

AUG 25 - SEPT 4, 2023



Colorado
State Fair

MOUNTAINS OF FUN

2023 ANNUAL REPORT

Presented by the Colorado State Fair Authority

1001 Beulah Ave • Pueblo, CO 81004 • 1-800-876-4567 • coloradostatefair.com



Statute C.R.S.A. § 35-65-406

(1) Notwithstanding section 24-1-136(11)(a)(I), the Colorado State Fair Authority and its Board of Commissioners shall submit copies of an annual report to the Governor and the members of the General Assembly on or before January 31 of each year or within ten business days after the legislative audit committee, or a successor committee, releases the Colorado State Fair Authority's Financial Audit, whichever is later. The report must include the following information for the fiscal year ending in the calendar year before the annual report is submitted and for the fiscal year preceding the fiscal year prepared in a comparison format and in accordance with generally accepted accounting principles:

- (a) A statement of revenues and expenses resulting from:
 - (I) Operation of the annual Colorado State Fair and Industrial Exposition events; and
 - (II) Operation of events on any of the facilities at the Colorado State Fair and Exposition that are not annual Colorado State Fair and Industrial Exposition events;
- (b) A statement of the financial position of the Colorado State Fair and Industrial Exposition as of June 30 of each such fiscal year;
- (c) A statement of outstanding revenue bonds issued by the board, including evidence of compliance with applicable bond covenants;
- (d) A statement of cash flow for the Colorado State Fair and Industrial Exposition;
- (e) A summary of attendance for the Colorado State Fair and Industrial Exposition;
- (f) The number of annual Colorado State Fair and Industrial Exposition events and the number of events operated on any of the facilities of the Colorado State Fair and Industrial Exposition that were not Colorado State Fair and Industrial Exposition events; and
- (g) A statement of revenues and expenses resulting from the operation of the annual Colorado State Fair and Industrial Exposition for the most recent period ending September 30, including a summary of attendance.

(2) The annual report submitted pursuant to this section shall include any recommendations for change in the statutes that the board or manager deems necessary or desirable, including but not limited to any change to part 14 of article 30 of title 24, C.R.S., and the "Procurement Code", articles 101 to 112 of title 24, C.R.S., necessary or desirable due to the unique nature of the Colorado State Fair and Industrial Exposition.

(3) The report shall be public.

A MESSAGE

FROM OUR MANAGER

By all means 2023 was a very successful year! This includes the annual Fair and the significant work the Authority continues to do in regards to the Facilities Master Plan that was adopted in 2020.

Not only did we substantially complete phase 1 of the Facilities Master Plan this past year, but we also acquired land identified as an opportunity site in the plan. Initial work on the plan was completed the prior year with a major improvement to Gate 5, the main entrance for State Fair visitors. In 2023, enhanced lighting was added to the entrance canopy, and all of the outdoor space from that entrance to the Palace of Agriculture was redeveloped. This new area was named State Fair Plaza and was a very well received improvement by the general public, vendors, and exhibitors.

Additionally, huge strides were made in preparing to seek funding for phase 2 of the Facilities Master Plan. Through work with the Board's newly created Capital Campaign Committee and a hired consultant, a Capital Campaign to raise \$40 million to build the Sam Brown Family Pavilion was initiated. It was determined that at least \$15 million could and should be raised through private funding sources and the remainder should come from public funding sources. The silent phase of this campaign will launch in February of 2024, primarily focusing on larger donors.

The 2023 Colorado State Fair faced adverse weather conditions with the resemblance of a tropical storm the first week and triple digit heat after that. Despite the weather, the attendance surpassed half a million visitors, moving the State Fair up from being the 41st largest Fair in North America in 2022 to the 36th largest Fair in 2023! This past State Fair also received notable industry recognition for the Colorado Proud Farm Trail telling the story of our food as well as being recognized for having the best overall marketing campaign amongst similar sized and larger Fairs.

A lot of milestones and successes were celebrated in 2023, and 2024 looks to be even better by building on those accomplishments. We're working on a variety of great things for the 2024 Colorado State Fair, August 23 through September 2 in Pueblo. See you at the Fair!

Scott Stoller

General Manager



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Mission and Ends

- 1.0 Celebration of Colorado’s vibrant and diverse industries, with emphasis on agriculture**
(with outcomes optimizing use of available resources)
- 1.1 (Highest Priority) Coloradoans participate in a premier annual celebration of Colorado’s diverse cultures, communities and traditions.**
 - A) People enjoy a wholesome, informative family entertainment event
 - B) People have knowledge of agriculture and Colorado’s industries
 - i. Priority: Agriculture and Colorado Proud food products
 - ii. There is growth in representation of Colorado industries at the Colorado State Fair (Fair)
 - C) People engage and connect with other cultures and groups in Colorado
 - i. Priority: Youth Engagement
 - A) Preferred platform for 4-H/FFA to showcase achievements
 - D) There is celebration of individuals’ interests and achievements
- 1.2 Colorado’s Agricultural Industry is Showcased and Celebrated**
(Long-term Priority) Colorado has a year-round/permanent agriculture education exhibit
- 1.3 The Pueblo and Southern Colorado communities have a “Gathering Place.”**
 - A) There is growth in year-round targeted utilization of venues for public and private events.
 - B) There is an array of different activities/attractions for the enjoyment and education of the Southern Colorado public.



BOARD OF AUTHORITY

Commissioners



The Authority is governed by a 13-member Board of Commissioners, 12 of whom are appointed by the Governor with Senate confirmation and one of whom is the Commissioner of Agriculture. The 12 appointed Board members serve staggered four year terms, with no statutory limit on the number of terms. By statute, two members must be residents of Pueblo County, and two members must be from each of the four agriculture districts of the state (as defined in section 35-1-105(3) of Colorado Statute). Additionally, four must be involved in the agriculture industry.

Board Member



- Chair Rene Brown
- Vice Chair Bill Hybl
- Secretary Jeff Mandarich
- Darius Allen
- Mike Cafasso
- Kate Greenberg
- Cally Hale
- Tom Kim
- Gail Klapper
- Erin Michalski
- Mike Schliep
- Deb Suniga
- Nikki Weathers

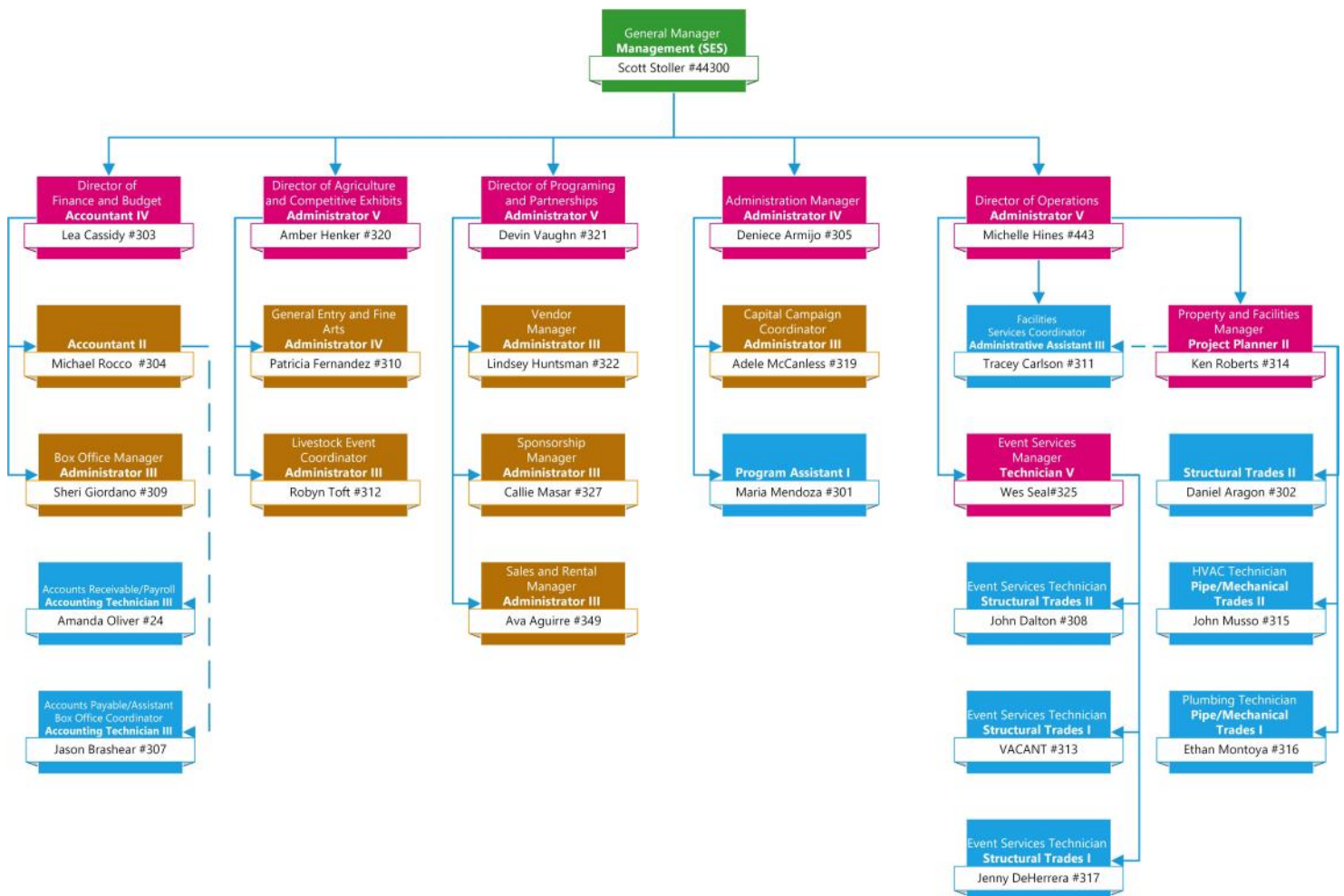
Location



- Pueblo County
- District 3
- At Large
- District 3—Agriculture
- Pueblo County
- Commissioner of Agriculture
- District 6
- At Large
- District 1 - Agriculture
- District 4 - Agriculture
- District 1
- District 2
- District 2 - Agriculture

Organization

The Authority is led by the General Manager (GM). The GM works under the direction and policies of the Board and the Colorado Department of Agriculture (CDA) to ensure the Authority is compliant with all CDA and state policies and laws. The GM manages the daily operations of the Authority and works with the Office of the State Architect to manage the facilities. Along with overseeing the supervision of the 25 full-time state employees, the GM also oversees the supervision of temporary employees. The 25 full-time employees work in 5 separate sections; Finance and Budget, Operations, Programming and Partnerships, Administration, and Agriculture and Competitive Exhibits. As a division of the CDA, the Colorado State Fair Authority is overseen by the Commissioner of Agriculture and ultimately the Governor of Colorado. The Commissioner of Agriculture or their delegate also serves as a voting member of the Board.

