

**To: ECONOMIC SPC – City of Lethbridge  
July 11, 2024 Meeting**

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

**Re: Seven Month Financial Update – May 31, 2024**

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**Summary:**

City Council requested a monthly financial update from the Lethbridge & District Exhibition (LDE). Attached is a cumulative summary of the Exhibition finances for the last fiscal seven months ending May 31, 2024; also attached is the previous April 30, 2024, six month cumulative fiscal update.

These have been reviewed and approved by the Lethbridge & District Exhibition Audit Committee of the Interim Board of Directors.

**Financial Summary:**

As of May 31, 2024 we had a cumulative net deficit of (\$1,435,576.83) which is a difference from April 30, 2024 of (\$270,483), which was a net operating deficit change of (\$1,165,093).

**Key areas of change for the month:**

- Sponsorship Revenue \$91,000
- Wage Expense (\$189,000)
- Utilities (\$71,000)
- F&B expense of (\$45,350)
- Advertising Future Events (\$17,000)
- Conference and events (\$18,000)

1. Cash on hand is at \$825,067 as of May 31, 2024.
2. We confirmed an additional 20 events for 2024, and 1 additional event for 2025 in the last month.
3. Concession Build-out – Concession business plan was approved at the May Board meeting. Exhibition is undertaking an expansion of a roughed in area in the lobby to establish a concession within the Exhibitions main seating area. The drawings complete the work will begin with a goal of having it open for Whoop Up Days. Once operational, LDE will be operate the concession during major events. The concessions operation will be determined unilaterally by LDE and not by rental clients, and we currently see a minimum of 28 time periods that the concession would operate, with more opportunities throughout the year. This will provide many new service opportunities

for the Exhibition's patrons, create new revenues, and provide a service to our clients and tradeshow representatives when attending events. Products sold will change to fit the demographic attending the different events. The one time cost will be \$296,000, which will come from post construction budget, but will continue to build new revenues for toward operations throughout the year.

4. Food & Beverage Catering Change – Exhibition has made a change from its current caterer to Sky & Table temporarily. This change was necessary for the financial future, and food and beverage services operation of LDE. This was a break within the current contract. This change meant we had to cover an expense in kitchen equipment in the amount of \$500,000 that LDE had previously committed too, with a repayment to the vendor over five years within the contract. The equipment remains with LDE. This change will allow LDE more flexibility and to move food and beverage from a monthly expense to a revenue generator, build future programming in this area, and deliver a positive experience to its clients and patrons. The expense in total was \$605,797.70. This accounted for the capital repayment, severance, and inventory which we will recover by selling to new vendor. This will come from the contingency, but will allow LDE to be profitable in this area over the current and long term. The complete change took from May 15 to June 16, and there will be final settlement adjustment given events went on during that time. The Food & Beverage services will go out to an RFP in a short period of time. We are currently working on details to be included in it.

# Lethbridge & District Exhibition

Statement of Operations  
For the Month Ended May 31, 2024

	Seven Months Ended May 31, 2024	Annual Budget	Variance
Events and operational	2,697,464	4,062,566	(1,365,102)
Interest and investment	163,003	1,200	161,803
Grants	-	413,000	(413,000)
<b>Total Revenue</b>	<b>\$ 2,860,467</b>	<b>\$ 4,476,766</b>	<b>\$ (1,616,299)</b>
Operations	3,038,512	7,389,211	4,350,699
Long term debt	520,667	1,167,827	647,160
Utilities	459,384	1,115,080	655,696
<b>Total Operating Expenses</b>	<b>\$ 4,018,563</b>	<b>\$ 9,672,118</b>	<b>\$ 5,653,555</b>
<b>Income (Loss) from Agri-Food Hub Operations</b>	<b>\$ (1,158,096)</b>	<b>\$ (5,195,352)</b>	<b>\$ 4,037,256</b>
Old pavilions	277,480	500,000	222,520
Lifecycle transfer	-	794,000	794,000
<b>Net income (loss)</b>	<b>\$ (1,435,576)</b>	<b>\$ (6,489,352)</b>	<b>\$ 5,053,776</b>

# Lethbridge & District Exhibition

Statement of Operations  
For the Month Ended April 30, 2024

	Six Months Ended April 30, 2024	Annual Budget	Variance
Events and operational	2,479,581	4,062,566	(1,582,985)
Interest and investment	159,947	1,200	158,747
Grants	-	413,000	(413,000)
<b>Total Revenue</b>	<b>\$ 2,639,528</b>	<b>\$ 4,476,766</b>	<b>\$ (1,837,238)</b>
Operations	2,698,260	7,389,211	4,690,951
Long term debt	446,450	1,167,827	721,377
Utilities	424,320	1,115,080	690,760
<b>Total Operating Expenses</b>	<b>\$ 3,569,030</b>	<b>\$ 9,672,118</b>	<b>\$ 6,103,088</b>
<b>Income (Loss) from Agri-Food Hub Operations</b>	<b>\$ (929,502)</b>	<b>\$ (5,195,352)</b>	<b>\$ 4,265,850</b>
Old pavilions	235,591	500,000	264,409
Lifecycle transfer	-	794,000	794,000
<b>Net income (loss)</b>	<b>\$ (1,165,093)</b>	<b>\$ (6,489,352)</b>	<b>\$ 5,324,259</b>