2013
ANNUAL REPORT
INDIANA STATE FAIR COMMISION

2013 INDIANA STATE FAIR COMMISSION, BOARD & STAFF

COMMISSION

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Ted McKinney

Dana Huber

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Indiana State Fair Board

Matthew Rekeweg,
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Board of Trustees

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Director, Department of
Agriculture

Senator James Merritt,
State Fair Legislative
Advisory Committee

Governors Representative:
William Smith

Representative Bob Cherry,
State Fair Legislative
Advisory Committee

COMMISSION STAFF

Cynthia C. Hoye,
Executive Director

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David Ellis,
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General Counsel

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Director of Safety & Security

Justin Armstrong,
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Kristen Wolfred,
Director of Strategic Projects

Margaret Davidson,
Chief Marketing Officer

Mark Anderson,
Director of Human Resources

Doug Huntsinger,
Director of Fair Board Administratior
& Government Affairs

FAIR BOARD

Elected

District 1: Steve Simmerman,
Battleground

District 2: Bill Leininger,
Akron

District 3: Patrick Barker,
Kendallville

District 4: Stanley Poe,
Franklin

District 5: Todd Uhl,
Corydon

District 6: Jim Lankford,
Martinsville

District 7: Thomas Gary,
Indianapolis

Appointed

District 1: Alan Washburn,
Kentland

District 2: Lee Ann Eizinger,
Rochester

District 3: Jackie Bell,
Avilla

District 4: Bryan Messersmith,
Sheridan

District 5: Paul Graf,
Sellersburg

District 6: Steve Patterson,
Brownsburg

District 7: Al Polin,
Indianapolis

Ex Officio Members

Governor Michael R. Pence
Representative: William Smith

Gina Sheets, Director,
Department of Agriculture

Renee McKee
Indiana Cooperative Extension

INDIANA STATE FAIR ADVISORY COMMITTEE

Senator
James Merritt, Chairman

Senator
Jean Leising

Senator
Jean Breaux

Senator
Richard Young

Representative
Robert Cherry, Vice-Chairperson

Representative
Jerry Torr

Representative
Greg Porter

Representative
Sheila Klinker

MISSION:

To preserve and enhance the Indiana State Fairgrounds and the annual Indiana State Fair for the benefit of all citizens of Indiana.

VISION:

To be a premier year-round gathering place that maximizes its resources to host a wide range of diverse activities. To be recognized as the best State Fair in the country, showcasing agriculture & youth in an educational, entertaining and safe environment.

CORE VALUES:

- Operating in a safe and environmentally conscious manner
- Agriculture and food as our foundation
- Investing in and nurturing our customers, our personnel and our facilities
- Fiscal responsibility
- Building family memories and traditions for future generations
- Responsible stewardship of this historic and treasured state institution
- Constant innovation and dynamic, relevant presentations

MESSAGE FROM THE EXECUTIVE DIRECTOR'S

PHENOMENAL! The one word that comes to mind when we look back on 2013 at the Indiana State Fairgrounds. From completing our 3-year strategic plan, to the opening of two new state-of-the art facilities, to a record-breaking Indiana State Fair where Hoosiers found "Fun at Every Turn", the Indiana State Fair Commission is proudly preserving and creating memories for generations to come. There is an excitement here for all that the future holds for our organization, our tenants, our customers and our fellow Hoosiers. We are embarking on a path to the future that will help ensure this institution is still thriving 160 years from now.

As you review our list of major accomplishments in 2013 and what lies ahead in 2014, you will see that our team is committed to preserving the storied history of this organization while enhancing the experiences of Hoosiers, from our young students attending our educational programming to our seasoned fair family who "remember when" with stories that warm our hearts. We have some new faces on our staff as well as those that are familiar, but the uniqueness of our team is that no matter the tenure, the level of pride each of them have in this organization is unmatched.

As we have completed our very successful 3-year strategic plan, we closed out 2013 with the planning for the next four years with PATH 2017 – a 4-year strategic plan that will lead us to a new level of excellence. The Indiana State Fair Commission is invested in continually improving every aspect of our business to maximize our resources and achieve our potential as we constantly elevate our standards. To be recognized as the best is always front of mind. These are fast-paced times at the Indiana State Fairgrounds. We recently opened our most treasured asset, the Fairgrounds Coliseum…I hope to see you there soon!