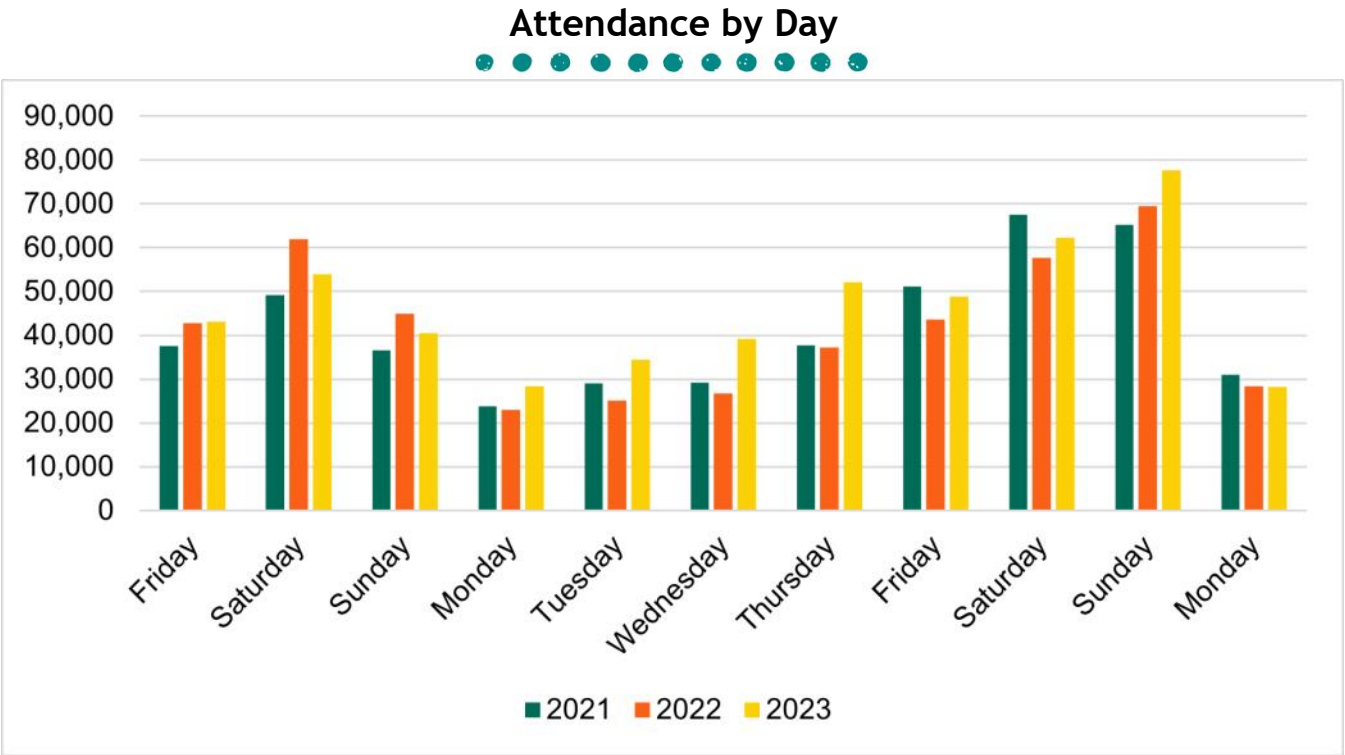
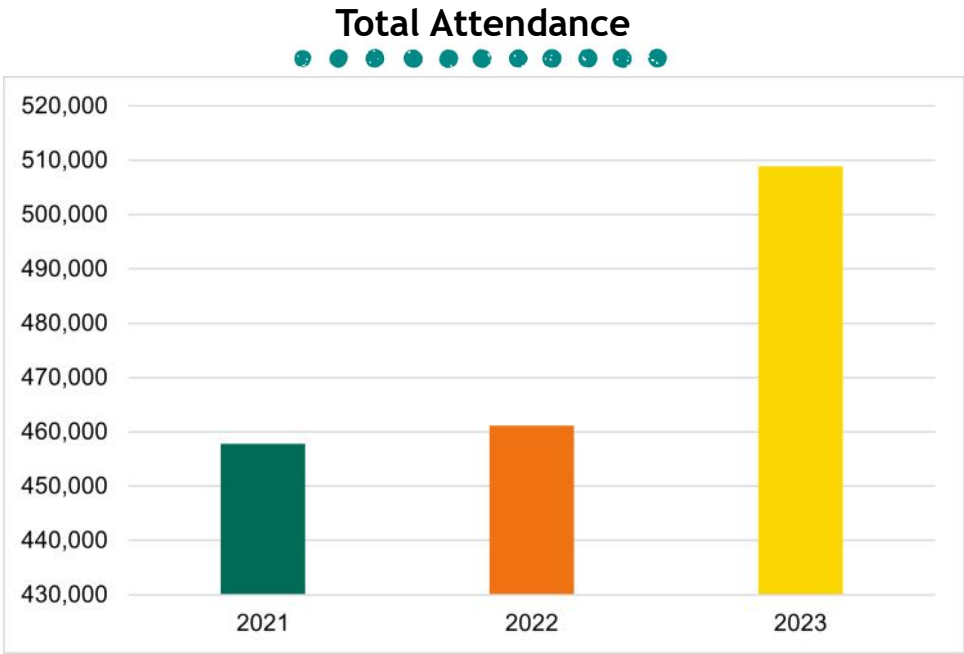


20 COLORADO 23
STATE FAIR
MOUNTAINS OF FUN



AUGUST 25 - SEPTEMBER 4

2023 Attendance



New in 2023

State Fair Plaza



The brand new State Fair Plaza hosted a trapeze show, 150 ton sand sculpture, sponsor displays, vendors, and concessionaires that welcomed over 500,000 Fair visitors with an all new look and feel.



Livestock & Small Animals

Exhibitors from around the state bring their very best market beef, goats, hogs, lambs, rabbits, chickens, and turkeys in the hopes of making the prestigious Junior Livestock Sale.

In 2023 the Colorado State Fair Competitive Exhibits Committee made substantial changes to the way animals were selected for the Junior Livestock Sale. Exhibitors are now allowed to sell more than one animal and can withdraw their animal from the sale if they choose. These changes decreased the number of lots sold to 108 for a total of \$480,850.

The Livestock department also held the third Colorado Master Showmanship competition which featured 26 exhibitors vying for the title of Grand Champion and Reserve Grand Champion Master Showman for the entire state of Colorado. Also in 2023, Market Exhibitors competed for Premier Exhibitor awards given out in four species: beef, hogs, goats, and lambs. Each winner was recognized during the Junior Livestock Sale and received a trophy, banner, and a \$500 cash award. Full Livestock and Small Animal entry details can be found on pages 34-35.



Hadli Gabel of Galeton, CO was the Grand Champion Market Beef exhibitor and sold her steer for \$50,000.

Junior Market Show Entries



87

BEEF



467

HOGS



181

GOATS



296

LAMBS



100

RABBITS



12

CHICKENS

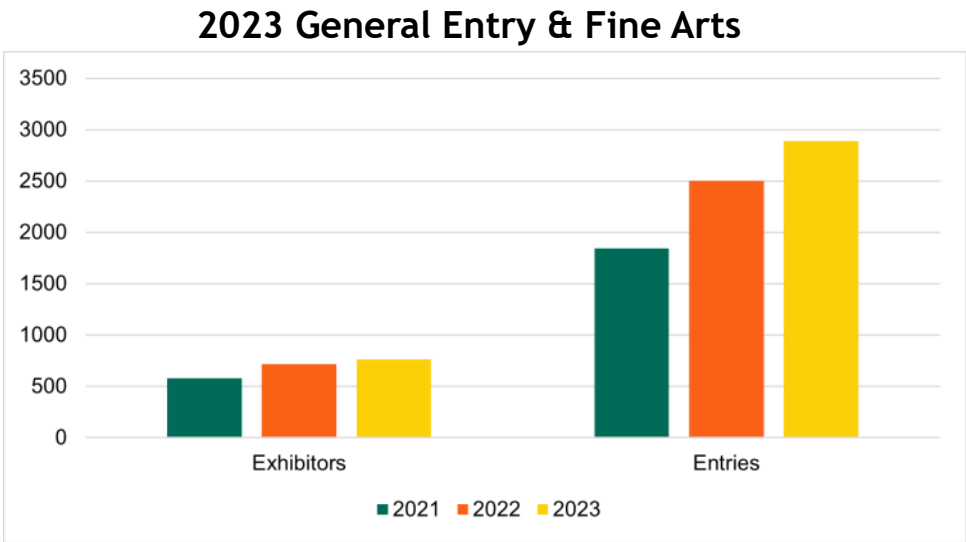


14

TURKEYS

General Entry & Fine Arts

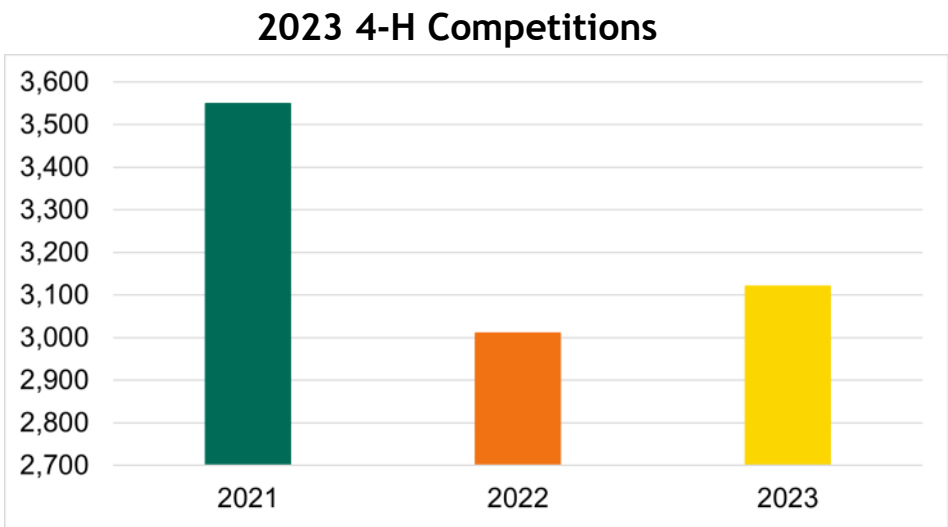
From the fine arts of painting and photography to canning, needlework, quilting, wood-working, and gardening, this department strives to ensure traditional as well as new and modern categories are all represented. The 2023 Colorado State Fair saw 842 individual exhibitors with 2,887 entries.



One new competition was introduced in 2023, the 2024 Commemorative Poster Competition, which saw 13 entries. In the Fine Arts Gallery, 581 pieces of art were exhibited from 203 Professional and Emerging artists. Fine Arts sales totaled \$9,378.

