

## Functional Area Summary

9814 – Fund 134-East Vallejo Fire Protection District

Birgitta E. Corsello, County Administrator  
Fire Protection

### DISTRICT PURPOSE

The East Vallejo Fire Protection District (EVFPD) was established for the purpose of disbursing special assessment revenues collected within the District's jurisdiction to the City of Vallejo through a contract for fire protection services to its citizens.

#### Budget Summary:

|                                        |         |
|----------------------------------------|---------|
| FY2011/12 Third Quarter Projection:    | 386,750 |
| FY2012/13 Recommended:                 | 368,289 |
| County General Fund Contribution:      | 0       |
| Percent County General Fund Supported: | 0.0%    |
| Total Employees (FTEs):                | 0.0     |

### FUNCTION AND RESPONSIBILITIES

The EVFPD's jurisdiction is Southeast Vallejo, an unincorporated area of the county, surrounded by the City of Vallejo. This budget unit receives property taxes from this area for the payment of fire protection services. The Board of Supervisors serve as the District's Board of Directors and the District is administered through the County Administrator's Office.

### SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

None.

### WORKLOAD INDICATORS

None.

### DEPARTMENTAL BUDGET SUMMARY

The Recommended Budget for the EVFPD of \$368,289 represents decreases of \$21,981, or 5.6%, in Revenues and \$19,807, or 5%, in Appropriations when compared to its FY2011/12 Adopted Budget.

The decrease in revenues is the result of a reduction in tax revenue projected for FY2012/13. Contracted Services with the City of Vallejo Fire Department is budgeted at \$356,439 and is based on anticipated property tax revenues less \$8,350 in administrative support costs. If there is any available Fund Balance at the FY2011/12 year-end, the Department requests the Auditor-Controller increase the Department's appropriations for Contracted Services by the amount of the available ending Fund Balance.

### DEPARTMENT COMMENTS

None.

| SUMMARY BY SOURCE                   | 2010/11<br>ACTUALS | 2011/12<br>ADOPTED<br>BUDGET | 2012/13<br>CAO<br>RECOMMENDED | FROM<br>ADOPTED TO<br>RECOMMENDED | PERCENT<br>CHANGE |
|-------------------------------------|--------------------|------------------------------|-------------------------------|-----------------------------------|-------------------|
| <b>134 - EAST VJO FIRE DISTRICT</b> |                    |                              |                               |                                   |                   |
| Taxes                               | 379,372            | 366,300                      | 364,705                       | (1,595)                           | (0%)              |
| Revenue From Use of Money/Prop      | 751                | 180                          | 180                           | 0                                 | 0%                |
| Intergovernmental Rev State         | 4,305              | 4,270                        | 3,404                         | (866)                             | (20%)             |
| From Reserve                        | 0                  | 19,520                       | 0                             | (19,520)                          | (100%)            |
| <b>TOTAL FINANCING AVAILABLE</b>    | <b>384,428</b>     | <b>390,270</b>               | <b>368,289</b>                | <b>(21,981)</b>                   | <b>(6%)</b>       |
| Services and Supplies               | 380,399            | 382,746                      | 364,439                       | (18,307)                          | (5%)              |
| Other Charges                       | 6,202              | 5,350                        | 3,850                         | (1,500)                           | (28%)             |
| <b>TOTAL FINANCING REQUIREMENTS</b> | <b>386,601</b>     | <b>388,096</b>               | <b>368,289</b>                | <b>(19,807)</b>                   | <b>(5%)</b>       |

### SUMMARY OF SIGNIFICANT ADJUSTMENTS

None.

**Birgitta E. Corsello, County Administrator**  
**Fire Protection**

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**SUMMARY OF POSITION CHANGES**

The EVFPD has no employees. It contracts out for fire protection services.

**PENDING ISSUES AND POLICY CONSIDERATIONS**

The County has an agreement with the City of Vallejo to provide fire protection services to the East Vallejo Fire Protection District. The City is now out of bankruptcy, but continues to have financial difficulties. At this time the County doesn't anticipate significant changes in the current service level provided by the City to the District; however, property tax revenues have not yet stabilized and remain at risk of further declines during the economic recovery.

**DISTRICT PURPOSE**

The Consolidated County Service Area (CCSA) provides street lighting in the unincorporated areas of Solano County.