Cynthia C. Hoye
Executive Director
Indiana State Fair Commission

2013 MILESTONES

- Completion of the new Youth Arena funded through private donations
- Completion of the new Glass Barn funded by the Indiana Soybean Alliance
- Invested what will be a total of $63 million in the facility with the continued renovation of the Fairgrounds Coliseum Complex
- Record attendance at the annual Indiana State Fair – 978,296
- Evolution of The Barns: A Global Initiative – the Commission's educational platform
- Completion of our 3-year strategic plan
- Initiation of the renovation of our historic Speed Barns
- Hosted 130 new events on the Fairgrounds
- Hosted 4,806 students in field trips on our campus
- New Kiddieland Midway at the Indiana State Fair

LOOKING AHEAD TO 2014

- Completion of the $53 million renovation of the Fairgrounds Coliseum
- Celebration of the Year of the Coliseum
- Bringing concerts back into the Fairgrounds Coliseum both year round and during the Fair
- The inaugural season of the Indy Fuel – professional hockey team
- The return of IUPUI basketball to the Fairgrounds Coliseum this fall
- The addition of a pedestrian plaza in front of the Fairgrounds Coliseum
- The incorporation of agricultural touch points throughout our 250-acre campus year round
- The addition of the Indiana State Fair Beer and Wine Exhibition at the 2014 Indiana State Fair
- The launching of a new Indiana State Fairgrounds Membership Program
- Completion of the Coliseum Campaign – Memories in the Making
- Development of a new brand for the Indiana State Fair Commission

Record attendance at the 2013 Indiana State Fair **978,296**

Hosted **4,806** students in field trips on campus

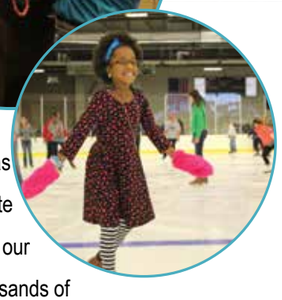
PRESERVING

The renovation of the Fairgrounds Coliseum represents the embodiment of why our organization is still thriving after more than 160 years. Many folks have been through the now complete Fairgrounds Coliseum and the one word that resounds above all others is PRIDE – pride in all that has been restored to honor the memories of the past; pride in the familiarity of the new venue; pride in the state-of-the art improvements; pride in the agricultural wall that served as the foundation for the design; pride in what the new venue offers our city and our state; pride in the "wow" factor that greets people as they enter; and pride in knowing that this project will bring new members to our fair family while welcoming back our most loyal members.

Through this renovation we have PRESERVED the past:

- Refurbished 12 original ticket windows
- Restored 96 original wooden seats
- Left interior walls and supporting original steel beams unfinished
- Replaced 37,000 deteriorating glass block windows with all new ones
- Rebuilt the 9' Livestock Wall around the arena floor
- Laid a new terrazzo floor in the Lobby to match the original
- Marked the locations of the original ticket booths in the lobby
- Placed six 6' framed posters of historic events in the lobby
- Used a special ordered glazed tile to reproduce the finishes in the lobby and on the main concourse

ENHANCING



On July 29, 2013 the Indiana State Fair Commission held the Grand Opening of the new Youth Arena, adding 29,000 sq. ft. of event space for banquet events, consumer shows, trade shows, ice events and livestock shows to the Fairgrounds campus. The Youth Arena's debut event was the 2013 Indiana State Fair livestock shows, allowing us to continue to host these important events despite the renovation of the Fairgrounds Coliseum. Beginning in October, the Youth Arena's ice floor hosted our public skating season as well as the Coliseum Youth Hockey League and many other ice activities. Thousands of Hoosiers returned to skate in 2013 at the Fairgrounds in our new state-of-the-art facility.

On August 1, 2013 the new Glass Barn: The Indiana Farming Experience on the Fairgrounds north side was dedicated and opened for the 2013 Indiana State Fair. This building was gifted to the Commission by the Indiana Soybean Alliance and brings a transparent look at modern agriculture to our campus. Situated at the west end of our north side education campus, the Glass Barn continues agriculture's story that begins on the far, east end at Pioneer Village. The Glass Barn gives visitors a vivid experience of what life is like for farmers and their families. The experience demonstrates the relationship between farmers and their land and how technology serves as a bridge between the two. Since the close of the 2013 Fair, the Glass Barn has become the center for our year round educational programming and will be the site of future distance/virtual learning.

