

Board 03/30/2023

FY 2023 FINANCIAL INFORMATION

Referencing attachment IV.B. 2 that represents FY 2023 full year projection through 06/30/23 with actual data through 02/28/23.

PROFIT/LOSS:

This month's report continues to reflect a stable and sustained level of revenue as we continue on track to exceed pre-pandemic numbers by fiscal year end.

- Over the past eight (8) months, swap meet revenue continues to average a tick above \$430K per month as opposed to pre-pandemic average of approx. \$355K per month.
The increase is attributed in large part to the increase in non-resident swap meet admission fee.
- Please note that I have inserted a few projected revenue adjustments for the month of March that will become actuals in next month's financial report. These revenue adjustments include:
 - Parking revenue increased \$58.4K, primarily as a result of the two-day concert event in February.
 - Food & beverage also increased by \$44K primarily attributed to the concert event.
 - Rent increased as a result of several multi-date events. These events include:
 - Eye Productions – multiple base camp events (\$8,000)
 - Habilitat's Haunted House (\$13,000)
 - The Christmas light show (\$23,000),
 - DOE (\$32.2K), and
 - Several one-off events – included in that total.

On the EXPENDITURE side of the spreadsheet:

- There has not been a significant or material change to actual and projected expenditures.
- We expect the expenditure projection to remain relatively level through the close of the fiscal year.

- Personal services cost does increase when we have events as we realize an increase in labor cost due to staffing events with PTI workers; however, this expense may also be offset by revenue earned from an event and in some cases, depending on the circumstances, may subsequently be reimbursed by the Licensee.

ACCOUNT SUMMARY

Note the insertion of **\$1.7M** planned expenditure for the swap meet transition project. This amount represents the amount of special funds we have set aside based on the assumption that we would be able to expend \$500,000 in general funds appropriated by Act 248, SLH 2022.

On the right side is a breakdown of the total cost by means of financing. In addition to the \$1.7M in special funds, we planned to subsidize the cost with \$500K of which \$450K has been approved by the Governor and \$50K has been set aside as “restricted”. We are currently in the process of requesting Governor’s approval to release the \$50K restriction that I believe was inadvertently restricted in our original request to allot the \$500K of general funds.

With the release of restriction, we will have set aside a total of \$2.2M to address the swap meet transition and risk mitigation plan.

While the project was originally planned to be expended in FY ’23, based on our swap meet transition plan meeting yesterday, it appears that the earliest we may be able to encumber funds for a contract would be September 2023 (FY ’24), after the June 30th close of FY ’23.

This means that we will now look to reshuffle FY ’24’s budget ceiling to ensure that we are able to encumber the full amount of funding for the transition plan contract.

Barring any other unforeseen emergent and/or large unplanned expenses, our ending cash position remains sufficient to address FY ’23 expenses and supports an ending cash balance to provide sufficient working capital to carry forward and start FY ’24 in a sound financial position.

The one caveat that we remain mindful of is the uncertainty of any major and/or frequent unplanned emergent repairs that are necessary to continue operability of this facility through demolition. Any unexpected, relatively large incident could have major negative financial impact on our budget, so we remain cautious about our expenditures and very guarded with our reserve balance.

- We ARE realizing an accelerated rate of breakdowns and failures including regular operational items such as:
 - Replacement of one of stadium's main backflow preventer valves
 - Regular elevator breakdowns.
 - Restroom toilet failures.
 - Air conditioning failures, and other such
 - Equipment failures

The wheels have not fallen off the wagon yet, but it is starting to be quite a wobbly ride across the plains.

This is the last month for me to provide you with the financial report. Beginning next month, Ebru will take the lead on the financial report.

Thank you for your support and patience as we weathered through all sorts of financial situations from potential insolvency to windfall earnings. Your support and confidence throughout these volatile periods have been greatly appreciated.