



1250 5th Street
Ferndale, CA 95530
(707) 786-9511

May 26, 2021

Re: Humboldt County Fair Association
American Rescue Act Funding Request

The Humboldt County Fair Association is requesting approval of a grant funding request in the amount of \$200,000.00 from the American Rescue Act funding provided to the County by the Federal Government.

The Fair functions as an event venue for a variety of community programs and yearly events, and as a result has sustained significant loss of revenue during the 2020 calendar year. The effects of this revenue loss were significant enough that the Fair Association operated without any paid administrative staffing from May of 2020 through November 2020, limping along with volunteer efforts of members of the Board of Directors. The Fair Association contracted with the Humboldt County Farm Bureau for administrative services beginning in November of 2020, and this arrangement continues at the current time on a month-by-month basis.

The Contract staffing has developed a financial projection model for the Fair, and it currently projects that the Fair Association will end June of 2021 with \$67,087.51 in recurrent funding in its main operational account. The Fair Association does not have any Operational or Capital reserves beyond this amount, and the Associations capability to continue operation without external funding is very much an open question.

As examples of the effects of the Pandemic Shutdown on the Fair Association, the following comparisons offer a view of the current situation.

- 1) Total Revenue in 2020 was \$890,557.66 compared to \$2,333,638.29 in 2019, a 62% decrease.
- 2) Revenue from rental of the facility in the 2nd through 4th quarter of 2020 was down 63%.

- 3) The State allocations continue to decrease with the income from AB1499 funding (A share of sales taxes collected at Fairs) decreasing from \$173,850.00 in 2019 to \$66,410 in 2020 a decrease of 62%. The California Division of Food and Agriculture Division of Fairs and Expositions cautioned Fair Associations in March to expect this revenue item to fall an additional 75% in 2022.
- 4) The Fair has been aided by two PPP loans, one of \$97, 875.00 in 2020 and one of \$90,000.00 in 2021, but these were one time funding sources that will not exist in future years.

The Contract staff has advised the Fair Association Board of Directors that without additional external funding sources it will be impossible to present the 2021 Humboldt County Fair due to the need to front a substantial wage and expenses ledger. This is funding that simply does not exist within the current financial structure of the Fair Association.

The current administration has worked over the past 5 months to streamline the business operations and reduce operational costs. While this has resulted in improvements to the monthly expenses of the Fair Association, these measures are simply not enough to offset the effects of what was, in practice, a year long shut down. Use of the facility is starting to show signs of a rebound, but use of the facility will be unlikely to reach pre pandemic levels until the first quarter of 2022.

We ask for the support of the Humboldt County Board of Supervisors in the quest to provide continuation of the 125-year history of the Fairs contribution to the community.

If you have any questions or need additional information please don't hesitate to contact Katherine Ziemer, Fair Administrator at (707) 786-9511.

Sincerely,

Katherine Ziemer

Katherine Ziemer

Fair Administrator