |                 |
| Depreciation Expense                    | \$ 1.2          | \$ 1.4          | \$ 1.1          | \$ 2.6          |
| <b>Total Non-Cash Expense</b>           | <b>\$ 1.2</b>   | <b>\$ 1.4</b>   | <b>\$ 1.1</b>   | <b>\$ 2.6</b>   |

**Includes education/outreach program expenditures of \$623,000**

**32nd D A A - OC Fair & Event Center**  
**Income Statement**  
**Year To Date as of August, 2009**

|                                    | 2009<br>Year to Date<br>Amount | Budget<br>Year to Date<br>Amount | Budget<br>\$ Variance | Budget<br>% Variance | 2008<br>Year to Date<br>Amount | Prior Year<br>\$ Variance | Prior Year<br>% Variance | Full<br>2009<br>Budget |
|------------------------------------|--------------------------------|----------------------------------|-----------------------|----------------------|--------------------------------|---------------------------|--------------------------|------------------------|
| <b>Revenues</b>                    |                                |                                  |                       |                      |                                |                           |                          |                        |
| Admissions to Grounds              | \$ 6,928,788                   | \$ 7,557,893                     | \$ (629,105)          | -8.3%                | \$ 6,522,260                   | \$ 406,528                | 6.2%                     | \$ 7,598,105           |
| Commercial Space Rentals           | 1,650,624                      | 1,494,702                        | 155,922               | 10.4%                | 935,429                        | 715,195                   | 76.5%                    | 1,494,702              |
| Carnival and Concessions Revenue   | 6,031,038                      | 6,041,228                        | (10,190)              | -0.2%                | 6,014,041                      | 16,997                    | 0.3%                     | 6,041,228              |
| Exhibits Revenue                   | 54,641                         | 67,478                           | (12,837)              | -19.0%               | 55,109                         | (468)                     | -0.8%                    | 67,598                 |
| Attractions Revenue                | 4,102,274                      | 2,919,842                        | 1,182,432             | 40.5%                | 4,654,289                      | (552,015)                 | -11.9%                   | 2,919,867              |
| Miscellaneous Fair Revenue         | 2,660,311                      | 3,390,375                        | (730,064)             | -21.5%               | 3,235,406                      | (575,096)                 | -17.8%                   | 3,390,375              |
| <b>Total Summer Fair Revenue</b>   | <b>21,427,675</b>              | <b>21,471,518</b>                | <b>(43,843)</b>       | <b>-0.2%</b>         | <b>21,416,534</b>              | <b>11,141</b>             | <b>0.1%</b>              | <b>21,511,875</b>      |
| Rental of Facilities               | 2,380,590                      | 3,302,483                        | (921,893)             | -27.9%               | 3,018,288                      | (637,698)                 | -21.1%                   | 5,194,470              |
| Other Event Revenues               | 1,774,713                      | 1,933,947                        | (159,234)             | -8.2%                | 1,453,144                      | 321,569                   | 22.1%                    | 3,083,308              |
| Equestrian Center Revenue          | 61,802                         | 80,000                           | (18,198)              | -22.7%               | 82,032                         | (20,229)                  | -24.7%                   | 122,000                |
| Horse Show Revenues                | -                              | -                                | -                     | N/A                  | -                              | -                         | N/A                      | -                      |
| Other Operating Revenues           | 88,374                         | 65,975                           | 22,399                | 34.0%                | 85,373                         | 3,001                     | 3.5%                     | 87,175                 |
| <b>Total Year-Round Revenue</b>    | <b>4,305,480</b>               | <b>5,382,405</b>                 | <b>(1,076,925)</b>    | <b>-20.0%</b>        | <b>4,638,837</b>               | <b>(333,357)</b>          | <b>-7.2%</b>             | <b>8,486,953</b>       |
| Interest Earnings                  | 185,089                        | 320,000                          | (134,911)             | -42.2%               | 565,829                        | (380,740)                 | -67.3%                   | 435,000                |
| Grants                             | -                              | -                                | -                     | N/A                  | -                              | -                         | N/A                      | -                      |
| Sale of Assets                     | -                              | -                                | -                     | N/A                  | 15,535                         | (15,535)                  | -100.0%                  | -                      |
| Other Non-Operating Revenues       | -                              | -                                | -                     | N/A                  | -                              | -                         | N/A                      | -                      |
| Prior Year Revenue                 | 9,498                          | -                                | 9,498                 | N/A                  | 14,313                         | (4,815)                   | -33.6%                   | -                      |
| <b>Total Non-Operating Revenue</b> | <b>194,587</b>                 | <b>320,000</b>                   | <b>(125,413)</b>      | <b>-39.2%</b>        | <b>595,677</b>                 | <b>(401,090)</b>          | <b>-67.3%</b>            | <b>435,000</b>         |
| <b>Total Revenue</b>               | <b>\$ 25,927,742</b>           | <b>\$ 27,173,923</b>             | <b>\$ (1,246,181)</b> | <b>-4.6%</b>         | <b>\$ 26,651,048</b>           | <b>\$ (723,306)</b>       | <b>-2.7%</b>             | <b>\$ 30,433,828</b>   |

