



**To: Economic SPC – City of Lethbridge
April 11, 2024 Meeting**

Fr: Kim Gallucci, Acting CEO

Re: Four Month Financial Update

Summary:

City Council requested a monthly financial update from the Lethbridge & District Exhibition (LDE). Attached is a summary of the Exhibition finances ending February 29, 2024. This is a cumulative summary of the last four months (November 1, 2023 – February 29, 2024) as LDE financial year is November 1 to October 31.

We will be providing the monthly updates, in a continuous cumulative update by month, and in the provided summarized format, which has been approved by the interim Board of Directors.

Financial Summary:

As of the end of February we are ahead of budget with operating at (\$210,333), adding the Old Pavilions and Lifecycle transfer placed us at (\$341,000) deficit.

Please note that these figures are subject to change, especially over the next quarter. We anticipate incurring expenses upfront for significant events such as Whoop Up Days, Ag Innovation Conference, and other activities. Consequently, our monthly results will reflect a non-uniform pattern, with expenses escalating initially before revenue from these events materializes.

The financial summary is in four parts:

1. Total Revenue made up of events and operations, Interest and investment, operating grants.
2. Total Expenses from operations, debt payment, and utilities.
3. Operating expense to maintain the old pavilions
4. Life cycle expenses and those transfers from the City of Lethbridge.

Events and Operations Revenue:

This statement includes all activities with aggregate revenue for the past four months up to February 29, 2024, with the largest of them being Christmas banquets, Glow, Provincial Ag Services Board Conference, and Ag Expo. It also includes Food and Beverage up to February 24. The food and beverage vendors financial settlements run slightly different time periods, so anything in the last week of February, which includes Ag Expo concessions and private rentals would not be captured in this statement and will be in the next month statement.

Operations Expense:

This expense line includes event costs (advertising, security, show supplies, etc), wages, administration, and maintaining the facilities.

Utilities have been separated out as well as the debt payment and interest.

Old Pavilions:

This expense is primarily utility costs but does include maintenance repairs that are required to maintain the facilities. Most recently in this four month period work was done to maintain the heating system.

Projections:

- The Exhibition has booked 25 new events in the last two months and is continuing to aggressively expand its reach and bookings into the future.
- Currently have a total of 120 events in the 2024 fiscal year and are continually growing this number with a goal of 200. Five are self-promoted: Ag Expo, Farmers Market, Whoop Up Days, Rodeo, Glow, and the Ag Innovation Conference in November (2025 fiscal year).
- Our focus is on the larger revenue streams that are conference and trade event streams. The conference targets are initially Alberta, Western Canadian, and Prairie based associations, corporations, and other related organizations. We are working diligently on future bookings in this area which primarily will be 2025-2028 years.
- Simultaneously we are focused on the smaller short term events in 2024, while working on returning business for 2025-2026.
- Ag Expo 2024 was very successful financially and professionally, providing Lethbridge an nationally recognized event and pride in its delivery of services and reach of visitors to Lethbridge. It had a sold out trade show utilizing most of the facility, patron visits were up from previous years, and we had a number of private rentals by organizations hosting during the Expo days that maximized the full use of the facility. Our goal is to increase the growth of this signature event for 2025 and 2026, and are planning further activities into the future.

Lethbridge & District Exhibition

Statement of Operations
For the Month Ended February 29, 2024

| | Four Months Ended February 29, 2024 | Annual Budget | Variance |
|--|--|-----------------------|-----------------------|
| Events and operational | 2,162,048 | 4,062,566 | (1,900,518) |
| Interest and investment | 150,320 | 1,200 | 149,120 |
| Grants | - | 413,000 | (413,000) |
| Total Revenue | \$ 2,312,368 | \$ 4,476,766 | \$ (2,164,398) |
| Operations | 1,915,211 | 7,389,211 | 5,474,000 |
| Long term debt | 298,017 | 1,167,827 | 869,810 |
| Utilities | 309,463 | 1,115,080 | 805,617 |
| Total Operating Expenses | \$ 2,522,691 | \$ 9,672,118 | \$ 7,149,427 |
| Income (Loss) from Agri-Food Hub Operations | \$ (210,323) | \$ (5,195,352) | \$ 4,985,029 |
| Old pavilions | 130,871 | 500,000 | 369,129 |
| Lifecycle transfer | - | 794,000 | 794,000 |
| Net income (loss) | \$ (341,194) | \$ (6,489,352) | \$ 6,148,158 |