**Budget Summary:**

|                                        |         |
|----------------------------------------|---------|
| FY2011/12 Third Quarter Projection:    | 115,751 |
| FY2012/13 Recommended:                 | 162,751 |
| County General Fund Contribution:      | 0       |
| Percent County General Fund Supported: | 0.0%    |
| Total Employees (FTEs):                | 0       |

**FUNCTION AND RESPONSIBILITIES**

The Consolidated County Service Area (CSA) provides street lighting in the unincorporated areas of Solano County. This budget funds maintenance of 552 existing streetlights, including the cost of electricity, as well as the installation of new street lights when needed. This budget is entirely funded through property taxes.

**SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS**

Part of the street lighting projects planned for FY2011/12 were postponed until FY2012/13 due to a reduced number of lighting locations being accepted by PG&E as appropriate project locations. No new projects are planned for FY2012/13.

**WORKLOAD INDICATORS**

- Operated and maintained 552 street lights.

**DEPARTMENTAL BUDGET SUMMARY**

The Recommended Budget for the Consolidated County Service Area represents a decrease of \$107,636, or 56%, in Revenues and a decrease of \$50,000, or 23%, in Appropriations compared to the FY2011/12 Adopted Budget. The difference between expenditures and revenues of \$77,810 will be funded from Reserves.

| SUMMARY BY SOURCE                         | 2010/11<br>ACTUALS | 2011/12<br>ADOPTED<br>BUDGET | 2012/13<br>CAO<br>RECOMMENDED | FROM<br>ADOPTED TO<br>RECOMMENDED | PERCENT<br>CHANGE |
|-------------------------------------------|--------------------|------------------------------|-------------------------------|-----------------------------------|-------------------|
| <b>046 - COUNTY CONSOLIDATED SVC AREA</b> |                    |                              |                               |                                   |                   |
| Taxes                                     | 81,878             | 84,450                       | 79,000                        | (5,450)                           | (6%)              |
| Revenue From Use of Money/Prop            | 4,822              | 4,300                        | 4,500                         | 200                               | 5%                |
| Intergovernmental Rev State               | 921                | 800                          | 800                           | 0                                 | 0%                |
| Charges For Services                      | 0                  | 0                            | 641                           | 641                               | 0%                |
| From Reserve                              | 0                  | 103,027                      | 0                             | (103,027)                         | (100%)            |
| <b>TOTAL FINANCING AVAILABLE</b>          | <b>87,620</b>      | <b>192,577</b>               | <b>84,941</b>                 | <b>(107,636)</b>                  | <b>(56%)</b>      |
| Services and Supplies                     | 46,784             | 195,600                      | 145,600                       | (50,000)                          | (26%)             |
| Other Charges                             | 26,523             | 17,151                       | 17,151                        | 0                                 | 0%                |
| <b>TOTAL FINANCING REQUIREMENTS</b>       | <b>73,307</b>      | <b>212,751</b>               | <b>162,751</b>                | <b>(50,000)</b>                   | <b>(24%)</b>      |

**SUMMARY OF SIGNIFICANT ADJUSTMENTS**

\$100,000 in lighting work from FY2011/12 has been rebudgeted in FY2012/13.

**SUMMARY OF POSITION CHANGES**

The Consolidated County Service Area has no employees. Administration of the budget is performed by Public Works Engineering employees, while the installation and maintenance of the street lights is done by PG&E or private contractors.

**Birgitta E. Corsello, County Administrator**  
**Other Assistance**

## DEPARTMENTAL PURPOSE

The Workforce Investment Board (WIB) of Solano County, Inc. is a private, nonprofit, 501(c) (3) organization serving as the administrator/operator of primarily federally-funded workforce development grants and programs. The WIB of Solano County Board of Directors is appointed by the County Board of Supervisors and acts as the federally mandated, business-led “Workforce Investment Board” to oversee U.S. Department of Labor (DOL) Workforce Investment Act (WIA) grants and programs.

### Budget Summary:

|                                        |           |
|----------------------------------------|-----------|
| FY2011/12 Third Quarter Projection:    | 5,360,067 |
| FY2012/13 Recommended:                 | 4,811,783 |
| County General Fund Contribution:      | 0         |
| Percent County General Fund Supported: | 0.0%      |
| Total Employees (FTEs):                | 0.0       |

## FUNCTION AND RESPONSIBILITIES

The WIB of Solano County links employers with employees to improve the quality, competitiveness and productivity of the local workforce. The WIB Board serves employers and jobseekers.

