

Nebraska State Fair Board

Independent Auditor's Report and Financial Statements

December 31, 2020 and 2019

Nebraska State Fair Board
December 31, 2020 and 2019

Contents

Independent Auditor’s Report..... 1

Financial Statements

Balance Sheets..... 3
Statements of Revenues, Expenses and Changes in Net Position 4
Statements of Cash Flows 5
Notes to Financial Statements 6

Supplementary Information

Schedules of Fair Operations..... 15

Independent Auditor's Report

Board of Directors
Nebraska State Fair Board
Grand Island, Nebraska

We have audited the accompanying financial statements of the Nebraska State Fair Board, as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Nebraska State Fair Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Nebraska State Fair Board as of December 31, 2020 and 2019, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Nebraska State Fair Board's basic financial statements. The schedules of fair operations as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of fair operations are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of fair operations are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

BKD, LLP

Lincoln, Nebraska
March 17, 2021

Nebraska State Fair Board
Balance Sheets
December 31, 2020 and 2019

Assets

	<u>2020</u>	<u>2019</u>
Current Assets		
Cash	\$ 1,759,466	\$ 221,453
Accounts receivable	40,450	54,531
Receivable - intergovernmental	1,151,087	1,064,244
Prepaid expenses	<u>50,497</u>	<u>49,032</u>
Total current assets	<u>3,001,500</u>	<u>1,389,260</u>
Noncurrent Assets		
Capital assets, net	12,427,185	13,156,619
Other prepaid expenses	<u>20,006</u>	<u>55,413</u>
Total noncurrent assets	<u>12,447,191</u>	<u>13,212,032</u>
Total assets	<u><u>\$ 15,448,691</u></u>	<u><u>\$ 14,601,292</u></u>

Liabilities and Net Position

Current Liabilities		
Accounts payable	\$ 31,192	\$ 248,256
Accrued liabilities	54,932	55,594
Compensated absences	50,884	24,988
Unearned revenue	355,453	150,937
Line of credit	-	637,000
Long-term debt, current portion	<u>393,856</u>	<u>372,618</u>
Total current liabilities	<u>886,317</u>	<u>1,489,393</u>
Noncurrent Liabilities		
Compensated absences	-	20,356
Long-term debt, net of current portion	<u>4,568,623</u>	<u>4,811,882</u>
Total noncurrent liabilities	<u>4,568,623</u>	<u>4,832,238</u>
Total liabilities	<u>5,454,940</u>	<u>6,321,631</u>
Net Position		
Net investment in capital assets	7,634,573	7,972,119
Unrestricted	<u>2,359,178</u>	<u>307,542</u>
Total net position	<u>9,993,751</u>	<u>8,279,661</u>
Total liabilities and net position	<u><u>\$ 15,448,691</u></u>	<u><u>\$ 14,601,292</u></u>

Nebraska State Fair Board
Statements of Revenues, Expenses and Changes in Net Position
Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Operating Revenues		
Admissions/fair	\$ 1,165	\$ 1,291,523
Carnival	-	343,505
Entertainment	-	834,851
Food/beverage service	100,771	318,315
Campgrounds	11,483	53,468
Departmental receipts	471,632	440,712
Departmental sponsorships	-	51,124
Space rental and storage	145,140	735,598
Livestock fees	-	108,793
Other commissions	2,955	2,318
Sponsorships (nondepartmental)	654,987	1,010,188
Non-cash sponsorships	252,593	445,550
Miscellaneous	20,361	28,810
Total operating revenues	<u>1,661,087</u>	<u>5,664,755</u>
Operating Expenses		
Department premiums/awards	209,666	499,665
Taxes	112,730	284,097
Insurance	260,397	385,607
Wages	1,081,498	1,908,051
Professional services	814,030	1,901,103
Equipment rental	65,981	641,789
Materials/supplies	123,147	321,242
Administrative	431,732	569,005
Entertainment	22,697	2,154,303
Food/beverage service	32,505	132,987
Advertising/promotion	19,534	784,337
Fair department expenses	188,073	365,894
Utilities	95,065	264,450
Depreciation expense	834,257	852,042
In-kind sponsorship expenses (non-cash)	252,593	445,550
Miscellaneous	2,870	4,395
Total operating expenses	<u>4,546,775</u>	<u>11,514,517</u>
Operating Loss	<u>(2,885,688)</u>	<u>(5,849,762)</u>
Nonoperating Revenues (Expenses)		
Intergovernmental revenues	4,801,517	4,551,863
Interest income	552	15,324
Interest expense	(254,324)	(262,384)
Other income (expense)	(19,967)	46,245
Net nonoperating revenues	<u>4,527,778</u>	<u>4,351,048</u>
Income (Loss) Before Capital Contributions	1,642,090	(1,498,714)
Capital contributions	<u>72,000</u>	<u>-</u>
Increase (Decrease) in Net Position	1,714,090	(1,498,714)
Net Position, Beginning of Year	<u>8,279,661</u>	<u>9,778,375</u>
Net Position, End of Year	<u>\$ 9,993,751</u>	<u>\$ 8,279,661</u>