The General Entry & Fine Arts department also works with Colorado State University Extension to oversee 4-H Competitions. Extension produces the show, manages all entries, judging, and displays. Colorado State Fair staff assist with contracts, payments, trophies, and other administrative support.

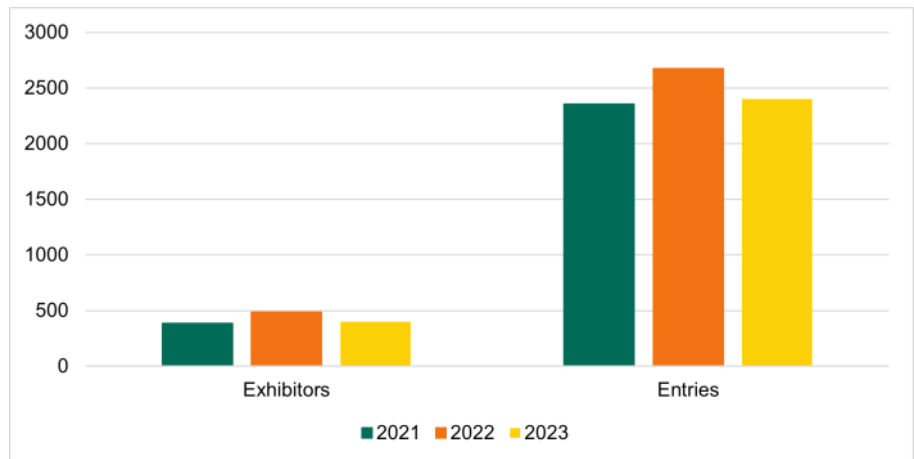
For full General Entry and Fine Arts entry details, see pages 36-37.



Horse Shows

The Colorado State Fair hosts a variety of horse events, including a draft pull, Ranch Horse clinic, Top Hand challenge, reining, and youth freestyle. Two events were selected by the American Quarter Horse Association (AQHA) as Top 10 Shows in the Nation; the AQHA Ranch Horse Versatility and the AQHA Ranching Heritage Challenge.

2023 Horse Shows



The department ran into weather related challenges during the Fair but was able to hold all scheduled shows. Most horse shows saw an increase in both exhibitors and horses attending. See page 35 for full entry details.



Agriculture Education

Colorado Proud Farm Trail



The Colorado Proud Farm Trail was relocated to the Small Animal Building and added two new permanent stations as well as all new signage and displays. Activities gave participants the opportunity see how Colorado commodities are grown and harvested. Participants were greeted by State FFA Officers that explained how to complete the activity and given a basket to collect their harvest. Stations included: Rocky Ford Melons, Olathe Sweet Corn, Palisade Peaches, Colorado Poultry to collect eggs, a station about roping and branding, a cow milking station, Pueblo Chiles, and San Luis Valley potatoes. At the completion of the activity, participants exchanged their harvest at the farmers market stand and were given a prize for participating. A strong partnership with Colorado Proud helps support this exhibit. The Colorado Proud Farm Trail was awarded first place by the International Association of Fairs & Expositions in the category of “Program/Event/Exhibit designed to educate consumers on the Story of Food”.



The Agriculture Pavilion also served as a hub for ag education. Fair visitors were able to see sheep, piglets, llamas, and other animals while learning from FFA students at each station. Colorado State University hosted Cam’s Ag Academy in the building as well. A total of 824 visitors participated in the educational sessions that covered a wide variety of topics, from cattle branding to livestock terminology. Other displays in the building were set up by 35 different partners and showcased Colorado’s Agriculture industry.

CARNIVAL



This year's carnival rides, presented by Crabtree Amusements, grossed \$1,985,155. Promotions included Back to School Day, with a discounted ride wristband and One Price Wednesday, which included unlimited rides with the purchase of gate admission.

Grounds Attractions

Free attractions are strategically placed throughout the grounds to provide quality entertainment for the public and ensure that patrons receive value for their gate admission. Highlighting the new State Fair Plaza in 2023 were a 150-ton sand sculpture created by Sandscapes and The High Flying Pages trapeze show.



SANDSCAPES



WASHBOARD
WILLY



THE CANINE
STARS

PAUL BUNYAN
LUMBERJACK
SHOW



CHEF
LANDRY



THE HIGH FLYING PAGES

Ultra Arena Entertainment



PRCA RODEO

The PRCA Rodeo took place on Friday, August 25, Saturday, August 26, Sunday, August 27, and Monday, August 28.



IAN MUNSICK

Paired with the PRCA Rodeo, Ian Munsick performed on August 25 with 14,581 tickets distributed.



CHASE RICE

Paired with the PRCA Rodeo, Chase Rice performed on August 26 with 5,534 tickets distributed.



SAWYER BROWN

Paired with the PRCA Rodeo, Sawyer Brown performed on August 27 with 3,561 tickets distributed.



RANCH RODEO

The SECOM/SECPA Ranch Rodeo was held on August 30. It was free to attend with gate admission and included a performance by Ned LeDoux.



MONSTER TRUCKS

The Toughest Monster Truck Tour took place on September 1 and 2 with 6,518 tickets distributed between both shows.



DEMO DERBY

The Demolition Derby took place on September 2 with 5,619 tickets distributed.



CELEBRACION DE LOS CHARROS & LOS TIGRES DEL NORTE

The Celebracion de Los Charros Rodeo with Los Tigres del Norte took place on September 3 with 8,243 tickets distributed.

Southwest Motors Events Center Entertainment



**GABRIEL
"FLUFFY"
IGLESIAS**

Comedian Gabriel "Fluffy" Iglesias performed on August 31 in front of a sold out crowd with 7,330 tickets distributed.



**LADY A WITH
SPECIAL GUEST
TYLER
BRADEN**

Lady A and special guest Tyler Braden performed on September 1 with 4,777 tickets distributed.



**LIL JON
WITH SPECIAL
GUEST
CHINGY**

Lil Jon and special guest Chingy performed on September 2 with 2,867 tickets distributed.



**PAT BENATAR
& NEIL
GIRALDO**

Pat Benatar & Neil Giraldo performed on September 3 with 8,503 tickets distributed.



Special Events



CENTENNIAL FARMS & RANCHES

Friday, August 25

This event honors farms and ranches that have remained in the same family continuously for 100 years or more. This year, 25 families were celebrated.



COMMISSIONER'S GRAZE

Friday, August 25

Colorado's Agriculture Commissioner, Kate Greenberg, hosted the third annual Commissioner's Graze. This year's event featured dessert from 2022 Governor's Plate winner Anne's A La Mode.



GOVERNOR'S PLATE

Tuesday, August 29

The Governor's Plate is a competition for food trucks from around the state. All of the participating trucks are members of Colorado Proud. Stoke Pizza took home top honors this year for their chorizo, elote, and green chile pizza.



WORLD SLOPPER EATING CHAMPIONSHIP

Saturday, September 2

The fifth annual World Slopper Eating Championship crowned a new winner in 2023. Australian James Webb ate 32 sloppers in eight minutes to take home the title.

FIESTA DAY



The 56th annual Fiesta Day was held on Sunday, September 3. The Colorado State Fair welcomed a record 77,632 guests that day, making it the most well attended Fair day in recent history.

Fiesta Day, as we know it today, took form in the last three days of the Colorado State Fair in 1966 to celebrate the importance and influence of the Hispanic culture in our community. Over the years various elements including mariachi music, charros, and folklorico dancers have all been included as part of the celebration.

The Colorado State Fair Fiesta Committee produces the annual Fiesta Queen Pageant, which selects an ambassador to represent the diverse Hispanic community and culture for the State Fair. The Fiesta Queen and her Court are recognized on Fiesta Day each year.



2023 Colorado State Fair Fiesta Queen Erika Cordova

Sponsorship Highlights

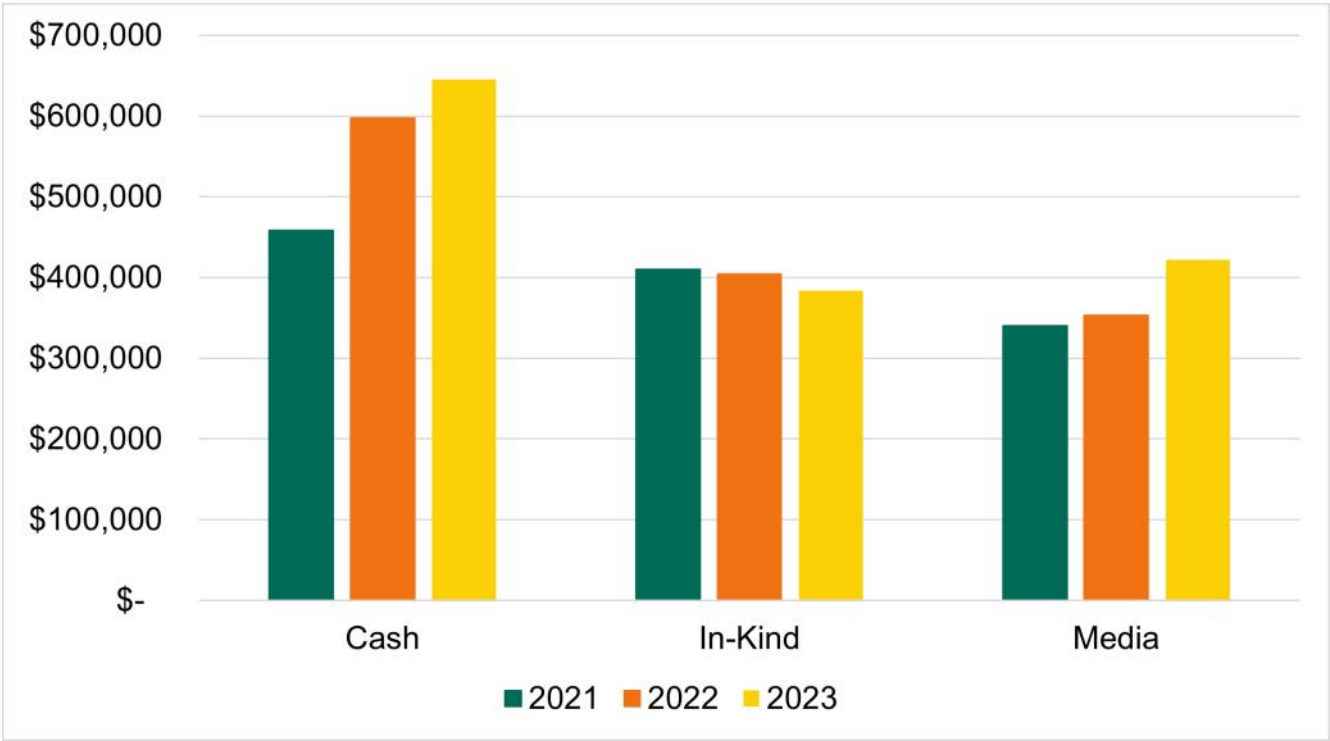
Sponsorships include everything from cash to in-kind trade for goods, services, and advertising. Each package differs in order to suit the marketing objectives for each individual sponsor. A variety of assets are available on the fairgrounds for sponsorship including banners, naming rights, and ticket promotions.