Services are provided through: (a) the Solano Employment Connection (SEC), the County's One-Stop Career Center System (a 22-member collaborative of education, training and employment entities, which the WIB of Solano County oversees); and (b) a number of DOL block grants serving adult, dislocated workers and youth jobseekers. A menu of services is offered to jobseekers and to businesses.

## SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

The WIB faces the following major challenges for the upcoming year.

- A range of minor to major reductions in federal funding, based on Congressional actions to balance the federal budget and reign in domestic spending, could severely reduce the WIB's ability to maintain the full range of services in two One-Stop Career Center operations (in Vallejo and Fairfield) and serve as many adult jobseekers, dislocated workers and youth with intensive services, as well as employers.
- Demand for services are outstripping available resources, even at current funding levels. The numbers of unemployed job seekers seeking One-Stop and WIB intensive services continue to rise, given current economic times. Even as a slight upturn in hiring is occurring, more job seekers who had stopped looking for jobs are re-engaging in their proactive job search and seeking assistance in the One-Stop Centers.
- The WIB is assigned the task of “up-skilling and re-skilling the workforce, in anticipation of the economic rebound.” This is proving especially hard to carry out, when jobseekers do undertake training in a new career field and do their best to look for work, only to find few job opportunities to follow.
- Employers continue to express deep-seated concern over the qualifications and preparedness of job seekers to fill increasingly more demanding jobs. The current “labor surplus” market is masking an underlying problem; a longer-term more comprehensive effort is needed to provide workers with a solid educational foundation, specific job-related (or “hard”) skills, and much-needed work readiness (or “soft”) skills.
- The WIB and One-Stop Center operations continue to adapt and be relevant in the lives of jobseekers and employment needs of employers. New services have been added; more employers are using these services, and shifts in WIB “product lines” (as a business-like organization) are taking place. Larger changes may be called for as Congress attempts to retool the nation's public workforce system, while holding funding steady or at reduced levels.

## WORKLOAD INDICATORS

- The work of the WIB is guided by three major measurement systems, as follows.
- The federal WIA system has a nine-part set of “Common Measures” for the basic Adult, Dislocated Worker and Youth programs. The WIB seeks to either “exceed” (at 100% plus of plan ) or “meet” (at between 80% and 99% of plan) these annual standards. For the FY2010/11 period, the WIB met or exceeded all nine of these Measures.

- Each special grant has its own performance outcomes that includes overall enrollment numbers, planned outcomes, and expected expenditure plans. Again, the WIB seeks to meet or exceed each of these standards for each grant. The WIB is meeting these basic obligations for the variety of special projects serving ex-offenders, veterans, and dislocated workers. However, job placement rates are gradually lowering, as the full impact of the tough economy and job market are being realized.
- The WIB has an internal, multi-factorial consideration process to assess staff's overall performance taking the above-cited statistical outcomes in mind, plus certain subjective considerations. The WIB Board of Directors has rightfully recognized staff's high attainment against these multi-factorial considerations.

**DEPARTMENTAL BUDGET SUMMARY**

The Department's Requested Budget of \$4,811,783 represents an overall increase of \$31,676, or 0.7%, in Revenues and an increase of \$12,310, or 0.3%, in Appropriations when compared to the FY2011/12 Adopted Budget. There is no General Fund support to this budget, as WIB's activities are fully grant-funded,

**DEPARTMENT COMMENTS**

Overall, the FY2012/13 Recommended Budget for the Workforce Investment Board (WIB) is based on the best estimates of federal grant funding that is anticipated to be awarded for the fiscal year. In addition to the projection of available new federal funding, the Budget includes the projection of unspent funds remaining at June 30, 2012, and available for expenditure in FY2012/13. It is almost certain that future recalculations will need to be made for both revenue and expenditure line-items.

The WIB does not receive any County General Fund support. The WIB submits a plan and budget to the State of California on behalf of the County. The State then allocates Federal money to the WIB through the County. The WIB may also receive funding through the regional collaborative, North Bay Employment Connection, and through awarded service contracts.

The number of WIA clients served has changed over time due to fluctuations in awarded funding: FY2008/09 = 536; FY2009/10 = 1,380; FY2010/11 = 1,317; a projected FY2011/12 total of 890, and a forecasted total for FY2012/13 of 710. All program service levels and activities are based on the grant funding amounts awarded to the WIB. Services are adjusted to satisfy the program goals, and to efficiently utilize the available funding, for each grant.