COMMUNICATION

At the close of 2013, the Indiana State Fair Commission made a commitment to "telling our story" to the citizens of Indiana. This commitment began with the production of two booklets – one that outlines PATH 2017, the other that introduces our service to the community. These pieces and those that will follow in the years to come will aid in communicating to our constituents and sharing all that is part of this historic institution.

CULTURE

The Indiana State Fair Commission has a culture unlike that of many private businesses as well as other State government agencies. While operating as a business with a focus on revenue, we are a community partner that operates with integrity and a sense of caring for others – even when no one is looking. Agriculture is the foundation of this cherished century-and-a-half old institution which we take pride in preserving and enhancing. We are ethical, courteous and considerate in our business decisions. We take a 'can-do' approach to customer service as we create family memories for the citizens of Indiana.

COMMUNITY

The Indiana State Fair Commission's community has a depth and a breadth that serves as a solid foundation for our mission. Our community includes our neighborhood, agricultural entities, show producers, event attendees, exhibitors, vendors, contractors, philanthropic organizations, educational partners, sponsors, and sports teams. The Commission prides itself on being a community partner, working with a wide variety of organizations to support their mission and bring their message to all citizens of Indiana.

INDIANA STATE FAIR COMMISSION COMMUNITY PARTNERS

The organizations listed below represent more than $2 million in subsidies made by the Commission to agriculture, youth and education each year.

4-H Programming for the Indiana State Fair
All American Horse Classic
Arthritis Foundation
Banker's Life Fieldhouse
Boy Scouts of America
Circle City Sidewalk Stompers
City of Indianapolis
Commission Education Programming
County Fairs in Indiana
Earth Day Board
Eiteljorg Museum
FFA LOC Meetings/Training
Habitat of Humanity
Hoosier 100
Hoosier Beef Congress
Hoosier Horse Fair
IBEW
Indiana School for the Deaf
Indiana State Dept of Agriculture
Indiana State Fair Brewer's Competition
Indiana State Fair Livestock Competitions
Indiana State Fair Youth Leadership Council
Indiana State Police
Indiana Tourism
Indiana Young Farmers
Indianapolis Art Center
Indianapolis Charity Horse Show
Indianapolis Fire Department Safety Olympics
Keep Indianapolis Beautiful
Kentucky State Fair
Latino - Santa Comes to Town
Library Reading Program - 5,000 tickets
Little Red Door Cancer Agency
Marion County Health Department
Marion County Soil & Water
McMiracle Event
Midwest Search Dogs
Murat Shrine Circus
National FFA
Nexgeneracers
Purdue Extenson Marion County
Safe Night Halloween
Salvation Army Coats for Kids
Salvation Army Toy Shop
Transportation Safety Administration
Urban YMCA Toys for Tots
Zion Hill Missionary Baptist Church
Zionsville Hockey Club

STRATEGY

2013 brought the Commission to the end of their 3-year strategic plan that helped to bring the organization forward and headed for great accomplishment. The crown jewels in our list of accomplishments are the renovation of the Fairgrounds Coliseum, the addition of the Youth Arena, and the realization of the Glass Barn: *The Indiana Farming Experience*. However, there were many intangible goals met that will ensure we will continue to operate efficiently, maximizing our resources and elevating our standards.

2013 MAJOR ACCOMPLISHMENTS:

ENGAGEMENT - fundraising efforts through the Indiana State Fair Foundation, increasing sponsorship opportunities, building relationships with contemporary agriculture entities to support our mission of educating the public about agriculture, and engaging members of our surrounding community by becoming involved in their organizations.

- Raised $8.6 million for the Coliseum Campaign – Memories in the Making
- Engaging the Ag Community in the Coliseum Campaign and The Barns: A Global Initiative
- Completion of the Glass Barn: The Indiana Farming Experience
- Completion of the Youth Arena and celebration of its opening on July 29, 2013
- Hosted key stakeholders for lunches and dinners on the Administration Building porch during the 17-day Indiana State Fair
- Began engagement with our fundraising database through a Fairgrounds Coliseum-themed Register to Win contest

FACILITY MANAGEMENT - improving the facilities (buildings & grounds) for Fair and non-Fair use.