Total cash sponsorship revenue was up 3% for a total of \$645,104.

New sponsorships accounted for \$62,000 of revenue and included partnerships with Alpine Ford, Snooze Mattress Co., Verizon, and Rusler Implement.



2023 Sponsorship Revenue





Food & Commercial Vendors

Food Vendors

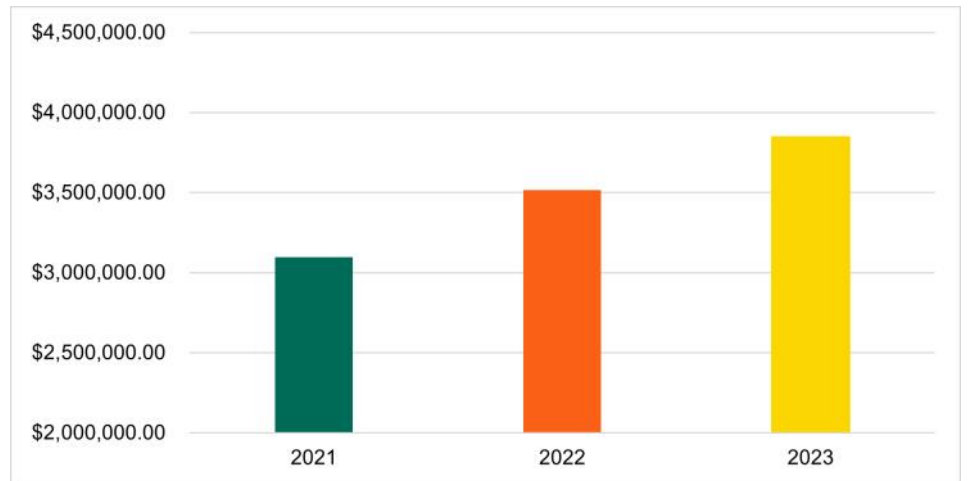


Food concessions are designed to provide a wide variety of food and beverage items that appeal to State Fair guests.

Concessionaires pay the Authority 25% commission on food sales and 30% on alcohol.

Total concession revenue was up 9% in 2023. New vendors included Milo's Corn Dogs, B&B Concessions, and Sue Sue's Concessions.

2023 Concession Revenue



Commercial Vendors



Commercial vendors sell a variety of products and services to Colorado State Fair visitors. These vendors also include organizations that distribute information and local community organizations. The Palace of Agriculture serves as the indoor shopping center of the Fairgrounds and commercial vendors also line the streets outside. Vendor spaces were nearly sold out in 2023, with a 14% increase in vendors from 2022. The Commercial Exhibits department also contracts various Ride & Game vendors that pay 20% commission to the Authority.





Marketing Results

BILLBOARDS



4,850,805

IMPRESSIONS



BUSES AND BENCHES



4,709,844

IMPRESSIONS





Marketing Results

PRINT



4,663,462

TOTAL
IMPRESSIONS

RADIO



30,946,060

TOTAL
IMPRESSIONS

TV



29,201,792

TOTAL
IMPRESSIONS

WEBSITE TRAFFIC



507,700

TOTAL USERS

DISPLAY ADS



2,930,000

TOTAL
IMPRESSIONS

SOCIAL



5,078,542

TOTAL
IMPRESSIONS

Public Relations



1,575

TOTAL EARNED MEDIA MENTIONS

Online/Print - 365

TV - 767

Radio - 377

Facebook - 49

YouTube - 13

Podcast - 1

Instagram - 3

Audience: 117,526,745



\$3,220,964

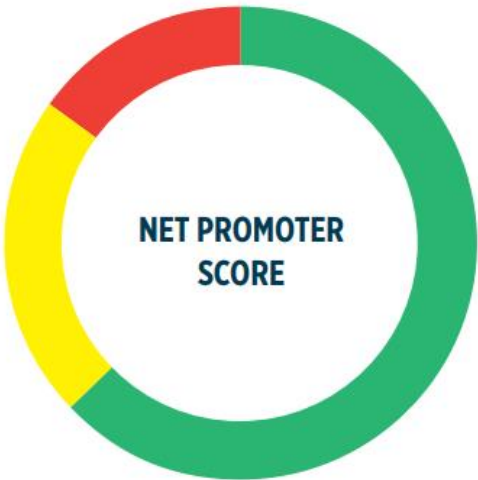
TOTAL PUBLICITY VALUE

Survey Results

Net Promoter Score

Net Promoter Scoring Scale:
-100 - 0: Needs Improvement
0 - 30: Good
30 - 70: Great
70 - 100: Excellent

48 - GREAT!



Colors	%
Promoters	63%
Passives	22%
Detractors	15%



1-10	%
10	51%
9	12%
8	14%
7	8%
6	3%
5	4%
4	1%
3	1%
2	1%
1	1%
0	2%

1,445
Total surveys completed

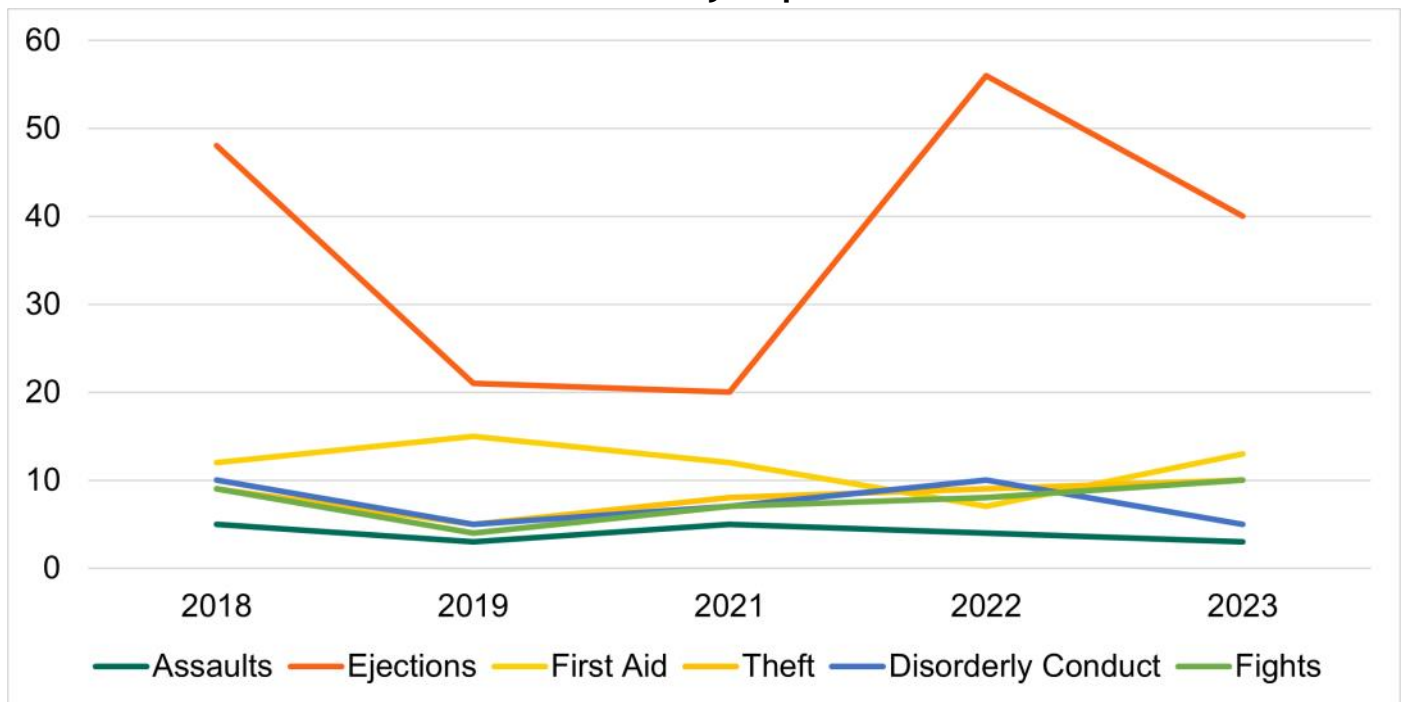
Surveys completed
▲ 149%
(580-1,445)

Visitor Safety

The Security and Law Enforcement division employs around 265 people during the 11-day Fair. Responsible for many facets of Fair operation, this staff includes Ushers, Admissions, Security, Trained Security and Law Enforcement.

In 2023, there were 66 total law enforcement reports, down from 72 in 2022. The majority of incidents occurred during the time period of 5:00 p.m. to 12:00 a.m., with Sunday, September 3 being the highest report day, and the midway as the top incident location.

2023 Security Reports



FAIRTIME FINANCES AND REPORTS



Monitoring Reports



BROADEST PROVISION: (Highest Priority) Coloradoans participate in a premier annual celebration of Colorado's diverse cultures, communities and traditions.

REPORT:

Key Performance Indicators	Results	Achievement
80% or more guests have an average length of stay 4 hours plus	2023: 79% stayed 4+ hours 2022: 79% stayed 4+ hours 2021: 82% stayed 4+ hours	NO
Net Promoter Score of CSF Guests is 40 or higher.	2023: NPS 48 2022: NPS 31 2021: NPS 48	YES
Annual return exhibitor entries of at least 80% (Based on annual exhibitor survey results, consider increasing once we have more years of data)	2023: 84.94% plan for 2024 2022: 86.63% plan for 2023 2021: 84.96% plan for 2022	YES
Y-T-Y growth in number of survey responses for both customers and exhibitors.	2023: 1704 2022: 752	YES

For the most part this section serves as a dashboard for the Fair.

One item of considerable interest is that while we didn't achieve all four of our KPIs, our metrics are still very strong. A high percentage of guests stay longer than 4 hours, our net promoter score still ranks as great, and we saw a high rate of returning exhibitors.

One area we need to improve on, for reporting purposes, is a better way of asking guests the length of stay question. This should improve results in future years for more accurate tracking. Growth in survey responses can be attributed to a new call to action with survey responders being entered into giveaways for meaningful 2024 State Fair prizes.

Monitoring Reports

1.1.A

People enjoy a wholesome, informative family entertainment event.