The number of job seekers served in the Solano Employment Connection One–Stop Career Centers has averaged about 10,000 per year with 75,000 visits made to the centers.

| DETAIL BY REVENUE<br>CATEGORY AND<br>APPROPRIATION CATEGORY | 2010/11<br>ACTUALS | 2011/12<br>ADOPTED<br>BUDGET | 2012/13<br>RECOMMENDED | FROM<br>ADOPTED TO<br>RECOMMENDED | PERCENT<br>CHANGE |
|-------------------------------------------------------------|--------------------|------------------------------|------------------------|-----------------------------------|-------------------|
| <b>REVENUES</b>                                             |                    |                              |                        |                                   |                   |
| Revenue From Use of Money/Prop                              | 1,806              | 0                            | 0                      | 0                                 | 0%                |
| Intergovernmental Rev Federal                               | 6,093,072          | 4,780,107                    | 4,811,783              | 31,676                            | 1%                |
| Intergovernmental Rev Other                                 | 192,984            | 0                            | 0                      | 0                                 | 0%                |
| Misc Revenue                                                | 11,926             | 0                            | 0                      | 0                                 | 0%                |
| <b>TOTAL REVENUES</b>                                       | <b>6,299,787</b>   | <b>4,780,107</b>             | <b>4,811,783</b>       | <b>31,676</b>                     | <b>1%</b>         |
| <b>APPROPRIATIONS</b>                                       |                    |                              |                        |                                   |                   |
| Salaries and Employee Benefits                              | 3,628,273          | 2,760,560                    | 2,914,338              | 153,778                           | 6%                |
| Services and Supplies                                       | 874,819            | 940,839                      | 741,234                | (199,605)                         | (21%)             |
| Other Charges                                               | 1,819,258          | 1,098,074                    | 1,156,211              | 58,137                            | 5%                |
| <b>TOTAL APPROPRIATIONS</b>                                 | <b>6,322,350</b>   | <b>4,799,473</b>             | <b>4,811,783</b>       | <b>12,310</b>                     | <b>0%</b>         |
| <b>NET CHANGE</b>                                           | <b>22,562</b>      | <b>19,366</b>                | <b>0</b>               | <b>(19,366)</b>                   | <b>(100%)</b>     |

Birgitta E. Corsello, County Administrator  
Other Assistance

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## SUMMARY OF SIGNIFICANT ADJUSTMENTS

### Revenue – significant factors contributing to changes from FY2011/12:

- WIA Formula Grants (Adult, Youth, Dislocated Worker, Rapid Response, and Administration funds): the grants amounts for FY2012/13, allotted by formula, may remain unchanged. These are the traditional base WIA grant allotments for local WIBs and have been estimated at the FY2011/12 level. The slight increase in revenue amount is a result of the estimate of unspent funds that will be available at June 2012 to spend in FY2012/13. Grant allotments and funds remaining unspent at June 2012 are likely to change, and as needed, they will be amended in future financial reports.
- Veterans: A grant for \$465,000 was awarded to the Solano WIB for the period July 2011 – December 2012. Funds projected to remain unspent as of June 2012 in the amount of \$135,823 are included in the budget to be spent for program operations through December 2012.
- State Compensation Insurance Fund (SCIF): SCIF is expected to award grant funding to Solano WIB to serve workers laid off during companies' current downsizing. The WIB will provide needed job services to the laid-off workers, such as skill assessments, case management, job development services, retraining, and assistance with job search. The goal is to transition job seekers into available and emerging occupations. The amount of funding included in the FY2012/13 budget is \$369,459 of the total requested grant amount of \$558,459.
- NUMMI Plant Closure funding serves workers dislocated by the NUMMI plant closure who reside in Solano County. This project is operated in collaboration with other Bay Area WIBs whose communities have been impacted by the plant closure. The amount remaining to be spent is projected at \$42,000, out of a total grant award of \$486,615.
- Three grants end by the end of the current fiscal year. Thus, no funding was included in the FY2012/13 Recommended Budget for the National On-the-Job-Training program, the CA Department of Corrections and Rehabilitation Program and the O'Reilly program.