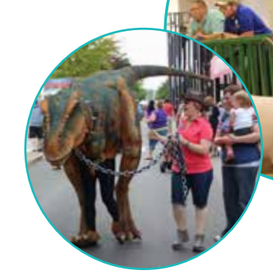
- Opening of the Youth Arena and operating for public events
- Awarding of the Fairgrounds Coliseum concessions contract to The Savor Society

STRATEGY

AUGUST 2-18, 2013

STATE FAIR - improving the annual State Fair through the creation of signature elements and new programming that will expand our base of attendees and sound fiscal decisions.

- New attendance record reached for the Indiana State Fair – 978,296
- Implementation of the FAIRsCare program that engaged county fairs in the fight against hunger
- Addition of the Kiddieland Midway
- Addition of Foodie Friday on the last Friday of the Fair - $5 admission and $5 food specials
- Development of curriculum for The Barns: A Global Initiative
- The opening of the Glass Barn: *The Indiana Farming Experience* at the Indiana State Fair
- Hosted a new exhibit in the Grand Hall – Get Animated
- Construction of the World's Largest Popcorn ball for the Indiana State Fair celebrating the Year of Popcorn
- Increased free entertainment offerings by 20%



STRATEGY

YEAR ROUND SALES & MARKETING - non-Fair event sales with a focus on how we interact with existing customers and building stronger relationships with show producers.

- Welcoming back professional hockey to the Fairgrounds Coliseum with The Indy Fuel
- Welcoming back IUPUI's basketball program to the Fairgrounds Coliseum
- Development of targeted sales collateral
- Development of a comprehensive Promoters Guide
- Implementation of mechanisms for measuring customer service with show producers
- Hosting of 130 new events
- Implementation of the MOD (Manager on Duty) program
- Development of package pricing for banquets, luncheons and private events

FINANCE - focusing on the hard numbers that are driving the strategic plan.

- Implementation of Centralized Purchasing
- Fair net revenue of $1.4 million
- Reorganization of the Administration Building Bank during the Fair

INDIANA STATE FAIR COMMISSION BALANCE SHEET AS OF DECEMBER 31 | 2013

Assets		
Current Assets		
Cash & Equivalents	$	4,889,591
Cash & Equivalents, Restricted		699,744
Accounts Receivable, Trade		2,218,403
Accounts Receivable, Interest		2,886
Prepaid Expense		62,941
Inventory		16,936
Total Current Assets		**7,890,501**
Noncurrent Assets		
Construction in Progress		**42,762,789**
Property, Plant & Equipment		
Land & Improvements		15,403,138
Buildings & Improvements		77,985,477
Machinery & Equipment		4,034,599
Office Furniture & Equipment		1,246,448
Less: Accumulated Depreciation		(62,051,684)
Total Property Plant & Equipment		**36,617,978**
Total Assets	**$**	**87,271,268**
Liabilities & Fund Equity		
Current Liabilities Payable from Unrestricted Funds		
Accounts Payable	$	666,778
Salaries Payable		60,310
Payroll Withholdings Payable		2,227
Capital Leases Payable -Current		2,906,388
Taxes Payable		6,846
Deferred Income		179,464
Compensated Absences Payable-Current		213,006
Total Current Liabilities		**4,035,019**
Long-Term Liabilities		
Capital Leases Payable - Long Term		42,193,637
Unamortized Loss on Sale of Bonds		(232,788)
Net Pension Liability		22,185
Compensated Absences Long Term Payable		135,407
Total Long-Term Liabilities		**42,118,441**
Total Liabilities		**46,153,460**
Net Position		
Invested In Capital Assets Net of Related Debt		34,280,741
Dedicated Funds		699,744
Unrestricted		6,137,323
Total Net Position		**41,117,808**
Total Liabilities & Net Position	**$**	**87,271,268**

**** All 2013 financial data in this report are based on unaudited results.***

INDIANA STATE FAIR INCOME STATEMENT
FOR YEAR ENDED DECEMBER 31 | 2013

Operating Revenues		
Fair Operations		
Gates	$	3,640,223
Concessions/Midway		2,401,512
Entertainment		211,201
Sponsorship		1,639,125
Expense Reimbursement		139,379
Sports/Events		105,037
Livestock		414,307
Shuttle Bus		258,738
Parking		1,133,310
Other		566,918
Total Fair Operations Revenue		**10,509,750**
Operating Expenses		
Fair Operations		
Payroll		2,268,425
Services other than Personal		261,681
Services by Contract		5,168,693
Materials, Parts & Supplies		737,529
Awards		642,816
Travel		21,375
Total Fair Operations Expense		**9,100,519**
Net Income (Loss)	**$**	**1,409,231**