REPORT:

Key Performance Indicators	Results	Achievement
Y-T-Y growth in (aggregate) number of Livestock, Small Animal, General Entry & Fine Art, and Horse Show exhibits	2023: 7,427 2022: 7,747	NO
Y-T-Y growth in Net Promoter Score of Exhibitor experiences	2023: 40 (great) 2022: 14 (favorable) 2021: 28 (favorable)	YES
At least 30% of exhibitors are first-time exhibitor (Based on annual exhibitor survey results)	2023: 38% 2022: 33% 2021: 24%	YES
Each year, at least four new/featured attraction(s)/exhibits – one focused on industry, one general entertainment and one competition	Living West Exhibit focused on industry. Lumberjack Show and High Flying Pages attractions for general entertainment. New poster contest in General Entry and new youth Junior Whether Doe show in Livestock.	YES

We experienced a decline in Horse Show entries. There were a similar number of horses, but since horses can enter in more than one competition, entry totals were impacted in a negative way. We also cancelled the Watusi, Irish Dexter, and Dairy Goat shows. Additionally there was a significant decline in Boer Goat entries because of competing shows moving to our dates.

Monitoring Reports

1.1.B

People have knowledge of agriculture and Colorado's industries.

i. Priority: Agriculture and Colorado Proud food products.

REPORT:

Key Performance Indicators	Results	Achievement
Y-T-Y growth in attendees who gain new knowledge about agriculture at CSF (Based on annual survey results)	2023: 45% 2022: 36.32% 2021: 35%	YES
At least 20% of food vendors have CP designation.	13%	NO
>50% of catering at Fair events is Colorado Proud ingredients	2023: 60% of catered events 2022: 75% of catered events 2021: 50% of catered events	YES

While our survey results don't tell exactly why we saw significant growth in attendees who gained new knowledge about agriculture at the Fair, we can easily assume that the creation of a new ag education space in the Small Animal building featuring the Petting Farm and Colorado Proud Farm Trail was a major contributor.

We continued to struggle with growing the number of Colorado Proud food vendors at the Fair. The vendors that had the designation in 2021 let their designation lapse. This year we were only able to get two vendors to participate. There has been a continued challenge to get our partners to participate in this program, so there will be some modifications to this goal moving forward.

1.1.B

People have knowledge of agriculture and Colorado's industries.

ii. There is growth in representation of Colorado industries at the Fair.

REPORT:

Key Performance Indicators	Results	Achievement
At least one new industry featured each year at Fair	Yes we added Water Conservation in 2023 with Living West exhibit	YES
Continue to highlight prior years' industry exhibits (i.e. Tourism for 2021)	Tourism and Steel-works Museum Exhibit	YES

Monitoring Reports

1.1.C

People engage and connect with other cultures and groups in Colorado.

REPORT:

Key Performance Indicators	Result	Achievement
At least one new cultural element at the 2023 CSF.	Pueblo Juneteenth was scheduled to be a showcase on the Pepsi Stage Sunday, August 27. However, they had struggles getting participation and cancelled day of.	NO

1.1.C

People engage and connect with other cultures and groups in Colorado.

i. Priority: Youth Engagement

REPORT:

Key Performance Indicators	Results	Achievement
Y-T-Y increase in livestock exhibitor Net Promoter Score.	2023: -7 2022: -24 2021: 24	YES
At least 85% of exhibitors (aggregate) intend to return in '24 based on exhibitor survey results.	2023: 85% 2022: 87%	YES
At least 8,000 participants in Colorado Proud Farm Trail.	6,000 prizes given out to youth participants. The vast majority of youth participants completed the activity with an adult who did not receive a prize	YES
At least 2 improved Colorado Proud Farm Trail activity stations (ie. Corn and Chile educational activities stations)	Palisade Peach Orchard and San Luis Valley Potato Field	YES

Monitoring Reports

1.1.C

People engage and connect with other cultures and groups in Colorado.

i. Priority: Youth Engagement

A. Preferred platform for 4-H/FFA to showcase achievements

REPORT:

Key Performance Indicators	Results	Achievement
Implement at least 3 improvements to youth programs based on '22 survey results	Allowed exhibitors to opt out of JLS Modified food restrictions in the barns Announced judges prior to most ownership deadlines	YES
At least 25 counties participate in Master Showmanship.	2023: 25 2022: 29 2021: 25	YES

1.1.D

There is celebration of individuals' interests and achievements.

REPORT:

Key Performance Indicators	Results	Achievement
30% or more first-time exhibitor entries for General Entry	2023: 43% 2022: 44% 2021: 29%	YES
10% growth in the number of junior and open breeding livestock entries who compete and show compared to the previous State Fair.	2023: 1,049 entries 2022: 1,033 entries 2021: 1,383 entries	NO
At least one new competition that reflects trends and diversifies the competitive shows at the Fair.	Yes, poster contest.	YES
Implement cooking demonstration	Yes, Chef Landry cooking show twice	YES

Monitoring Reports

1.2

Colorado's Agricultural Industry is showcased and celebrated

REPORT: (Information as of 5/31/23)

Key Performance Indicators	Results	Achievement
Exit surveys demonstrate ag exhibits are a key attraction (benchmark Y-T-Y)	2021 - 31% of attendees said Agriculture was a key attraction of the State Fair. (Baseline for future years) 2022 - 35% of attendees said Agriculture was a key attraction of the State Fair.	YES
Premier partners in agriculture (e.g., CO Beef Council, State Farm Bureau, Farmers Union, CO Cattleman, etc.) continue to have an active presence at CSF.	At the 2022 State Fair, 9 Agricultural Government Divisions/ Agencies, 7 Agricultural Service Providers, and 11 Agricultural Commodity Groups displayed exhibits.	YES
Y-T-Y growth in partnerships showcasing Colorado's ag industry.	2022: 33 2021: 27 2019: 36	YES

1.3

The Pueblo and Southern Colorado communities have a "Gathering Place"

A. There is growth in year-round targeted utilization of venues for public and private events.

REPORT:

Key Performance Indicators	Results	Achievement
Business/Marketing plan updated by December 2022	Updated October 2023	NO

Monitoring Reports

All current rental agreements at market rates by 2025	All renters have been informed of rate increases and have a multi-year plan to increase to	PROGRESS TOWARDS ACHIEVE-
Growth of 10% targeted utilization and 10% revenue Y-T-Y	Utilization: Decreased 9% Revenue: Decreased 11%	NO

B. There is an array of different activities/attractions for the enjoyment and education of the Southern Colorado public.

Key Performance Indicators	Results	Achievement
Y-T-Y increase in annual/recurring events on the calendar	Decrease of 12%	NO

As you can see from the data, we did not have a great year in the year-round revenue and activity on the fairgrounds. This very much is a result of all the major construction on the fairgrounds that prevented large portions of the fairgrounds from being rented. Most notably the Ag Palace and the Events Center were either in a construction zone or surrounded by one for more than half of the year. On a positive note, the improvements in and around the Ag Palace and Events Center are now significantly more accessible for those with mobility challenges.

We will maintain the same goals for the next fiscal year, but with the \$10 million of construction projects slated for the Ag Palace and the 4-H Complex we will need to continue to block out dates on the calendar from potential rentals. While we know that the near-term goals are and will remain difficult to achieve, it is important for us to know where we want to see growth, so that we are better able to reach success once the construction projects are completed.

A decrease in recurring horse show events may be partially attributed to a minimum revenue guarantee of \$7,500 per event that was implemented. This did reduce the number of rental days in the horse show grounds, but most of those rentals that did not return were only generating a gross of \$1,000 to \$2,000 to the fairgrounds, and our operating and cleanup costs were near or exceeded that amount. Under the new minimum guarantee, we are netting much more revenue on horse show rentals and we also have more availability during the limited number of good weather weekends for larger shows to consider relocating to our venue. We believe long term this strategy will not only increase revenue for the State Fair, but more importantly will increase net revenue.

2023 Livestock Entries

DIVISIONS	2021		2022		2023	
	Exhibitors	Entries	Exhibitors	Entries	Exhibitors	Entries
Open Dairy Goats	42	328	4	42	0	0
Heritage Cattle	39	422	21	287	18	274
Jr. Boer Goats	0	0	7	31	4	34
Jr. Breeding Cattle	60	110	57	129	59	126
Jr. Breeding Sheep	24	40	17	29	24	51
Jr. Dairy Cattle	20	48	8	25	13	28
Jr. Market Beef	99	89	76	83	94	82
Jr. Market Goats	123	188	124	215	122	176
Jr. Market Hogs	243	512	217	515	227	467
Jr. Market Lambs	168	327	131	282	147	260
Natural/Dual Wool	0	0	0	0	2	25
Open Breeding Cattle	40	135	28	110	37	146
Open Boer Goats	24	125	20	109	9	55
Open Breeding Gilts	0	0	35	84	42	72
Open Dairy Cattle	20	48	9	27	14	32
Open Breeding Sheep	9	90	6	78	10	70
Prospect Cattle	4	14	6	23	8	16
White Handspinning	0	0	0	0	0	0
Wool Fleece	6	51	5	46	6	53
Youth Dairy Goats	5	23	3	13	0	0
Prospect Cattle Showmanship	0	4	0	0	0	0
Jr. Heifer Showmanship	0	23	0	26	22	22
Market Beef Showmanship	0	41	0	40	38	38
Jr. Dairy Cattle Showmanship	0	27	0	5	10	10
Jr. Dairy Goat Showmanship	0	6	0	3	0	0
Market Goat Showmanship	0	52	0	78	53	53
Jr. Breeding Sheep Showman- ship	0	11	0	18	20	20
Market Lamb Showmanship	0	79	0	75	60	60
Market Hog Showmanship	0	95	0	102	50	50
Master Showmanship	25	25	29	29	26	
TOTALS	951	2,913	803	2,504	1,115	2,258

Small Animal & Horse Show



2023 Small Animal Entries

DIVISIONS	2021		2022		2023	
	Exhibitors	Entries	Exhibitors	Entries	Exhibitors	Entries
Market Rabbits	0	0	3	27	10	20
Youth Rabbits	0	0	5	19	13	55
Open Rabbits	0	0	4	20	4	25
Market Chickens	10	25	0	0	4	12
Market Turkeys	19	42	0	0	4	14
Youth Poultry	26	55	0	0	0	0
Open Poultry	25	108	0	0	0	0
TOTALS	80	230	12	66	35	126

2023 Horse Show Entries

DIVISIONS	2021		2022		2023	
	Exhibitors	Entries	Exhibitors	Entries	Exhibitors	Entries
4-H	126	1,155	130	1,284	92	1,069
Draft Horse Challenge	10	28	8	48	8	24
Draft Pull	26	26	24	24	20	20
Ranch Horse Clinic	21	36	32	32	17	17
Ranch Horse Versatility	52	326	83	471	96	541
Ranching Heritage	24	120	47	82	28	80
Ranch Riding	26	134	37	98	28	80
Youth Freestyle	13	13	6	6	12	12
NRHA	33	194	62	313	48	262
NRCHA	56	323	59	316	51	273
TOTALS	387	2,355	488	2,674	400	2,378