Nebraska State Fair Board
Statements of Cash Flows
Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Operating Activities		
Receipts from customers	\$ 1,627,091	\$ 5,664,640
Payments to employees	(1,111,474)	(1,934,065)
Payments to suppliers	<u>(2,527,580)</u>	<u>(8,520,720)</u>
Net cash used in operating activities	<u>(2,011,963)</u>	<u>(4,790,145)</u>
Noncapital Financing Activities		
Proceeds from line of credit	-	863,095
Payments on line of credit	(637,000)	(322,892)
Intergovernmental revenue	<u>4,714,674</u>	<u>5,015,093</u>
Net cash provided by financing activities	<u>4,077,674</u>	<u>5,555,296</u>
Capital and Related Financing Activities		
Purchase of capital assets	(124,790)	(445,682)
Capital contributions	72,000	-
Proceeds from issuance of note payable	150,000	-
Principal payments on capital leases and long-term debt	(372,021)	(354,390)
Interest payments	<u>(253,439)</u>	<u>(261,499)</u>
Net cash used in capital and related financing activities	<u>(528,250)</u>	<u>(1,061,571)</u>
Investing Activities		
Sale of investments	-	9,864
Interest receipts	552	15,324
Other receipts	<u>-</u>	<u>46,245</u>
Net cash provided by investing activities	<u>552</u>	<u>71,433</u>
Increase (Decrease) in Cash	<u>1,538,013</u>	<u>(224,987)</u>
Cash, Beginning of Year	<u>221,453</u>	<u>446,440</u>
Cash, End of Year	<u>\$ 1,759,466</u>	<u>\$ 221,453</u>
Reconciliation of Net Operating Loss to Net Cash Used in Operating Activities		
Operating loss	\$ (2,885,688)	\$ (5,849,762)
Depreciation	834,257	852,042
Changes in operating assets and liabilities		
Accounts receivable	14,081	501,685
Prepaid expenses	33,942	(25,683)
Accounts payable	(217,064)	(98,429)
Accrued liabilities and compensated absences	3,993	(113,748)
Unearned revenue	<u>204,516</u>	<u>(56,250)</u>
Net Cash Used in Operating Activities	<u>\$ (2,011,963)</u>	<u>\$ (4,790,145)</u>

Nebraska State Fair Board
Notes to Financial Statements
December 31, 2020 and 2019

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Nebraska State Fair Board (the Board) is a not-for-profit corporation created by the State of Nebraska for the purpose of deliberating and consulting as to the needs and conditions of agricultural interests throughout the State of Nebraska. The Board supervises the State Fair located in Grand Island, Nebraska.

Basis of Accounting and Presentation

The Board prepares its financial statements as a business-type activity in conformity with applicable pronouncements of the Governmental Accounting Standards Board (GASB). The financial statements of the Board have been prepared on the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from government-mandated nonexchange transactions (principally intergovernmental revenues) are recognized when all applicable eligibility requirements are met. Operating revenues and expenses include exchange transactions. Government-mandated nonexchange transactions that are not program specific (such as intergovernmental revenues), investment income and contributions are included in nonoperating revenues and expenses. The Board first applies restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net position is available.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other changes in net position during the reporting period. Actual results could differ from those estimates.

Receivables

Accounts receivable consist primarily of amounts due from operations. Intergovernmental receivables represent quarterly lottery proceeds due to the Board from the Nebraska State Lottery. No allowance is recorded as management believes all amounts are collectible.

