

**To: City Council – City of Lethbridge
September 17, 2024 Meeting**

**Fr: Kim Gallucci, Acting CEO
Lethbridge & District Exhibition**

Re: Nine Month Financial Update – July 31, 2024

Summary:

City Council requested a monthly financial update from the Lethbridge & District Exhibition (LDE). There was no Economic SPC in August or September, therefore, we have brought these fiscal updates to this Council Meeting.

Attached is a summary of the Exhibition cumulative finances for the past nine months ending July 31, 2024. Also attached is the previous June 30, 2024, eighth month cumulative fiscal update, and a new year-end forecast for LDE fiscal year-end of October 31, 2024. These have been reviewed and approved by the Lethbridge & District Exhibition Board of Directors.

July 31, 2024, Financial Summary:

The monthly financial update from the Lethbridge & District Exhibition attached is a cumulative summary of the Exhibition finances for the last fiscal nine months ending July 31, 2024, in the net deficit amount of (\$1,890,995). Also attached is the previous June 30, 2024 cumulative net loss of (\$1,545,696) which is a difference of \$345,299 June to July.

Key areas for the month:

- Sponsorship Revenue added \$58,000
 - Legal Costs of (\$74,000) (high due to the number changes, however, the City has reimbursed \$42,000 of those costs which will see in the August update)
 - F&B was a net positive \$27,000
 - Conference and event expenses (\$30,000)
1. Cash on hand is at \$911,192 as of July 31, 2024.
 2. We confirmed an additional 15 events for 2024, 6 for 2025, 1 for 2028 (after considerable work LDE secured the Alberta Fire Chiefs Conference for 2028).
 3. Concession Build-out is almost complete and was open for Whoop Up Days. It was met with success.

Updated Estimated Year-End Forecast (October 31, 2024):

Attached is the revised 2024 Year-End Forecast as of July 31, 2024. Given growth in sales and partnership activity, along with adjusted operational changes and controlled spending, we have revaluated the October 31, 2024, year-end to now be (\$3,275,313). This is a positive change of \$1,389,520 from the previous year end estimate based on April 30 financials at that time to be (\$4,664,833).

- We have booked for the 2024 year 240 events to date, and by the fiscal year end anticipate total number booked will be 265.
- Total includes 18 trade events and 11 conference events of varying sizes, which is better than expected for 2024.
- Managed to keep maintenance expenses down, however, that will change in the future as warranties end and we are required to fulfill both regulatory and preventative maintenance programs beginning in the 2025 fiscal year.

Lethbridge & District Exhibition

Forecast

For the Month Ended July 31, 2024

	Nine Months				Variance
	Annual Budget	YTD Budget	2024	Forecast	
			Ended July 31,		
Events and operational	4,062,566	2,700,155	3,159,497	1,808,900	4,968,397
Interest and investment	1,200	900	169,477	5,000	174,477
Grants	413,000	398,000	423,853	15,000	438,853
Total Revenue	\$ 4,476,766	\$ 3,099,055	\$ 3,752,827	\$ 1,828,900	\$ 5,581,727
Operations	7,389,211	4,516,561	4,082,402	2,382,598	6,465,000
Long term debt interest	894,051	875,870	668,207	225,844	894,051
Utilities	1,115,080	836,310	609,247	240,000	849,247
Total Operating Expenses	\$ 9,398,342	\$ 6,228,741	\$ 5,359,856	\$ 2,848,442	\$ 8,208,298
Income (Loss) from Agri-Food Hub Operations	\$ (4,921,576)	\$ (3,129,686)	\$ (1,607,029)	\$ (1,019,542)	\$ (2,626,571)
Old pavilions	500,000	375,000	283,966	91,000	374,966
Net income (loss)	\$ (5,421,576)	\$ (3,504,686)	\$ (1,890,995)	\$ (1,110,542)	\$ (3,001,537)
Lifecycle transfer	794,000	-	-	-	-
Long term debt principal	273,776	135,161	273,776	-	273,776
Net income (loss)	\$ (6,489,352)	\$ (3,639,847)	\$ (2,164,771)	\$ (1,110,542)	\$ (3,275,313)
					\$ 3,214,039

Lethbridge & District Exhibition

Forecast

For the Month Ended April 30, 2024

	Annual Budget	YTD Budget	Six Months Ended April 30, 2024	Forecast	Total	Variance
Events and operational	4,062,566	2,193,676	2,479,581	2,111,001	4,590,582	528,016
Interest and investment	1,200	600	159,947	10,000	169,947	168,747
Grants	413,000	398,000	-	413,000	413,000	-
Total Revenue	\$ 4,476,766	\$ 2,592,276	\$ 2,639,528	\$ 2,534,001	\$ 5,173,529	\$ 696,763
Operations	7,389,211	3,273,606	2,698,360	4,624,414	7,322,774	66,437
Long term debt interest	894,051	583,914	446,450	447,601	894,051	-
Utilities	1,115,080	557,540	424,320	425,000	849,320	265,760
Total Operating Expenses	\$ 9,398,342	\$ 4,415,060	\$ 3,569,130	\$ 5,497,015	\$ 9,066,145	\$ 332,197
Income (Loss) from Agri-Food Hub Operations	\$ (4,921,576)	\$ (1,822,784)	\$ (929,602)	\$ (2,963,014)	\$ (3,892,616)	\$ 1,028,960
Old pavilions	500,000	250,000	235,591	262,900	498,491	1,509
Net income (loss)	\$ (5,421,576)	\$ (2,072,784)	\$ (1,165,193)	\$ (3,225,914)	\$ (4,391,107)	\$ 1,030,469
Lifecycle transfer	794,000	-	-	-	-	794,000
Long term debt principal	273,776	135,161	135,161	138,615	273,776	-
Net income (loss)	\$ (6,489,352)	\$ (2,207,945)	\$ (1,300,354)	\$ (3,364,529)	\$ (4,664,883)	\$ 1,824,469