General Entry & Fine Arts

2023 General Entry & Fine Arts

DIVISIONS	2021		2022		2023	
	Exhibitors	Entries	Exhibitors	Entries	Exhibitors	Entries
Amateur Art	35	61	45	73	45	83
Arts & Crafts	72	186	67	164	114	226
Beer	0	0	79	320	88	343
Dolls	22	45	23	51	36	71
Farm & Garden	8	30	4	32	15	70
FFA Ag Mechanics	1	3	1	6	5	15
Fine Arts	157	422	191	596	203	581
Floriculture	13	74	20	147	26	144
Needle Arts	79	310	80	248	105	309
Pantry	54	307	81	436	80	662
Pet Rock	21	48	27	40	23	31
Porcelain Art	6	54	4	65	2	44
Quilts	43	110	43	113	44	99
Special Contests	56	61	37	60	55	86
Wine	15	132	16	152	71	100
TOTALS	582	1,843	718	2,503	858	2,864





4-H Entries

Division	Unique Exhibitors	Total Entries
4-H Filmmaking	16	16
Artistic Clothing	146	159
Beekeeping	49	52
Cake Decorating	285	290
Cats	34	34
Ceramics	31	31
Clothing Construction	143	169
Computer Science	24	24
Electricity	21	21
Entomology	27	27
Food Preservation	38	41
Foods and Nutrition	222	264
Gardening	46	47
Global Citizenship	12	13
Heritage Arts	133	145
Home Design and Décor	41	41
Horseless Horse	40	40
Leadership	29	31
Leathercraft	207	214
Metalworking	84	84
Model Rocketry	102	102
Outdoor Adventure	40	40
Photography	132	136
Robotics and Engineering	45	45
Scrapbooking	84	104
Shooting Sports	544	566
Small Engines	31	31
Sportfishing	73	73
Veterinary Science	55	55
Visual Arts	72	77
Wildlife	16	17
Woodworking	131	131
Total Exhibit Entries	2,953	3,120

THE REST OF THE YEAR

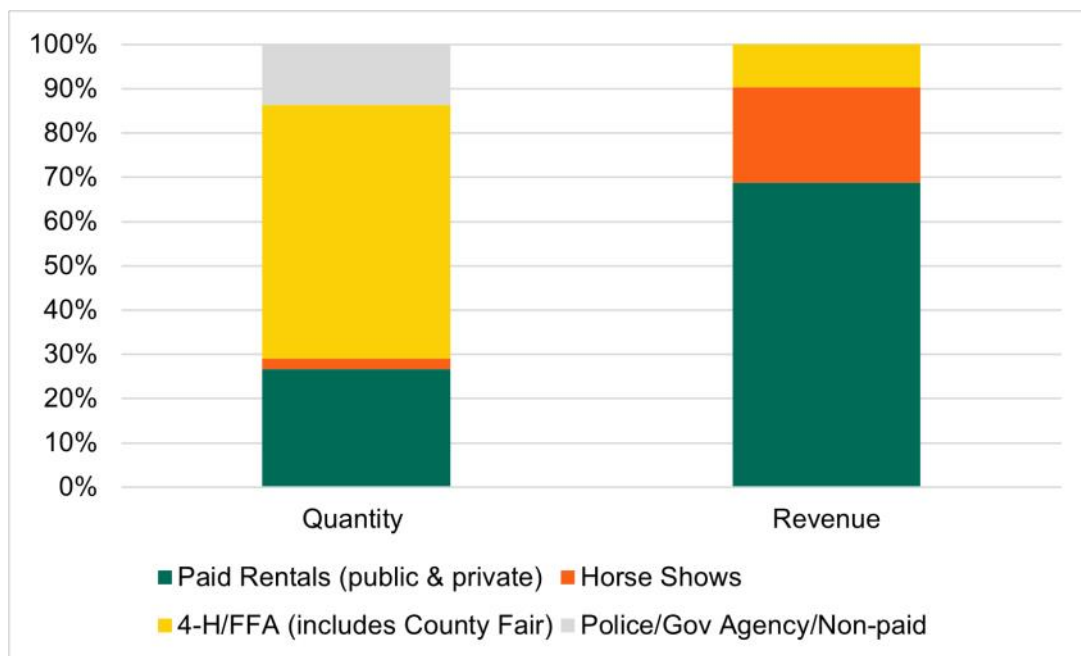


Non-Fair Activities

In fiscal year 2023, non-fair activities were held throughout the year. We were able to host many private and public events. Notable events included the Harlem Globetrotters, concerts, horse shows, 4-H meetings, graduations, a Colorado Mission of Mercy Dental Clinic, and the National Street Rod Association Rocky Mountain Nationals in June. The total number of events and revenue decreased from fiscal year 2022. This is in large part due to a number of construction projects in various areas of the fairgrounds that limited the ability to rent the fairgrounds facilities.



Fiscal Year 2023 Year Round Events



	Quantity	Revenue
Paid Rentals (public & private)	55	\$220,932
Horse Shows	5	\$68,999
4-H/FFA	118	\$31,000
Police/Gov Agency/Non-paid	28	\$ -



Improving the Grounds

The Operations department is responsible for ensuring that our customers, exhibitors, vendors, and fellow employees experience a clean and well-maintained facility before, during, and after the Fair is complete. In addition to the usual daily event setup, cleanup and general maintenance, maintenance and improvements happen throughout the year. 2023 saw the completion of Phase 1 of the Colorado State Fair Master Plan, with a brand new State Fair Plaza from Gate 5 to the Palace of Agriculture.



EVENTS CENTER



Code and safety improvements have been made, including new railings, stairways, and sidewalks.

AG PALACE



The Palace of Agriculture project will see the historic building receive a new roof, HVAC system, and new windows.

FIRE SUPPRESSION



Many buildings are scheduled to receive new fire suppression systems, including the 4-H Complex and Colorado Building.

FAIR SIGNAGE



New information, wayfinding signs, and ticket kiosks were built to help improve our customer experience.

PA SYSTEMS



Public Address systems were installed at the three main public gates to provide important information to customers.

NETWORK EQUIPMENT



Network equipment was updated to improve the performance of all networks during the Fair and year-round.

AUDITED PRIOR YEAR FINANCIALS





Prior Year Financials

The following presents a summarized statement of revenues, expenses and changes in fund net position of the Authority broken down between Fair-time and Nonfair periods.

	Year ended June 30,2023 Fair-time	Year ended June 30,2023 Nonfair	Year ended June 30,2023 Total	Year ended June 30,2022 Total
Operating revenues	\$ 7,617,516	\$ 731,158	\$ 8,348,674	\$ 8,027,660
Operating expenses (excluding depreciation)	<u>6,964,206</u>	<u>4,213,639</u>	<u>11,177,845</u>	<u>9,319,021</u>
Operating income (loss) before depreciation	<u>\$ 653,310</u>	<u>\$ (3,482,481)</u>	<u>(2,829,171)</u>	<u>(1,291,361)</u>
Depreciation			<u>(993,810)</u>	<u>(1,030,027)</u>
Operating Loss			<u>(3,822,981)</u>	<u>(2,321,388)</u>
Nonoperating revenue (net)			<u>3,646,030</u>	<u>9,821,402</u>
Gain (loss) before state capital contributions			(176,951)	7,500,014
Other Revenues, (Expenses), or Transfers			<u>1,417,107</u>	<u>(744,235)</u>
Change in net position			<u>\$ 1,240,156</u>	<u>\$ 6,755,779</u>



Colorado State Fair Authority

Statement of Revenues, Expenses and Change in Net Assets

June 30, 2023 and 2022

	2023	2022
OPERATING REVENUES		
Gate admissions	\$ 2,981,580	\$ 2,831,164
Private sponsorships	1,383,347	1,241,001
Commercial space/concessions	1,332,642	1,155,967
Exhibitors	808,799	815,099
Concerts	1,143,498	1,248,718
Rentals	610,852	665,640
Miscellaneous sales	87,956	70,071
Total Operating Revenue	8,348,674	8,027,660
OPERATING EXPENSES		
Entertainment and attractions	2,241,581	2,178,275
Advertising and promotions	1,187,129	1,264,177
Personnel services and benefits	3,583,754	2,201,294
Prizes and awards	892,274	905,458
Depreciation	993,810	1,030,027
Utilities	1,003,036	882,027
Other operating	552,745	460,271
Repairs and maintenance	597,826	435,604
Other purchased services	239,601	271,032
Supplies and materials	512,711	419,982
Building, vehicle and equipment rental	211,021	179,492
Contractual services	114,217	76,102
Travel	41,950	45,307
Total Operating Expenses	12,171,655	10,349,048
Operating Loss	(3,822,981)	(2,321,388)

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Colorado State Fair Authority

Statement of Revenues, Expenses and Change in Net Assets

June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
NONOPERATING REVENUES (EXPENSES)		
Unclaimed Property	1,906,656	1,546,950
General Fund Appropriations	1,000,000	1,000,000
Local Government Grants	439,374	975,626
Marijuana Tax Cash Fund appropriations	300,000	300,000
Unrealized Gain (Loss)	38,549	(744,235)
State Appropriations for Agriculture Events	-	4,000,000
Total Nonoperating Revenues (Expenses)	<u>3,684,579</u>	<u>7,078,341</u>
Gain before State Capital Contributions	(138,402)	4,756,953
OTHER REVENUES, (EXPENSES), OR TRANSFERS		
State Controlled Maintenance	2,518,558	1,998,826
Transfers out	(1,140,000)	-
Total Other Revenues, (Expenses), or Transfers	<u>1,378,558</u>	<u>1,998,826</u>
Change in net position	1,240,156	6,755,779
Net position, beginning of year	<u>22,010,991</u>	<u>15,255,212</u>
Net position, end of year	<u>\$ 23,251,147</u>	<u>\$ 22,010,991</u>



Colorado State Fair Authority

Statements of Net Position

June 30, 2023 and 2022

	2023	2022
ASSETS		
Current assets		
Cash and cash equivalents	\$ 8,650,434	\$ 12,922,595
Accounts receivable, net of allowance for doubtful accounts	76,600	107,194
Lease receivable - current	89,386	87,608
Prepaid expenses	23,261	21,460
Total current assets	<u>8,839,681</u>	<u>13,138,857</u>
Noncurrent assets		
Lease receivable - long term	590,742	682,223
Capital assets, net of accumulated depreciation	25,890,099	16,891,291
Total noncurrent assets	<u>26,480,841</u>	<u>17,573,514</u>
TOTAL ASSETS	<u>35,320,522</u>	<u>30,712,371</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension	1,921,868	1,748,985
OPEB	81,476	77,588
Total deferred outflows of resources	<u>2,003,344</u>	<u>1,826,573</u>
LIABILITIES		
Current Liabilities		
Warrants Payable	3,057,689	175,180
Accrued expenses	1,074,082	1,483,532
Due to other state departments	285,000	-
Unearned revenue	1,234,614	909,416
Other current liabilities	11,000	3,690
Current portion of accrued compensated absences	16,624	6,150
Total current liabilities	<u>5,679,009</u>	<u>2,577,968</u>
Noncurrent liabilities		
Accrued compensated absences	113,280	132,877
Due to other departments	85,000	-
Pension liability	7,162,228	4,528,762
OPEB liability	165,789	169,418
Total noncurrent liabilities	<u>7,526,297</u>	<u>4,831,057</u>
TOTAL LIABILITIES	<u>13,205,306</u>	<u>7,409,025</u>