**32nd D A A - OC Fair & Event Center**  
**Income Statement**  
**Year To Date as of August, 2009**

|                                    | 2009<br>Year to Date<br>Amount | Budget<br>Year to Date<br>Amount | Budget<br>\$ Variance | Budget<br>% Variance | 2008<br>Year to Date<br>Amount | Prior Year<br>\$ Variance | Prior Year<br>% Variance | Full<br>2009<br>Budget |
|------------------------------------|--------------------------------|----------------------------------|-----------------------|----------------------|--------------------------------|---------------------------|--------------------------|------------------------|
| <b>Expenses</b>                    |                                |                                  |                       |                      |                                |                           |                          |                        |
| Payroll and Related                | \$ 7,601,033                   | \$ 7,942,827                     | \$ 341,795            | 4.3%                 | \$ 7,543,716                   | \$ (57,317)               | -0.8%                    | \$ 10,775,776          |
| Professional Services              | 3,072,709                      | 3,426,436                        | 353,727               | 10.3%                | 3,529,899                      | 457,190                   | 13.0%                    | 4,053,494              |
| Directors Expense                  | 58,544                         | 7,001                            | (51,543)              | -736.2%              | 7,508                          | (51,036)                  | -679.7%                  | 11,001                 |
| Insurance Expense                  | 172,540                        | 192,790                          | 20,250                | 10.5%                | 220,259                        | 47,720                    | 21.7%                    | 280,000                |
| Telephone & Postage                | 108,572                        | 107,548                          | (1,024)               | -1.0%                | 110,203                        | 1,631                     | 1.5%                     | 141,425                |
| Supplies and Equipment             | 2,294,336                      | 2,930,360                        | 636,024               | 21.7%                | 2,199,783                      | (94,553)                  | -4.3%                    | 3,078,930              |
| Facility and Related               | 2,047,999                      | 1,965,135                        | (82,864)              | -4.2%                | 1,820,488                      | (227,512)                 | -12.5%                   | 2,627,817              |
| Publicity & Related                | 1,733,089                      | 2,332,155                        | 599,066               | 25.7%                | 2,605,380                      | 872,291                   | 33.5%                    | 2,427,261              |
| Fair Attractions                   | 3,818,966                      | 3,259,723                        | (559,243)             | -17.2%               | 4,575,989                      | 757,024                   | 16.5%                    | 3,259,723              |
| Other Fair Expense                 | 167,429                        | 286,500                          | 119,071               | 41.6%                | 279,313                        | 111,884                   | 40.1%                    | 286,500                |
| Premium Expense                    | 126,528                        | 122,600                          | (3,928)               | -3.2%                | 112,443                        | (14,086)                  | -12.5%                   | 123,157                |
| Other Operating Expense            | 213,280                        | 511,346                          | 298,066               | 58.3%                | 156,654                        | (56,626)                  | -36.1%                   | 528,030                |
| <b>Total Operating Expense</b>     | <b>21,415,025</b>              | <b>23,084,421</b>                | <b>1,669,396</b>      | <b>7.2%</b>          | <b>23,161,635</b>              | <b>1,746,610</b>          | <b>7.5%</b>              | <b>27,593,114</b>      |
| Depreciation Expense               | 1,182,810                      | 1,360,000                        | 177,190               | 13.0%                | 1,137,983                      | (44,827)                  | -3.9%                    | 2,600,000              |
| F&E Funded Expenditures            | -                              | -                                | -                     | N/A                  | -                              | -                         | N/A                      | -                      |
| Loss on Sale of Asset              | 19,064                         | -                                | (19,064)              | N/A                  | -                              | (19,064)                  | N/A                      | -                      |
| Debt Service                       | -                              | -                                | -                     | N/A                  | -                              | -                         | N/A                      | -                      |
| Prior Year Expense                 | (105,277)                      | -                                | 105,277               | N/A                  | 1,773                          | 107,051                   | 6037.5%                  | -                      |
| <b>Total Non-Operating Expense</b> | <b>1,096,597</b>               | <b>1,360,000</b>                 | <b>263,403</b>        | <b>19.4%</b>         | <b>1,139,756</b>               | <b>43,159</b>             | <b>3.8%</b>              | <b>2,600,000</b>       |
| Equipment                          | -                              | -                                | -                     | N/A                  | -                              | -                         | N/A                      | -                      |
| Buildings & Improvements           | (378)                          | -                                | 378                   | N/A                  | -                              | 378                       | N/A                      | -                      |
| Attendance & Parking Improvements  | -                              | -                                | -                     | N/A                  | -                              | -                         | N/A                      | -                      |
| Carnival Improvements              | 3,614                          | -                                | (3,614)               | N/A                  | 1,056                          | (2,558)                   | -242.3%                  | -                      |
| Capital Improvement Offset         | -                              | -                                | -                     | N/A                  | -                              | -                         | N/A                      | -                      |
| <b>Total Capital Expense</b>       | <b>3,236</b>                   | <b>-</b>                         | <b>(3,236)</b>        | <b>N/A</b>           | <b>1,056</b>                   | <b>(2,181)</b>            | <b>-206.6%</b>           | <b>-</b>               |
| <b>Total Expense</b>               | <b>22,514,859</b>              | <b>24,444,421</b>                | <b>1,929,562</b>      | <b>7.9%</b>          | <b>24,302,447</b>              | <b>1,787,588</b>          | <b>7.4%</b>              | <b>30,193,114</b>      |
| <b>Net Proceeds</b>                | <b>\$ 3,412,883</b>            | <b>\$ 2,729,502</b>              | <b>\$ 683,381</b>     | <b>25.0%</b>         | <b>\$ 2,348,601</b>            | <b>\$ 1,064,282</b>       | <b>45.3%</b>             | <b>\$ 240,714</b>      |