### Appropriations – significant changes from FY2011/12:

- Salaries and Employee Benefits: The Recommended Budget includes funding for 40.0 FTE. This compares to the initial 37 in FY2011/12, and the actual average of 43 FTEs during FY2011/12. Because the revenue amounts included in this budget are estimates, the actual final number of FTEs may vary, and commitments to any additions in personnel will be undertaken only as grant amounts become available. The overall decrease in labor costs is \$153,778, or 5.6%, from the FY2011/12 Adopted Budget, primarily due to reductions in the cost of benefits.
- Services and Supplies: The requested amounts vary from the prior budget based on calculations considering the current number of FTEs, the prior actual cost experience, cost-cutting efforts, and the anticipated operational changes resulting from the anticipated programmatic responsibilities. Until firmer funding information is available, the WIB is not planning additional cost-cutting measures such as reconfiguring space, etc. These variable costs fluctuate with changes in the number of FTEs. The overall decrease in the Services and Supplies category is \$199,605, -21.2% from the FY2011/12 Adopted Budget.
- Other Charges: Overall direct client expenditures are decreased to correspond to the estimated decreases in grant funding, corresponding projected decreases in number of clients to be served, and changes in grant program design. The overall increase in the Other Charges category is \$58,137, or 5.3%, over the FY2011/12 Adopted Budget.

## SUMMARY OF POSITION CHANGES

No position changes are planned at this time. Should there be a reduction in federal funding for the agency, some downsizing will be needed. The size of such a reduction can only be established and accounted for once the size of any budget reduction is known.

## PENDING ISSUES AND POLICY CONSIDERATIONS

There are two major federal deliberations which may affect the future status of, and activities of the WIB agency, as discussed below. Within these two are growing signs of Congressional support for the WIA program's funding and legislative reauthorization.

- The Congress and President continue debating efforts to balance the annual federal budget and reduce the federal debt levels. The “Debt Limit” debates also have an impact. However, there is growing bipartisan support for the “public workforce system” and a block grant effort to local communities, with a business-led board. Proposals for complete elimination of the federal WIA program funding are not being suggested as were in FY2010/11, and proposals for “steady state” or perhaps up to a 10-12% reduction are being discussed. This lays open a lot of uncertainty and a wide range of possible options for the future; and
- Congressional authorizing committees are taking up WIA Reauthorization legislation, which would provide a continued longer-term revenue stream for the program. This effort has been undertaken a number of times across the last 6 years, only to be stalled. However, the current best projections are that WIA Reauthorization will not be passed by Congress, but the growing support for the WIA program will foster positive Congressional actions in the near future years.

Furthermore, a number of new trends/initiatives are coming forth at the State level. These pose a greater current or potential impact on the WIB’s operation. These include the following.

- Congress has removed the bulk of the Governor’s discretionary WIA funds, which the WIB routinely was able to access with successful competitive grant applications. This has long-term implications for the WIB. Without this funding source, such dedicated programs for veterans, ex-offenders, and certain targeted industries will likely have to cease.
- State legislative actions and/or staff-led initiatives are gradually impeding upon local decision-making (as envisioned/afforded in the WIA legislation itself) and moving the public workforce system toward a more “one size fits all” model for administration and service delivery. Some of these initiatives present unfunded mandates upon local governments and WIBs.
- The challenge of day-to-day operation of the One-Stop Centers is compounded by continued reductions in State funding for virtually every local agency that serves as a One-Stop Center partner. This includes annual reductions in staffing provided by the State Employment Development Department (EDD). Either, more of the responsibility falls upon the WIB to support One-Stop Center services, or major reductions in the range and/or availability of services may have to be implemented in the near future.

Mike Paluszak, General Manager  
Solano County Fair

## DEPARTMENTAL PURPOSE

Solano County Fair Association (SCFA) is a 501(c)3 nonprofit organization established in 1946 to conduct the annual Solano County Fair and to oversee the day-to-day operations of the County-owned fairgrounds property. The SCFA strives to provide a year-round regional destination point by presenting first-class, multi-use entertainment and recreation facilities that support the County Fair and provide an economic and quality of life asset to the greater Solano County community.

### Budget Summary:

|                                        |           |
|----------------------------------------|-----------|
| CY2012:                                | 3,312,158 |
| County General Fund Contribution:      | 0         |
| Percent County General Fund Supported: | 0%        |
| Total Employees (FTEs):                | 25.5      |

## FUNCTION AND RESPONSIBILITIES

SCFA operates under a contract with the County of Solano as a self-supporting Enterprise Fund. The vast majority of its revenues are generated by the operations of the fairgrounds. The County uses license fees generated by the California horse racing industry to offset the cost of providing staff services to the SCFA. Other non-operating revenues include interest income, and contributions from the State Division of Fairs and Exhibitions which ended in 2011.