Nebraska State Fair Board

Notes to Financial Statements

December 31, 2020 and 2019

Note 1: Nature of Operations and Summary of Significant Accounting Policies - Continued

Capital Assets

Capital assets are reported at original cost. Donated capital assets are valued at their acquisition value at the date donated. Leasehold improvements consist of amounts paid by the Board for construction of the fair facilities in Grand Island. Depreciation is computed using the straight-line method over the following estimated useful lives of the assets:

Buildings and leasehold improvements	3 – 50 years
Equipment	3 – 10 years

Unearned Revenue

Unearned revenue consists of prepaid ticket sales, commercial space sales, and in-kind and sponsorship revenue being recognized over the term of the related agreements. There was \$200,338 and \$150,937 of sponsorship revenue remaining at December 31, 2020 and 2019, respectively, which is to be recognized through 2022.

Net Position

Net position of the Board is classified into three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. Restricted net position is made up of noncapital assets that must be used for a particular purpose, as specified by creditors, grantors or donors external to the Board. The Board has no components of net position that meet the restricted definition at December 31, 2020 and 2019. Unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets or restricted net position.

In-kind Revenues and Expenses

The Board receives in-kind contributions of services and assets from various donors. It is the policy of the Board to record the estimated fair value of certain in-kind donations as an expense in its financial statements, and similarly increase revenue by a like amount for exchange and exchange-like transactions. For the years ended December 31, 2020 and 2019, \$252,593 and \$445,550, respectively, was recognized as in-kind sponsorship expense for these items, with an equal amount recognized as non-cash sponsorship revenue.

Nebraska State Fair Board

Notes to Financial Statements

December 31, 2020 and 2019

Note 1: Nature of Operations and Summary of Significant Accounting Policies - Continued

Compensated Absences

Board policies permit most employees to accumulate paid time off (PTO) that may be realized as paid time off or as a payment to the employee upon termination. Hours earned vary based on years of eligible service, and employees can accrue up to a maximum of 240 hours of PTO. Expense and the related liability are recognized as PTO benefits are earned. Compensated absence liabilities are computed using the regular pay and termination pay rates in effect at the balance sheet date.

Revenue Recognition

Revenues are derived primarily from admissions to the State Fair, rental of facilities and related activities and intergovernmental sources. Revenues from the State Fair are recognized when earned. Revenues from intergovernmental sources are recognized when all eligibility requirements have been met.

Classification of Revenues

The Board has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating revenues - Operating revenues include activities that have the characteristics of exchange transactions, such as (1) fair admissions and (2) facilities rental.

Nonoperating revenues - Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as gifts and contributions, and other revenue sources that are defined as nonoperating revenues, such as contributions, intergovernmental revenues and investment income.

Income Taxes

The Board is a not-for-profit corporation and is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(5). However, the Board is subject to federal income tax on any unrelated business taxable income. The Board files an Internal Revenue Service (IRS) Form 990 to meet its annual filing requirements. The Board is no longer subject to examinations by tax authorities for years before 2017.

Nebraska State Fair Board

Notes to Financial Statements

December 31, 2020 and 2019

Note 1: Nature of Operations and Summary of Significant Accounting Policies - Continued

Taxes Collected from Customers and Remitted to Governmental Authorities

Taxes collected from customers and remitted to governmental authorities are presented in the accompanying statement of revenues, expenses and changes in net position on a gross basis. The amount of taxes presented on a gross basis in the accompanying financial statements was approximately \$36,000 and \$136,000 for the years ended December 31, 2020 and 2019, respectively.

Reclassifications

Certain reclassifications have been made to the 2019 financial statements to conform to the 2020 presentation. The reclassifications had no effect on the changes in financial position.

Note 2: Deposits

Deposits

Custodial credit risk is the risk that in the event of a bank failure, an entity's deposits may not be returned to it. The Board's deposit policy for custodial credit risk requires compliance with the provisions of state law.

At December 31, 2020, the Board's cash accounts exceeded federally insured limits by approximately \$1,760,000.

Nebraska state law does not require collateralization of deposits in excess of FDIC limits for entities other than political subdivisions.

Nebraska State Fair Board
Notes to Financial Statements
December 31, 2020 and 2019

Note 4: Long-term Liabilities

Line of Credit

In November 2019, the Board entered into a revolving line of credit agreement with a local financial institution, which provided for maximum borrowings of \$1,100,000 through maturity of the agreement on December 31, 2020. Borrowings under the agreement bear interest at a fixed rate of 5.0% and are collateralized by substantially all assets of the Board. During 2019, \$637,000 was drawn against this agreement and remained outstanding as of December 31, 2019. This entire balance was repaid during 2020 and the agreement was not renewed upon maturity on December 31, 2020.

