

W. 10.9.

DATE: April 19, 2004  
TO: Board of County Commissioners  
FROM: Warren G. Wong, Managing Director  
Fair Board  
SUBJECT: Fair "Rainy Day" Reserve Request

The Finance and Audit Committee reviewed the Fair Board's request to access \$67,065 from the Fair "Rainy Day" Reserve on February 24<sup>th</sup>. The Committee is forwarding their recommendation to you. Attached is a Board Order to process this transaction and the background material presented to the Finance and Audit Committee.

ATTACHMENT – 2

DATE: February 17, 2004

TO: Finance and Audit Committee  
Board of County Commissioners

FROM: Fair Board

SUBJECT: Draw from Fair "Rainy Day" Reserve

Board Order #03-6-18-1 authorized the establishment of a Reserve for the Fair in case the Actual Net Revenue was under the Budgeted Net Revenue by 10% or more. For the 2003 Fair, the Actual Net Revenue was \$417,535 vs. a Budgeted Net Revenue of \$484,600. There are a multitude of reasons for not achieving the historical trend of Net Revenues this past Fair, prominent of which were the state of the local economy, not having a "name" concert on Sunday and additional expenses for the LTD Shuttle and Animal Disease Information and Prevention Program implemented as a result of the E coli situation at the 2002 Fair.

At its January 24<sup>th</sup> meeting, the Fair Board passed a motion requesting the County Commission release \$67,065 from this Reserve to the Operating Budget to make-up this shortfall. As you know, the Fair Net Revenue is basically what covers the overhead cost of the Fair Board throughout the balance of the fiscal year and is a key component of the financial infrastructure for the Board.

cc: T. Hunton

Attachment -- 1

IN THE BOARD OF COUNTY COMMISSIONERS  
OF LANE COUNTY, OREGON

ORDER NO. 04-

) IN THE MATTER OF APPROVING THE  
) EXPENDITURE OF TRANSIENT ROOM  
) TAX FUND IN THE FAIRGROUNDS  
) "RAINY DAY" CASH RESERVE FUND  
) FOR FAIRGROUNDS OPERATIONS

WHEREAS, in June, 2004 (Order No. 03-06-18-1), the Board of County Commissioners approved the use of excess transient room tax revenues for the creations of a Fairgrounds "Rainy Day" cash reserve, and

WHEREAS, under that order, the Fair Board could only expend funds from the Fairgrounds "Rainy Day" cash reserve with the approval of the Board of County Commissioners, upon the occurrence of one of two contingencies: a) if the actual net surplus from the annual fair, determined as of December 31 of the same year, is 10% less than the net fair surplus that is anticipated and budgeted through the annual budget process, or b) if there is an unexpected capital emergency beyond the ability of the Fair Board to manage within its normal cash flow during the year, and

WHEREAS the Fair Board budgeted a net revenue for the FY 03-04 Fair of \$484,600, but only achieved an actual net revenue of \$417,535, which is a shortfall of \$67,065 and more than 10%, and

WHEREAS, the Fair Board has requested the Board of Commissioners release \$67,065 from the Rainy Day Reserve for use in the Fairgrounds general operating budget, and

WHEREAS, the Finance and Audit Committee reviewed the request at its March 9, 2004 meeting and recommends its approval, now therefore it is hereby

ORDERED that the Fairgrounds is permitted to use \$67,065 of the Rainy Day reserve for general operations in FY 03-04.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

\_\_\_\_\_  
Bobby Green, Sr., Chair  
Lane County Board of Commissioners

APPROVED AS TO FORM  
Date 5/3/04 \_\_\_\_\_ Lane County  
\_\_\_\_\_  
OFFICE OF LEGAL COUNSEL