Continued on next page

Colorado State Fair Authority

Statements of Net Position

June 30, 2023 and 2022

DEFERRED INFLOWS OF RESOURCES

Lease	660,824	760,832
Pension	103,850	2,237,542
OPEB	102,739	120,554
Total deferred inflows of resources	<u>867,413</u>	<u>3,118,928</u>

NET POSITION

Net investment in capital assets	25,890,099	16,891,291
Unrestricted (deficit)	<u>(2,638,952)</u>	<u>5,119,700</u>

TOTAL NET POSITION

<u>\$ 23,251,147</u>	<u>\$ 22,010,991</u>
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Colorado State Fair Authority

Statement of Cash Flows

June 30, 2023 and 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from fees for services	\$ 8,095,361	\$ 6,771,060
Cash received from rental of property	610,852	665,640
Cash received from other sources	87,956	70,071
Cash paid to employees	(3,284,008)	(2,813,253)
Cash paid to suppliers	(5,221,040)	(6,192,365)
Cash paid to others	(1,801)	130,619
NET CASH USED IN OPERATING ACTIVITIES	<u>287,320</u>	<u>(1,368,228)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Unclaimed property fund interest	1,906,656	1,546,950
State of Colorado appropriation	1,300,000	1,300,000
Local government grants	439,374	975,626
State Appropriations for Agriculture Events	-	4,000,000
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>3,646,030</u>	<u>7,822,576</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Insurance Proceeds	-	-
NET CASH PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Cumulative Gain (Loss) on Treasury Pooled Cash	38,549	(744,235)
Purchases of property and equipment	(8,244,060)	(2,328,749)
NET CASH USED IN INVESTING ACTIVITIES	<u>(8,205,511)</u>	<u>(3,072,984)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(4,272,161)	3,381,364
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>12,922,595</u>	<u>9,541,231</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 8,650,434</u>	<u>\$ 12,922,595</u>

Continued on next page



Colorado State Fair Authority

Statement of Cash Flows

June 30, 2023 and 2022

	2023	2022
OPERATING LOSS	<u>\$ (3,822,981)</u>	<u>\$ (2,321,388)</u>
Adjustments to reconcile net loss to cash used in operating activities:		
Depreciation	993,810	1,030,027
(Increase) decrease in accounts receivable	30,594	(72,680)
(Increase) decrease in prepaid expenses and other assets	(1,801)	130,799
(Increase) decrease in lease receivable	89,703	91,519
Increase (decrease) in accounts payable	(509,458)	(45,056)
Increase (decrease) in warrants payable	2,882,509	108,889
Increase (decrease) in accrued payroll	-	-
Increase (decrease) in compensated absences	(9,123)	11,295
Increase (decrease) in other payables	7,310	215
Increase (decrease) in unearned revenue	325,198	321,622
Increase (decrease) in pension liability	326,891	(600,784)
Increase (decrease) in OPEB liability	<u>(25,332)</u>	<u>(22,686)</u>
Total adjustments	<u>4,110,301</u>	<u>953,160</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>\$ 287,320</u>	<u>\$ (1,368,228)</u>
NONCASH OPERATING AND FINANCING ACTIVITIES		
Property and equipment contributions	\$ 2,518,558	\$ 1,998,826
Advertising and promotions provided through private sponsorships	\$ 757,258	\$ 750,587

Management's Discussion and Analysis



This discussion and analysis of the Colorado State Fair Authority's financial performance is a required component of financial reporting under governmental accounting standards and prepared by the Colorado State Fair Authority Management. It provides an overview of financial activities for the years ended June 30, 2023 and 2022 (with comparative information for 2021) and should be read in conjunction with the Authority's financial statements, which begin on page 22. These financial statements reflect only activities of the Colorado State Fair Authority, a division of the Department of Agriculture of the State of Colorado.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements are comprised of two components: 1) fund financial statements and 2) notes to the financial statements.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The only fund of the Authority is its proprietary fund.

Proprietary fund. The Authority maintains one proprietary fund, an enterprise fund. The Authority uses its enterprise fund to account for its Fair activities and Non-Fair activities conducted on the Fairgrounds.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the fund financial statements.

FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Authority's enterprise fund, assets exceeded liabilities by \$23,251,147 at the close of the most recent fiscal year. The following schedule provides a condensed statement of net position as of June 30, 2023, 2022 and 2021.



Condensed Schedules of Net Position
June 30,

	2023	2022	2021
Current Assets	\$ 8,839,681	\$ 13,138,857	\$ 9,819,523
Noncurrent Assets	26,480,841	17,573,514	14,363,574
Total Assets	35,320,522	30,712,371	24,183,097
Deferred Outflows of Resources	2,003,344	1,826,573	591,521
Current Liabilities	5,679,009	2,577,968	2,087,238
Noncurrent Liabilities	7,526,297	4,831,057	4,072,365
Total Liabilities	13,205,306	7,409,025	6,159,603
Deferred Inflows of Resources	867,413	3,118,928	3,359,803
Net Investment in Capital Assets	25,890,099	16,891,291	13,593,743
Unrestricted (Deficit) Net Position	(2,638,952)	5,119,700	1,661,469
Total Net Position	\$ 23,251,147	\$ 22,010,991	\$ 15,255,212

2023

The largest portion of the Authority's net position of \$23,251,147 is reflected in its net investment in capital assets (e.g., land, buildings, and equipment) of \$25,890,099. The Authority uses these capital assets to operate the State Fair and Non-State Fair activities held on the premises; consequently, these assets are not available for future spending. The remaining balance of unrestricted net position is a deficit of \$2,638,952.

During Fiscal Year 2023 total assets increased by \$4,608,151. Current assets decreased by \$4,299,176. The decrease was attributed to the decrease in cash for expenditures from the funds the Authority received through Senate Bill 22-134, which was intended to partly fund the 2021 Colorado State Fair Master Plan.

Capital assets increased \$8,998,808 of which \$1,568,275 was depreciation expense offset by additions in capital assets of \$4,205,096 and construction in progress of \$6,361,987. Construction in progress was funded by the State Controlled Maintenance, the State Capital Construction, House Bill (HB) 21-1262, Senate Bill (SB) 22-134, Pueblo County, and funding from the maintenance appropriation and operating funds in the amounts of \$1,216,455, \$1,322,788, \$2,805,309, \$4,000,000, \$14,374, \$102,494 and \$2,700 respectively. The projects funded by the State Controlled Maintenance were the Event Center HVAC system in the amount of \$132,607 which is 90 percent complete with expected completion by December 31, 2023, the installation of the fire suppression system in the Palace of Agriculture building for \$424,183 which is 98 percent complete and expected completion date of by December 31, 2023, Event Center code and life safety updates for \$659,665 expected completion date of June 30, 2024. The State Capital Construction funded the 2021 repair to replace the water, sanitary and sewer for \$1,322,788. This project is in the construction phase and expected to be completed by June 30, 2024.



HB 21-1262 funded the Gate 5 remodel in the amount of \$2,805,309 along with funds from Pueblo County of \$14,374. Gate 5 remodel was completed during fiscal year 2023 and the amount of \$3,102,132 was transferred to capital assets. SB22-134 funded the Plaza project in the amount of \$4,000,000 to be completed by June 30, 2024. Other capital assets increased by \$528,499 which were funded through general fund maintenance appropriation and operating funds. Buildings increased by \$574,465 which was a purchase from History Colorado for a piece of property that has been fully depreciated.

Current liabilities increased by \$3,101,041. The increase was a combination of warrants payable, due to other state departments, unearned revenue, and other current liabilities increasing by \$2,882,509, \$285,000, \$325,198, and \$7,310 respectively and accrued expenses decreasing by \$409,450. These increases were due to additional liabilities related to ongoing construction in progress, acquisition of a building from another state department, and additional gate admission and sponsorship sales in advance of the 2024 fair. Noncurrent liabilities increased by \$2,695,240. This increase was due to an increase in the pension liability and due to other state department of \$2,633,466 and \$85,000 respectively and decrease in accrued absences and the OPEB liability of \$19,597 and \$3,629 respectively.

The Authority's net position increased by \$1,240,156 during the current fiscal year.

2022

The largest portion of the Authority's net position of \$22,010,991 is reflected in its net investment in capital assets (e.g., land, buildings, and equipment) of \$16,891,291. The Authority uses these capital assets to operate the State Fair and Non-Fair activities held on the premises; consequently, these assets are not available for future spending. The remaining balance of unrestricted net position is \$5,119,700.

Capital assets increased \$3,297,548 of which \$1,030,027 was depreciation expense offset by additions in capital assets of \$601,604 and construction in progress of \$3,725,971. Construction in progress was funded by the State Controlled Maintenance, the State Capital Construction, Senate Bill (SB) 17-267, House Bill (HB) 21-1262 and funding from Pueblo County in the amounts of \$1,477,649, \$79,482, \$344,165, \$1,239,049 and \$585,626 respectively. The projects funded by the State Controlled Maintenance were the Event Center roof replacement in the amount of \$41,932, replace the Event Center HVAC system in the amount of \$1,132,306 which is 78 percent complete with expected completion by June 30, 2023, the installation of the fire suppression system in the Palace of Agriculture building for \$299,806 which is 42 percent complete and expected completion date of by June 30, 2023, Event Center code and life safety updates for \$3,605 expected completion date of June 30, 2024. The State Capital Construction funded the 2021 repair, replace the water, sanitary and sewer for \$79,482. This project is in the design phase and expected to be completed by June 30, 2024. SB 17-267 funded the sewer and storm water replacement in the amount of \$344,165 and was completed in fiscal year 2022.



HB 21-1262 funded the Gate 5 remodel – phase 1 in the amount of \$1,239,049 along with funds from Pueblo County of \$585,626. The Event Center roof replacement and the sewer and storm water replacement were completed during fiscal year 2022 and the amounts of \$788,632 and \$2,193,349 respectively were transferred to capital assets. Equipment, vehicles, and other capital assets increased by \$601,604 which were funded through general fund maintenance appropriation and HB 21-1262.

Current liabilities increased by \$490,730. The increase was a combination of accrued expenses, warrants payable and unearned revenue increasing by \$55,462, \$108,889 and \$321,622 respectively. Noncurrent liabilities increased by \$758,692. This increase was due to an increase in the pension liability of \$711,362 and the OPEB liability of \$40,577.

The Authority's net position increased by \$6,755,779 during Fiscal Year 2022.