Long-term Debt

Long-term debt included the following at December 31, 2020 and 2019:

	2020	2019
Direct Borrowings		
Note payable, bank (A)	\$ 4,787,204	\$ 5,135,984
Note payable (B)	150,000	-
Capital lease obligation (C)	25,275	48,516
	4,962,479	5,184,500
Less: current maturities	393,856	372,618
	\$ 4,568,623	\$ 4,811,882

- (A) Provides for borrowings up to \$8,000,000 and is secured by property, equipment and rights to the lottery proceeds. Interest is payable monthly beginning June 10, 2013. Principal and interest are payable in monthly installments of \$49,024 beginning October 10, 2013. Interest is payable at a fixed rate of 4% through June 10, 2018. Beginning June 10, 2018, interest is payable monthly at the New York prime rate plus a margin of .75% with a floor of 4% and a ceiling of 6%. Beginning June 10, 2023, interest is payable monthly at the weekly average yield on 10 year United States treasury securities plus a margin of 2% with a floor of 4%. The rate will reset every five years thereafter until maturity on May 10, 2033. Based on the amount borrowed, final payment will be due May 10, 2031.
- (B) Small Business Administration (SBA) secured disaster loan entered into in May 2020, for a total amount of \$150,000, bearing interest at 2.75%. Agreement provides for monthly payments of \$641 for a period of 30 years from the date of the loan, beginning in June 2021. Loan is collateralized by all tangible and intangible property of the Board and can be prepaid at anytime prior to maturity. In March 2021, the SBA announced extended deferment periods for all of its disaster loans, thus deferring the first required payment on the Board's loan until June 2022, at the option of the Board.
- (C) The capital lease obligation includes a lease covering equipment for 3 years expiring May 2021. The lease is secured by an interest in the financed equipment.

Nebraska State Fair Board
Notes to Financial Statements
December 31, 2020 and 2019

Note 4: Long-term Liabilities - Continued

The following is a summary of long-term liability transactions of the Board for the years ended December 31, 2020 and 2019:

2020	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Direct Borrowings					
Capital lease obligation	\$ 48,516	\$ -	\$ 23,241	\$ 25,275	\$ 25,275
Notes payable	<u>5,135,984</u>	<u>150,000</u>	<u>348,780</u>	<u>4,937,204</u>	<u>368,581</u>
Total	<u>\$ 5,184,500</u>	<u>\$ 150,000</u>	<u>\$ 372,021</u>	<u>\$ 4,962,479</u>	<u>\$ 393,856</u>
2019					
Direct Borrowings					
Capital lease obligation	\$ 69,887	\$ -	\$ 21,371	\$ 48,516	\$ 23,241
Note payable	<u>5,469,003</u>	<u>-</u>	<u>333,019</u>	<u>5,135,984</u>	<u>349,377</u>
Total	<u>\$ 5,538,890</u>	<u>\$ -</u>	<u>\$ 354,390</u>	<u>\$ 5,184,500</u>	<u>\$ 372,618</u>

Aggregate annual maturities of long-term debt at December 31, 2020, are:

	Principal	Interest	Total to be Paid
2021	\$ 393,856	\$ 226,407	\$ 620,263
2022	388,164	207,817	595,981
2023	407,133	188,848	595,981
2024	426,545	169,435	595,980
2025	447,879	148,102	595,981
2026-2030	2,589,774	390,130	2,979,904
2031-2035	223,100	15,644	238,744
2036-2040	28,499	9,960	38,459
2041-2045	32,695	5,764	38,459
2046-2050	<u>24,834</u>	<u>1,212</u>	<u>26,046</u>
	<u>\$ 4,962,479</u>	<u>\$ 1,363,319</u>	<u>\$ 6,325,798</u>

Other Long-term Liabilities

Other changes in long-term liabilities include the payments and accrual of compensated absences.

Nebraska State Fair Board
Notes to Financial Statements
December 31, 2020 and 2019

Note 5: Intergovernmental Revenues

Effective January 1, 2005, the Nebraska State Constitution was amended to authorize an appropriation of 10% of the net State Lottery proceeds to the Nebraska State Fair Board, as long as the City of Grand Island matches 10% of those funds. The Board recognized revenues of \$4,801,517 and \$4,551,863 classified as intergovernmental revenue during the years ended December 31, 2020 and 2019, respectively. At December 31, 2020 and 2019, \$1,151,087 and \$1,064,244, respectively, was recorded as a receivable for fourth quarter lottery activity.