** All 2013 financial data in this report are based on unaudited results.*

INDIANA STATE FAIRGROUNDS INCOME STATEMENT
FOR YEAR ENDED DECEMBER 31 | 2013

Operating Revenues	
Fairgrounds Operations	
Concessions	610,770
Rental of Buildings, Grounds, & Equipment	2,127,209
Expense Reimbursement	1,086,722
Events	6,177
Ice Skating & Skate Shop	152,673
Parking	1,198,332
Sponsorships	170,000
Other	22,488
Total Fairgrounds Operations Revenue	**5,374,371**
Operating Expenses	
Fairgrounds Operations Expense	
Payroll	5,057,523
Services other than Personal	2,161,955
Services by Contract	2,165,043
Materials, Parts & Supplies	736,272
Awards	546,271
Depreciation Expense	3,904,923
Land/Structures/Equipment	111,766
Travel	21,024
Total Fairgrounds Operations Expense	**14,704,777**
Net Income (Loss) from Operations	**(9,330,406)**
Non-Operating Revenues (Expenses)	
Property Tax Distribution	688
General Fund Appropriations	586,500
Pari-Mutuel, Off-track Betting Distribution	135,331
Riverboat Distribution	6,013,137
Commercial Vehicle Excise Tax	20,818
Standardbred Racing Fund	1,000,000
Interest Income	47,330
Interest Expense 2002 Bond (Bond Debt Service)	(1,053,411)
Contributions and Grants	2,152,887
Total Non-Operating Revenues (Expenses)	**8,903,280**
Net Income (Loss)	**$ (427,127)**

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INDIANA STATE FAIR COMMISSION | COMPARATIVE ANALYSIS
($000'S)

	2009	2010	2011	2012	2013
Fair					
Income	$ 10,609	$ 11,908	$ 8,380	$ 10,493	$ 10,510
Expense	9,698	10,682	8,069	10,136	9,101
Income Net of Expenses	$ 911	$ 1,226	$ 311	$ 357	$ 1,409
Fairgrounds					
Income	$ 16,112	$ 13,475 (2)	$ 14,134	$ 16,653 (6)	$ 13,131 (8)
Expense	11,620	10,862	13,124	13,543	11,853
Income Net of Expenses (1)	4,492	2,613	1,010	3,110	1,278
Less Depreciation	(4,243)	(3,955)	(3,980)	(4,074)	(3,905)
Other Revenue/(Expense)	118 (3)	642 (4)	445 (5)	640 (7)	2,200 (9)
Net Income/(Loss)	367	(700)	(2,525)	(324)	(427)

Footnotes:

(1) Income Net of Expenses is used primarily for funding revenue bond debt and fixed asset additions.

(2) Over $2 million decrease is State Funding from Property Tax/General Fund Appropriations.

(3) Primarily $55,000 donation from Dow AgroSciences for their continued support of the renovation of Discovery Hall, $36,400 and $21,400 from the Indiana Department of Energy and Indianapolis Power & Light respectively for support of green initiatives. The remaining is individual donations.

(4) Combination of $336,880 from State Horse Racing Commission and $5,100 from Hoosier Park to supplement premiums and expenses related to harness racing events; $107,756 received from IDOT to assist with costs associated with the 39th Street Bridge project; $49,998 from Indiana Homeland Security to install security cameras; $37,500 from Indiana Standardbred Association to help maintain one mile dirt track; the remaining from donations primarily related to the 2011 Indiana State Fair (including a single contribution of $15,000 from Elanco) benefiting the Youth Development Fund.

(5) The State Horse Racing Commission contributed $341,940 for purse money for harness races held at the Fairgrounds and Purdue Ag Alumni gave $51,530 to assist in construction costs for a new barn in Pioneer Village.

(6) The increase in revenue is partially due to a one time $1 million appropriation from the State Office of Budget and Management to help mitigate expenses related to the collapse investigation, combined with $1.25 million received from the Standardbred Racing Fund.

(7) The Indiana Soy Bean Alliance contributed $340,840 towards the construction of a Glass Barn, the State Horse Racing Commission contributed $233,000 for purse money for harness races held at the Fairgrounds and Indiana Homeland Security gave $47,234 to assist in the installation of security cameras.

(8) The decrease in revenue is primarily due to the Coliseum being closed for the entire year due to major renovations.