**32nd D A A - OC Fair & Event Center  
Balance Sheet  
August, 2009**

|  | <u>2009</u>                 | <u>2008</u>                 |
|--|-----------------------------|-----------------------------|
| <b>Assets</b>                              |                             |                             |
| Cash                                       | \$ (1,018,490)              | \$ (17,553)                 |
| Investments                                | 9,769,566                   | 28,123,814                  |
| Accounts Receivable                        | 1,110,872                   | 1,037,503                   |
| Reserve for Bad Debt                       | (115,419)                   | (48,044)                    |
| Prepaid Assets                             | (12,341)                    | (209,604)                   |
| <b>Current Assets</b>                      | <b><u>9,734,189</u></b>     | <b><u>28,886,117</u></b>    |
| Deferred Expenses                          | 21,767                      | 25,991                      |
| Capital Projects in Process                | 25,893,716                  | 5,997,677                   |
| Land                                       | 133,553                     | 133,553                     |
| Buildings and Improvements                 | 19,119,280                  | 18,796,715                  |
| Equipment                                  | 607,806                     | 665,736                     |
| <b>Long Term Assets</b>                    | <b><u>45,776,123</u></b>    | <b><u>25,619,672</u></b>    |
| <b>Total Assets</b>                        | <b><u>\$ 55,510,312</u></b> | <b><u>\$ 54,505,789</u></b> |
| <b>Liabilities</b>                         |                             |                             |
| Accounts Payable                           | \$ 2,544,710                | \$ 3,028,223                |
| Deferred Revenue                           | 680,547                     | 1,206,645                   |
| Other Payroll Deductions                   | 326,829                     | 233,911                     |
| Deposits                                   | 47,300                      | 58,430                      |
| Other Liabilities                          | -                           | -                           |
| <b>Short Term Liabilities</b>              | <b><u>3,599,387</u></b>     | <b><u>4,527,209</u></b>     |
| Compensated Absence Liability              | 840,591                     | 836,799                     |
| Long Term Debt                             | -                           | -                           |
| <b>Long Term Liabilities</b>               | <b><u>840,591</u></b>       | <b><u>836,799</u></b>       |
| <b>Total Liabilities</b>                   | <b><u>4,439,977</u></b>     | <b><u>5,364,008</u></b>     |
| <b>Resources</b>                           |                             |                             |
| Investment in Capital Assets               | 45,754,356                  | 25,593,681                  |
| Net Resources - Designated Use             | 715,113                     | 18,304,278                  |
| Net Resources Available for Operations     | 1,166,106                   | 2,872,648                   |
| Net Resources - Auction Fund               | 21,876                      | 22,573                      |
|  | <u>47,657,451</u>           | <u>46,793,180</u>           |
| Net Proceeds from Operations               | 3,412,883                   | 2,348,601                   |
| <b>Total Resources</b>                     | <b><u>51,070,334</u></b>    | <b><u>49,141,781</u></b>    |
| <b>Total Liabilities and Net Resources</b> | <b><u>\$ 55,510,312</u></b> | <b><u>\$ 54,505,789</u></b> |