In June 2009, the County Board of Supervisors in cooperation with the City of Vallejo initiated the visioning effort known as Solano360. The County, the City of Vallejo and the SCFA have been working together to devise a plan to redevelop the fairgrounds property and create a Fair of the Future. For more details on this ongoing effort, refer to Budget Unit 1815, Fairgrounds Development Project, in the Capital Projects section.

## SIGNIFICANT CHALLENGES AND ACCOMPLISHMENTS

Economic conditions over the past several years have greatly affected all aspects of leisure, recreation and advertising industries. In spite of significant challenges stemming from a downturn in the economy and a loss of State funding, SCFA added \$156,904 to the total reserves in Calendar Year (CY) 2011.

The 2011 Fair continued to build upon programs including the County & Cities Expo and the Cultural Pavilion, with emphasis on local participation. Comments solicited as part of the "People's Choice" ballot for the County & Cities Expo's exhibits indicate that guests noticed, appreciated, liked and enjoyed the changes and value the fair as an important part of life in Solano County.

The 9<sup>th</sup> Annual Youth Ag Day saw a continual increase in attendance by Solano County third-graders. A collaborative effort of the Solano County Fair and agricultural-related businesses, organizations, farmers, ranchers and other individuals, this fun and educational event is free to all third-grade classes in Solano County and features a wide variety of rotational learning stations and displays. Activities are designed to give children the opportunity to learn about food and fiber production from new perspectives, with a particular emphasis on the agricultural wealth of Solano County.

The Solano County Fairgrounds hosted 194 event days, not counting the year-round operation of the Joe Mortara Golf Course, the Solano Race Place (satellite wagering facility), the Horizon Pre-School, or Six Flags Parking. These events provided a wide range of entertainment and recreational opportunities to residents of Solano County and attracted many visitors to the area.

## WORKLOAD INDICATORS

- 194 revenue-generating event days in 2011, including both SCFA-produced and year-round events (does not include revenue-generating move-in/move-out days), down from 207 in 2010
- 40,573 people attended the 2011 Solano County Fair, up from 35,120 in 2010
- Approximately 2,782 participated in the 2011 Youth Ag Day, up from 2,300 in 2010
- 41,309 attendees at the Solano Race Place in 2011, down from 44,507 in 2010
- 18,431 rounds of golf at the Joe Mortara Golf Course in 2011, down from 19,979 in 2010

**DEPARTMENTAL BUDGET SUMMARY**

The SCFA budget is based on a calendar year. The Board of Supervisors approved the SCFA 2012 budget on December 13, 2011.

The SCFA CY2012 Budget of \$3,312,158 represents an overall decrease of \$328,750, or 10%, in Revenues and \$90,862, or 3% in Appropriations when compared to the CY2011 Adopted Budget. After accounting for capital expenses of \$94,000, the SCFA is projecting a net loss of \$404,808 for CY2012. The County Fair has a Reserve that will be used to cover operating losses while it continues to address the budget shortfall.

**DEPARTMENT COMMENTS**

The dates of 2012 Solano County Fair will be August 1 to August 5. The SCFA intends to make the first weekend in August a “permanent” place on the calendar, following a successful 2011 Fair in which paid attendance increased by 27%. The first weekend of August is a week when most families are back from vacation has no major holidays, and is the last weekend before school begins for most school districts.