Schedule of Revenues, Expenses, and Changes in Fund Net Position
Years ended June 30,

	2023	2022	2021
Total operating revenues	\$ 8,348,674	\$ 8,027,660	\$ 1,452,497
Total operating expenses	12,171,655	10,349,048	4,219,723
Operating loss	(3,822,981)	(2,321,388)	(2,767,226)
Net non-operating revenue	3,684,579	7,078,341	8,035,687
Gain before capital contributions	(138,402)	4,756,953	5,268,461
Capital contributions	2,518,558	1,998,826	2,040,979
Transfers out	(1,140,000)	-	-
Change in net position	1,240,156	6,755,779	7,309,440
Net position, beginning of year	22,010,991	15,255,212	7,945,772
Net Position, end of year	\$ 23,251,147	\$ 22,010,991	\$ 15,255,212



For the Year Ended June 30, 2023, net position increased by \$1,240,156. The following table illustrates the Authority's Net Position and Change in Net Position without the effect of the GASB 68 and 75 liabilities and expense.

	Fiscal Year 2023	Fiscal Year 2022
Total Net Position (GAAP Basis)	\$ 23,251,147	\$ 22,010,991
Effect of GASB 68 – Pension	5,344,210	5,178,786
Effect of GASB 75 – OPEB	187,052	212,384
Net Investment in capital assets	25,890,099	16,891,291
Net Position excluding Pension and OPEB	2,892,310	10,510,870
Total Net Position	<u>\$ 28,782,409</u>	<u>\$ 27,402,161</u>
	Fiscal Year 2023	Fiscal Year 2022
Change in Net Position (GAAP Basis)	\$ 1,240,156	\$ 6,755,779
GASB 68 – Pension	326,891	(148,919)
GASB 75 – OPEB	(25,333)	(22,685)
Change in Net Position excluding Pension and OPEB	<u>\$ 1,541,714</u>	<u>\$ 6,584,175</u>

The change in Fiscal Year 2023 net position excluding pension and OPEB expenses was an increase of \$1,541,714. Key elements of this increase are as follows:

- Operating revenue increased by \$321,014. The 2022 State Fair resulted in an increase of operating revenue of \$375,802 offset by a decrease in rental revenue of \$54,788.
- Operating expenses, excluding the GASB 68 pension and GASB 75 OPEB entries for Fiscal Year 2023 increased by \$1,520,402. Personnel and benefit costs, repairs and maintenance, other operating costs, supplies and materials, and utilities were the major contributors with increases of \$1,080,256, \$162,222, \$92,475, \$92,729, and \$121,009 respectively. The increase in personnel and benefit costs are due to additional PERA defined benefit pension expenses of \$927,625, filling vacant positions and the overall increase in wages. The increase in repairs and maintenance, supplies and materials, and other operating costs were due to increase in costs along with additional program purchases. The increase in utilities is due to increase in costs.
- Non-operating revenue decreased by \$3,393,762. Unclaimed Property interest income increased by \$359,706, and this year there was an unrealized gain in Treasury Pooled Cash which resulted in an increase of \$782,784. The increases were offset by decreases in Local Government Grants funding of \$536,252 and funding from Senate Bill 22-134 passed in Fiscal Year 2022 of \$4,000,000.
- Other revenues decreased by \$620,268. Contributions from the State Controlled Maintenance funds increased by \$519,732 which was offset by a transfer out of \$1,140,000 to History Colorado for the purchase of a building.



For the Year Ended June 30, 2022, net position increased by \$6,755,779. The increase is related to the \$4 million State funding received, changes in inputs and assumptions for the PERA defined benefit and OPEB plans which resulted in a reduction of expenses of \$624,114 in Fiscal Year 2022. The following table illustrates the Authority's Net Position and Change in Net Position without the effect of the GASB 68 and 75 liabilities and expense.

	Fiscal Year 2022	Fiscal Year 2021
Total Net Position (GAAP Basis)	\$ 22,010,991	\$ 15,255,212
Effect of GASB 68 – Pension	5,178,786	5,618,103
Effect of GASB 75 – OPEB	212,384	235,069
Net Investment in capital assets	16,891,291	13,593,743
Net Position excluding Pension and OPEB	10,510,870	7,514,641
Total Net Position	<u>\$ 27,402,161</u>	<u>\$ 21,108,384</u>
	Fiscal Year 2022	Fiscal Year 2021
Change in Net Position (GAAP Basis)	\$ 6,755,779	\$ 7,309,440
GASB 68 – Pension	(148,919)	(1,904,854)
GASB 75 – OPEB	(22,685)	(26,021)
Change in Net Position excluding Pension and OPEB	<u>\$ 6,584,175</u>	<u>\$ 5,378,565</u>

The change in Fiscal Year 2022 net position excluding pension and OPEB expenses was an increase of \$6,584,175. Key elements of this increase are as follows:

- Operating revenue increased by \$6,575,163. The 2021 Colorado State Fair was produced whereas the 2020 Colorado State Fair was not produced due to COVID-19 which resulted in an increase of operating revenue of approximately \$6,781,708. Rental income decreased \$206,545 due to rental of the fairgrounds as a COVID-19 testing site and a COVID-19 vaccination site in Fiscal Year 2021 and the rental did not continue in Fiscal Year 2022.
- Operating expenses, excluding the GASB 68 pension and GASB 75 OPEB entries for Fiscal Year 2022 increased by \$6,591,327. The increase was due to returning to pre COVID-19 operation and producing the 2021 Colorado State Fair.
- Non-operating revenue decreased by \$957,346 of which \$1,000,000 was a decrease in funding received from Bills passed in Fiscal Years 2022 and 2021, a decrease in Unclaimed Property interest income of \$123,609, and this year there was an unrealized loss in Treasury Pooled Cash which resulted in a decrease of \$681,468. The decreases were offset by the following increases. Local Government Grants funding increased by \$583,126 and funding from the general fund increased by \$275,000.
- State Controlled Maintenance decreased by \$42,153. This decrease was due to the continuing progress of four projects and the start of a new project.

Further Analysis

The Colorado State Fair is statutorily mandated per Section 35-65-105(1) C.R.S. (2012). Statute is silent on how this event, or the fairgrounds in general, are to be funded, with the exception of Section 38-13-116.7(3)(a)(I) C.R.S. (2012), which directs the Treasurer to deposit 25% of the interest from the Unclaimed Property Fund to the State Fair Authority Cash Fund. Year-round operations and maintenance of the fairgrounds is the real challenge since the annual fair event does not bring in enough revenue to support year-round operations. In order for the annual fair to support year-round operations, the Authority would need to drastically increase admissions, concession, and event revenue by raising prices, which would make the annual fair basically unaffordable for most fairgoers. Alternatively, the Authority could decrease expenses for attractions and events, which would adversely affect attendance since a sizeable percentage of fairgoers, attend the fair for the attractions and events offered. Understanding this, the Authority has been working diligently to strike a balance between increasing revenue and reducing expenses while producing a high-quality fair.

SUBSEQUENT EVENTS

For the Period July 1, 2023 to September 30, 2023

The fiscal year 2024 fair was held August 25th through September 4th, 2023. The following is a comparison of the statistics for the past three fairs.

	<u>Fiscal Year 2024</u>	<u>Fiscal Year 2023</u>	<u>Fiscal Year 2022</u>
Colorado State Fair Attendance*	508,877	461,104	457,765
Paid events offered during the			
Colorado State Fair	9	10	12
Colorado State Fair Events*	1	1	2
Non-fair Events**	18	207	355

*The event for Fiscal Year 2024 was the Colorado State Fair.

**Fiscal Year 2024 is not complete; this reflects a total of events as of September 30, 2023.

BUDGETARY HIGHLIGHTS

The Authority's budget is determined by a variety of methods. The majority of the budget is set by the annual appropriations bill (called the Long Bill—enacted by the General Assembly and signed by the Governor), which determines budgets for every agency within the State. The Long Bill and centrally appropriated funds are approved shortly before the start of each fiscal year. Agencies may also request a supplemental appropriation during the fiscal year to cover unexpected expenses as well as year-end transfers of spending authority, if needed. The final method of funding is special legislation.

For Fiscal Year 2023, the approved expense budget for the Authority's activities was \$10,853,035 of which \$1,000,000 was General Fund and \$9,853,035 was cash funded. The budgetary amount includes the Colorado State Fair Program line item in the Long Bill. Total actual operating revenues were \$8,348,674 and total revenue including Department of Agriculture, local government grants, unclaimed property fund interest income, and general fund appropriations were \$11,994,704 and total expenses on a budgetary basis were \$10,119,029.

Total operating expenses (GAAP basis)	\$ 12,171,655
(Less) depreciation	(993,810)
(Less) in-kind match	(757,258)
Plus GASB 68/71 pension expense	(326,891)
Plus GASB 75 OPEB expense	25,333
	<hr/>
Total expenses (budgetary basis)	<u><u>\$ 10,119,029</u></u>

ECONOMIC OUTLOOK

Based on the 2023 (Fiscal Year 2024) Colorado State Fair financial results, the next few years have the potential to be better than average as the economy continues to recover from the period of economic uncertainty caused by COVID-19 in 2020 and 2021. This outlook is based on the better than average results of the 2009 to 2012 Colorado State Fairs. With the economic uncertainty that occurred after the great recession of 2008, people tended to do more "staycations", which benefitted not only the Colorado State Fair, but also the demand for rentals on the property throughout the year.

While there is much upside potential, the Authority still faces many challenges in the upcoming years as a result of inflation and economic uncertainty. The Authority has done a good job of increasing rates over the past few years to cover increasing costs without seeing a reduction in the number of people attending the Fair and utilizing the fairgrounds.



In fiscal year 2021, the Authority adopted the Colorado State Fair Master Plan. During fiscal years 2022 and 2023 many projects in phase one of the plan were completed. The first project was the renovation of one of the main entrances located on Prairie Avenue. The second completed project in phase one is the landscape redesign as you enter the Fairgrounds through the Prairie gate and all the way to the west side of the Palace of Agriculture building. The Authority is in the early phases of launching a fundraising plan to complete phase two of the master plan, which is focused on a new livestock building, community building, and relocation of the carnival/midway location, along with the few remaining items from phase one. This fundraising plan is estimated to start in fiscal year 2025, be complete in five years, and will rely roughly on 40% privately raised funds and 60% public source funds with a funding goal of \$40 million.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This management's discussion and analysis (MD&A) is designed to provide Colorado citizens, Colorado government officials, our sponsors, customers, and other interested parties with a general overview of the Authority's financial activity for Fiscal Year 2023 and to demonstrate the Authority's accountability for its use of State resources. If you have questions about the MD&A or need additional information, contact the Department of Agriculture Administrative Services, 305 Interlocken Parkway, Broomfield, Colorado 80021.



Colorado
State Fair