**32nd District Agricultural Association - OC Fair & Event Center**  
**Statement of Cash Flows**  
**Year-to-Date as of Aug 31, 2009**

YTD 2009

**Cash Flows from Operating Activities:**

|                     |           |                  |
|---------------------|-----------|------------------|
| <b>Net Proceeds</b> | <b>\$</b> | <b>3,412,883</b> |
|---------------------|-----------|------------------|

**Non-Cash Expenses:**

|                                 |  |           |
|---------------------------------|--|-----------|
| Depreciation Expense            |  | 1,182,764 |
| Loss on Sale/Disposal of Assets |  | 19,064    |

**Balance Sheet Activity:**

|  |  |           |
|--|--|-----------|
| (Incr) Decr in Accounts Receivable       |  | (225,720) |
| (Incr) Decr in Other Assets              |  | 26,538    |
| Incr (Decr) in Accounts Payable          |  | 2,401,184 |
| Incr (Decr) in Other Accrued Liabilities |  | (221,851) |
| Subtotal                                 |  | 1,980,151 |

**Net Cash Provided (Used) by  
Operating Activities**

**6,594,862**

**Cash Flows from Investing Activities:**

|   |  |              |
|---|--|--------------|
| (Incr) Decr in Buildings & Improvements |  | 854          |
| (Incr) Decr in Equipment                |  | 0            |
| (Incr) Decr in Construction in Progress |  | (19,633,048) |

**Net Cash Provided (Used) by  
Investing Activities**

**(19,632,194)**

|  |  |                     |
|--|--|---------------------|
| <b>Net Increase (Decrease) in Cash</b> |  | <b>(13,037,331)</b> |
|--|--|---------------------|

|                             |  |            |
|-----------------------------|--|------------|
| Cash at Beginning of Period |  | 21,788,407 |
|-----------------------------|--|------------|

**Cash at End of Period**

|  |           |                  |
|--|-----------|------------------|
|  | <b>\$</b> | <b>8,751,076</b> |
|--|-----------|------------------|

**32nd D A A - Orange County Fair  
Capital Expenditures Spending  
August, 2009**

| <b>Description</b>                      | <b>2009<br/>Budget</b> | <b>2009<br/>Spent</b> | <b>2009<br/>Remaining</b> |
|---|------------------------|-----------------------|---------------------------|
| <b>Buildings and Improvements</b>       |                        |                       |                           |
| Memorial Gardens Renovations            | 0.00                   | (377.52)              | 377.52                    |
| Bldg. 16 HVAC                           | 0.00                   | (854.00)              | 854.00                    |
| Span - Bldg 14 & 16                     | 2,185,000.00           | 14,557.79             | 2,170,442.21              |
| Ticket Booth Electronics Upgrade        | 0.00                   | 1,927.99              | (1,927.99)                |
| Surveillance System                     | 0.00                   | 12,001.35             | (12,001.35)               |
| Server Room Office Build Out            | 0.00                   | 1,035.98              | (1,035.98)                |
| Park Plaza Restroom Remodel             | 0.00                   | 28,702.86             | (28,702.86)               |
| Administration Building                 | 3,642,000.00           | 3,023,257.82          | 618,742.18                |
| Blue Skies Main Mall Renovation         | 1,086,000.00           | 243,201.21            | 842,798.79                |
| Decorative Lighting Plan & Renovation   | 0.00                   | 65,900.44             | (65,900.44)               |
| Seal & Stripe Lot D                     | 0.00                   | 90,382.00             | (90,382.00)               |
| Public Address System                   | 0.00                   | 141.59                | (141.59)                  |
| Fiber Runs                              | 0.00                   | 6,797.38              | (6,797.38)                |
| Sewer Pumps & Controls                  | 0.00                   | 5,947.80              | (5,947.80)                |
| Bilco Stage Doors                       | 0.00                   | 43,903.30             | (43,903.30)               |
| Info Booth Improvements                 | 0.00                   | 1,029.29              | (1,029.29)                |
| Corporation Yard                        | 0.00                   | 97,922.69             | (97,922.69)               |
| Hangar Building                         | 4,910,000.00           | 5,790,053.96          | (880,053.96)              |
| Lighting Design/Centennial Farm         | 0.00                   | 9,398.58              | (9,398.58)                |
| Berm Project                            | 45,000.00              | 0.00                  | 45,000.00                 |
| Gate 1 vehicle gate                     | 10,000.00              | 7,043.65              | 2,956.35                  |
| Gate 10 vehicle gate                    | 10,000.00              | 7,253.59              | 2,746.41                  |
| Green gate relocation/MP Village        | 324,000.00             | 169,560.22            | 154,439.78                |
| Pac Amp wall retrofit                   | 17,000.00              | 10,094.00             | 6,906.00                  |
| Pac Amp ADA service window              | 20,000.00              | 16,269.16             | 3,730.84                  |
| Slurry Lot A & H                        | 250,000.00             | 0.00                  | 250,000.00                |
| Box Office Signage                      | 60,000.00              | 28,631.18             | 31,368.82                 |
| Livestock Lane restroom                 | 240,000.00             | 1,300.00              | 238,700.00                |
| Paint Building 10                       | 22,000.00              | 34,803.45             | (12,803.45)               |
| Landscape Lot F & Admin                 | 34,000.00              | 1,471.29              | 32,528.71                 |
| Removal of Old Admin                    | 120,000.00             | 198,181.92            | (78,181.92)               |
| Event Operations Build-out              | 57,000.00              | 64,688.95             | (7,688.95)                |
| Landscape gates 1 & 2                   | 34,000.00              | 18,998.44             | 15,001.56                 |
| Misc. Capital Improvements CCA          | 0.00                   | 7,987,766.10          | (7,987,766.10)            |
| Cent. Farm Fencing/Signage              | 0.00                   | 7,779.55              | (7,779.55)                |
| Re-roof Pac Amp R/R's & Offices         | 0.00                   | 37,459.02             | (37,459.02)               |
| EQC Campground                          | 0.00                   | 67,321.49             | (67,321.49)               |
| Pac Amp Trailer-Fire Sprinklers         | 0.00                   | 11,363.64             | (11,363.64)               |
| <b>Total Buildings and Improvements</b> | <b>13,066,000.00</b>   | <b>18,104,916.16</b>  | <b>(5,038,916.16)</b>     |