| DETAIL BY REVENUE<br>CATEGORY AND<br>APPROPRIATION CATEGORY | 2010/11<br>ACTUALS | 2011/12<br>ADOPTED<br>BUDGET | 2012/13<br>RECOMMENDED | FROM<br>ADOPTED TO<br>RECOMMENDED | PERCENT<br>CHANGE |
|-------------------------------------------------------------|--------------------|------------------------------|------------------------|-----------------------------------|-------------------|
| <b>REVENUES</b>                                             |                    |                              |                        |                                   |                   |
| Revenue From Use of Money/Prop                              | 1,139,723          | 1,316,900                    | 1,478,750              | 161,850                           | 12%               |
| Intergovernmental Rev State                                 | 161,000            | 107,500                      | 0                      | (107,500)                         | (100%)            |
| Charges For Services                                        | 1,738,322          | 1,518,000                    | 1,115,700              | (402,300)                         | (27%)             |
| Misc Revenue                                                | 266,154            | 293,700                      | 312,900                | 19,200                            | 7%                |
| <b>TOTAL REVENUES</b>                                       | <b>3,305,199</b>   | <b>3,236,100</b>             | <b>2,907,350</b>       | <b>(328,750)</b>                  | <b>(10%)</b>      |
| <b>APPROPRIATIONS</b>                                       |                    |                              |                        |                                   |                   |
| Salaries and Employee Benefits                              | 1,613,197          | 1,594,170                    | 1,521,768              | (72,402)                          | (5%)              |
| Services and Supplies                                       | 1,622,443          | 1,634,850                    | 1,666,390              | 31,540                            | 2%                |
| Other Charges                                               | 67,974             | 0                            | 30,000                 | 30,000                            | 0%                |
| F/A Bldgs and Imprmts                                       | 150,358            | 0                            | 70,000                 | 70,000                            | 0%                |
| F/A Equipment                                               | 37,101             | 174,000                      | 24,000                 | (150,000)                         | (86%)             |
| <b>TOTAL APPROPRIATIONS</b>                                 | <b>3,491,073</b>   | <b>3,403,020</b>             | <b>3,312,158</b>       | <b>(90,862)</b>                   | <b>(3%)</b>       |
| <b>NET GAIN(LOSS)</b>                                       | <b>(185,874)</b>   | <b>(166,920)</b>             | <b>(404,808)</b>       | <b>(237,888)</b>                  | <b>143%</b>       |

**SUMMARY OF SIGNIFICANT ADJUSTMENTS**

- \$127,500 in State Allocations has been eliminated in 2012.
- Horse racing replacement revenue funding has been eliminated in 2012. The Solano County Fair received \$414,088 in revenue replacement in 2011.
- The Solano County Fair will be investing in advertising and promotions with respect to fundraising, year-round sponsorship development, and year-round facility rental, satellite wagering, electronic sign and golf course operations.
- The SCFA will continue its successful efforts to reinvent, rebrand, and reposition the Fair in the local and regional market.
- The Solano County Fair will continue to build the Fair as a place to celebrate Solano County. With the Cities & County Expo, local cities setup booths that promote their city. The Fair will also continue to celebrate Solano County's rich culture diversities with the Cultural Pavilion and promote local entertainment, food and groups.

**SUMMARY OF POSITION CHANGES**

There are no changes in positions from 2011. Day-to-day operations at the Fairgrounds are accomplished with 11 full-time and 29 part-time employees. This is augmented by 30 intermittent part-time employees for events and approximately 130 seasonal employees for the Fair.

**Mike Paluszak, General Manager  
Solano County Fair**

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#### **PENDING ISSUES AND POLICY CONSIDERATIONS**

The Solano County Fair Association faces major challenges in CY2012. Increasing revenue in a continuing slow economic time, particularly with respect to discretionary spending, continues to be a significant challenge. Maintaining the current level of activities while creatively attracting new events, activities and revenue, represents an even greater challenge as the SCFA goes forward with limited staff and resources. Particularly in light of the loss of State funding and replacement revenue for live horse racing in 2012, SCFA is even more mindful than ever of the need to discover new revenue streams and increase revenues from existing sources.

The SCFA CY2012 budget anticipates year-end Reserves of \$777,153, which is \$140,443 or 22% more than budgeted at year-end CY2011. The increases in Reserves resulted from unanticipated State revenue in CY2011 used to invest in revenue enhancing efforts in 2012, and prior year revenue from Six Flags that was unanticipated when the CY2012 budget was approved. The SCFA understands that ongoing operational costs cannot rely on the use of Reserves and will continue to strive to expand its year-round revenue streams.

Maintaining and improving existing aging facilities with limited resources continues to challenge most fairgrounds in the United States, including the Solano County Fairgrounds. SCFA must continue to maximize its limited resources for needed deferred maintenance and capital improvements, while aggressively and creatively seeking and seizing new revenue opportunities.

Solano360, the redevelopment plan of the fairgrounds property and the "Fair of the Future," was put on hold in March 2012 to allow time to fully explore the ramifications of the end of the redevelopment agencies. The Solano County Fair has been an active partner in the development of the redevelopment strategies, and enthusiastically supports the project. In the short term, the Solano County Fair is challenged with developing new revenue streams that will not conflict with this long-term strategy.