(9) A contribution of $927,000 was made to offset the cost of installing a ribbon board in the renovated Coliseum, the Indiana Soy Bean Alliance contributed $870,857 towards the construction of a Glass Barn, and the State Horse Racing Commission contributed $355,030 for purse money for harness races held at the Fairgrounds.

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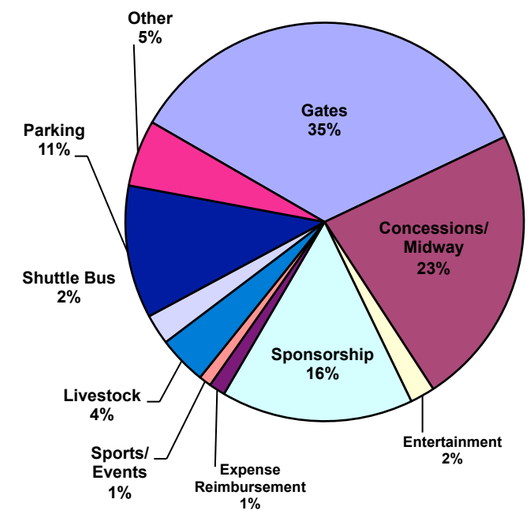
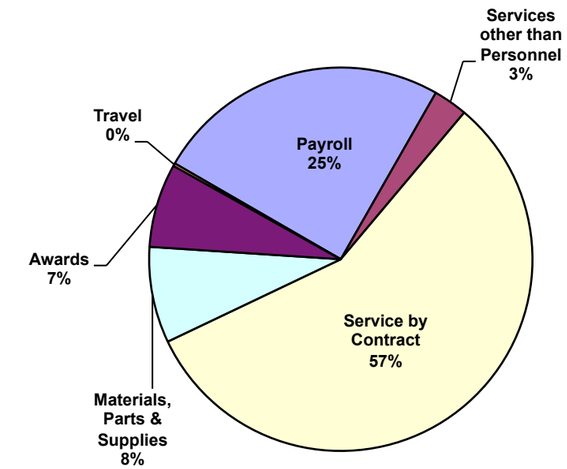
INDIANA STATE FAIR COMMISSION | REVENUE AND EXPENSE GRAPHIC REPRESENTATION

INDIANA STATE FAIR

Operations Revenue

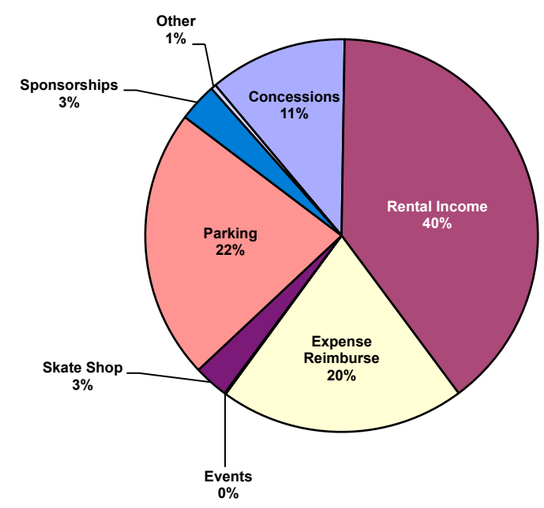


Operations Expenses

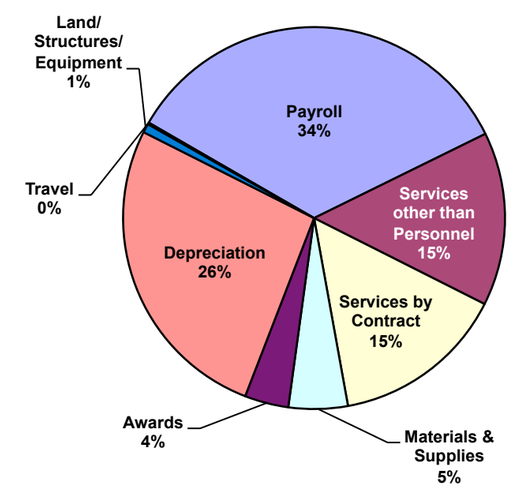


INDIANA STATE FAIRGROUNDS

Operations Revenues



Operations Expenses



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1202 EAST 38TH STREET | INDIANAPOLIS, IN 46158

(317) 927-7500

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