**32nd D A A - Orange County Fair  
Capital Expenditures Spending  
August, 2009**

| <b>Description</b>                 | <b>2009<br/>Budget</b> | <b>2009<br/>Spent</b> | <b>2009<br/>Remaining</b> |
|------------------------------------|------------------------|-----------------------|---------------------------|
| <b>Carnival Improvements</b>       |                        |                       |                           |
| Carnival Capital Improvements      | 0.00                   | 3,614.00              | (3,614.00)                |
| <b>Total Carnival Improvements</b> | <b>0.00</b>            | <b>3,614.00</b>       | <b>(3,614.00)</b>         |
| <b>Equipment</b>                   |                        |                       |                           |
| Exhibit Lighting System            | 0.00                   | 108,107.59            | (108,107.59)              |
| Pac Amp Production Equipment       | 0.00                   | 339.13                | (339.13)                  |
| AI's Brain                         | 700,000.00             | 1,170,327.41          | (470,327.41)              |
| Admissions Cart                    | 9,000.00               | 0.00                  | 9,000.00                  |
| Technology Cart                    | 7,000.00               | 14,180.28             | (7,180.28)                |
| DPS Cart                           | 7,000.00               | 0.00                  | 7,000.00                  |
| Parking Reader Board               | 30,000.00              | 24,734.10             | 5,265.90                  |
| Admin Furniture                    | 100,000.00             | 0.00                  | 100,000.00                |
| Call Router                        | 25,000.00              | 0.00                  | 25,000.00                 |
| Public Address System              | 50,000.00              | 1,045.00              | 48,955.00                 |
| Surveillance System                | 50,000.00              | 22,284.79             | 27,715.21                 |
| Exhibit Walls                      | 100,000.00             | 0.00                  | 100,000.00                |
| Theme Project                      | 100,000.00             | 65,798.95             | 34,201.05                 |
| Fiber Runs                         | 20,000.00              | 15,570.44             | 4,429.56                  |
| Property Marquees                  | 150,000.00             | 7,110.75              | 142,889.25                |
| Exhibit Theme                      | 0.00                   | 87,564.03             | (87,564.03)               |
| ESS Cart                           | 0.00                   | 9,837.58              | (9,837.58)                |
| <b>Total Equipment</b>             | <b>1,348,000.00</b>    | <b>1,526,900.05</b>   | <b>(178,900.05)</b>       |
| <br>                               |                        |                       |                           |
| <b>Total Capital Expenditures</b>  | <b>14,414,000.00</b>   | <b>19,635,430.21</b>  | <b>(5,221,430.21)</b>     |