Note 6: Pension and Deferred Compensation Plans

The Board has a defined contribution pension plan for substantially all full-time employees that meets the requirements of Section 401(a) of the Internal Revenue Code and is administered by Union Bank & Trust. Employees may contribute up to 20% of their compensation each pay period. The Board may elect to make discretionary contributions. Forfeitures are distributed to participants in proportion of their compensation to total compensation. For each of the years ended December 31, 2020 and 2019, the Board made contributions of 3% of qualifying wages. In addition, the Board has a deferred compensation plan that meets the requirements of Section 457(b) of the Internal Revenue Code administered by Union Bank & Trust. Employees may contribute up to 20% of their compensation each pay period. The Board may elect to make discretionary contributions. For each of the years ended December 31, 2020 and 2019, the Board made contributions of 3% of qualifying wages. Total employer contributions to both plans were \$16,919 and \$11,966 for the years ended December 31, 2020 and 2019, respectively.

Note 7: Risk Management

The Board is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters and employee health and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Nebraska State Fair Board
Notes to Financial Statements
December 31, 2020 and 2019

Note 8: Commitments and Contingencies

Scholarships

To reward participants for their hard work, dedication and competitive drive, and to encourage them to continue to pursue secondary learning in the field of their competitive theme, the Board awards scholarships to certain rodeo, livestock, and education focused event champions at the State Fair. Scholarships in the Education Department range in amount from \$25 to \$100. The High School Rodeo awards scholarships in the \$500 to \$1,000 range, and these are more restrictive for use at specific schools within Nebraska. 4-H and FFA scholarships range in amounts from \$750 to \$1,000 for Reserve Champion and Grand Champion Market Livestock. The Board recognizes expenses and liabilities for these scholarships once all eligibility requirements have been met. Scholarship recipients become eligible for receipt of the scholarship funds once they begin classes at a qualifying college or university and provide notice of enrolled attendance to the Board. At December 31, 2020 and 2019, the Board has commitments of approximately \$127,000 and \$118,000 for future scholarship disbursements and has internally designated a portion of its net position for payment of these amounts.

Litigation

The Board is subject to various claims and lawsuits that arise primarily in the ordinary course of its activities. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position, change in net position and cash flows of the Board. Events could occur that would change this estimate materially in the near term.

Note 9: COVID-19

On March 13, 2020, a national emergency was declared in relation to the Coronavirus Disease (COVID-19) pandemic. Ensuing orders and declarations caused changes in the economic climate for many organizations. Many entities faced declines in revenues and asset values, changes in the volume of business and other factors. As a result of the pandemic and ensuing directed health measures, the Board made the decision to hold a reduced fair event during 2020, which focused primarily on youth events. The Board's plans and budget for 2021 reflect the anticipation of a more complete fair event.

Supplementary Information

Nebraska State Fair Board
Schedules of Fair Operations
Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Admissions/fair	\$ 1,165	\$ 1,291,523
Carnival	-	343,505
Entertainment	-	834,851
Food/beverage service	100,771	318,315
Campgrounds	11,483	53,468
Departmental receipts	471,632	440,712
Departmental sponsorships	-	51,124
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Sponsorships (nondepartmental)	654,987	1,010,188
Non-cash sponsorships	252,593	445,550
Miscellaneous	20,361	28,810
Intergovernmental revenues	4,801,517	4,551,863
	<u>6,462,604</u>	<u>10,216,618</u>
Expenses		
Department premiums/awards	209,666	499,665
Taxes	112,730	284,097
Insurance	260,397	385,607
Wages	1,081,498	1,908,051
Professional services	814,030	1,901,103
Equipment rental	65,981	641,789
Materials/supplies	123,147	321,242
Administrative	431,732	569,005
Entertainment	22,697	2,154,303
Food/beverage service	32,505	132,987
Advertising/promotion	19,534	784,337
Fair department expenses	188,073	365,894
Utilities	95,065	264,450
In-kind sponsorship expenses (non-cash)	252,593	445,550
Miscellaneous	2,870	4,395
	<u>3,712,518</u>	<u>10,662,475</u>
Net Income (Loss) Before Depreciation, Interest Expense and Other Income (Expenses)	<u>2,750,086</u>	<u>(445,857)</u>
Depreciation, Interest Expense and Other Income (Expenses)		
Depreciation expense	(834,257)	(852,042)
Interest expense	(254,324)	(262,384)
Other income (expense)	(19,415)	61,569
Capital contributions	72,000	-
	<u>(1,035,996)</u>	<u>(1,052,857)</u>
Change in Net Position	<u>\$ 1,714,090</u>	<u>\$ (1,498,714)</u>