

KANSAS STATE FAIR

FY 2022 – FY 2024 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2022 – FY 2024

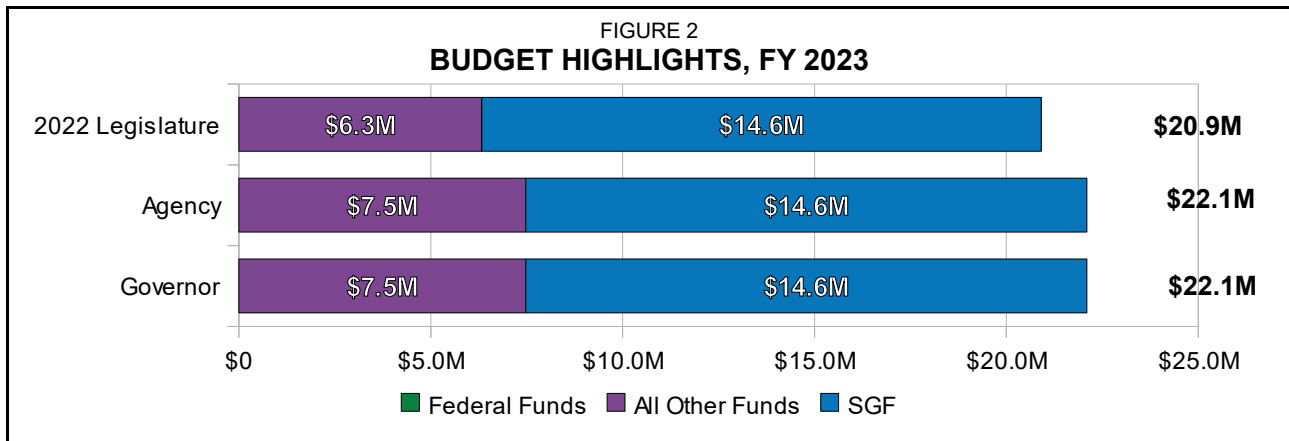
	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024
Operating Expenditures:					
State General Fund	\$ 1,625,466	\$ 171,040	\$ 171,040	\$ 135,000	\$ 135,000
Federal Funds	-	-	-	-	-
All Other Funds	4,099,579	6,721,304	6,721,304	6,933,297	6,933,297
<i>Subtotal</i>	<u>\$ 5,725,045</u>	<u>\$ 6,892,344</u>	<u>\$ 6,892,344</u>	<u>\$ 7,068,297</u>	<u>\$ 7,068,297</u>
Capital Improvements:					
State General Fund	-	\$ 14,450,000	\$ 14,450,000	-	-
Federal Funds	-	-	-	-	-
All Other Funds	792,284	755,358	755,358	758,313	758,313
<i>Subtotal</i>	<u>\$ 792,284</u>	<u>\$ 15,205,358</u>	<u>\$ 15,205,358</u>	<u>\$ 758,313</u>	<u>\$ 758,313</u>
TOTAL	<u>\$ 6,517,329</u>	<u>\$ 22,097,702</u>	<u>\$ 22,097,702</u>	<u>\$ 7,826,610</u>	<u>\$ 7,826,610</u>
Percentage Change:					
State General Fund	(9.7) %	799.5 %	799.5 %	(99.1) %	(99.1) %
All Funds	77.4 %	239.1 %	239.1 %	(64.6) %	(64.6) %
FTE Positions	27.0	27.0	27.0	27.0	27.0

For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

The mission of the Kansas State Fair (Fair) is to promote and showcase Kansas agriculture, industry, and culture; create opportunity for commercial activity; and provide an educational and entertaining experience that is the pride of all Kansans. The State Fair is the state's largest single event, attracting more than 350,000 people, plus an estimated 200,00 to the nearly 500 non-State Fair events held throughout the year on the fairgrounds.

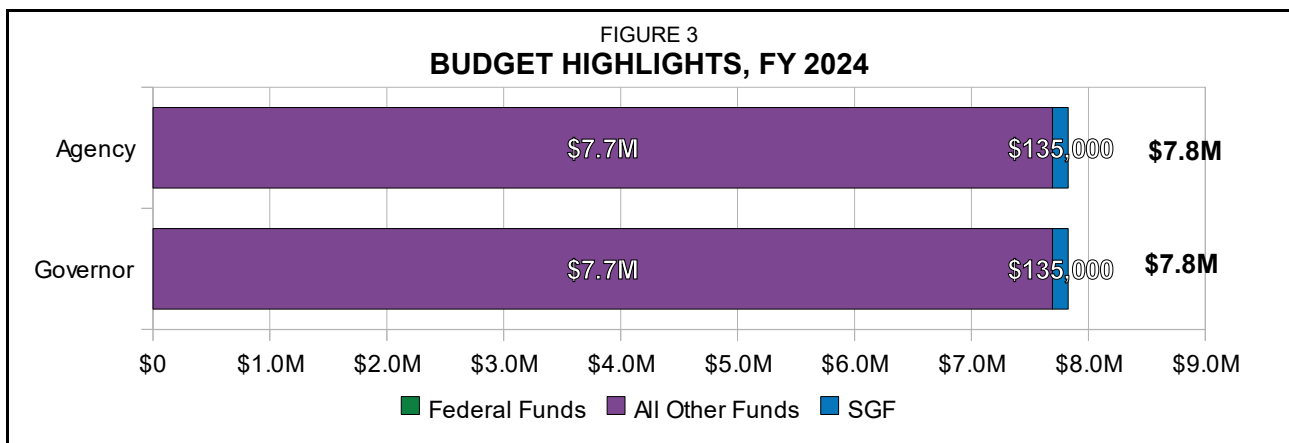
EXECUTIVE SUMMARY

The 2022 Legislature approved a budget of \$20.1 million, including \$14.6 million from the State General Fund (SGF), for the Kansas State Fair for FY 2023. The approved capital improvements budget for the Fair in FY 2023 is \$15.2 million, including \$14.5 million SGF. The increase in SGF expenditures over FY 2022 actual expenditures is to update the Bison Arena (\$10.0 million), mill and overlay asphalt areas (\$2.5 million), add air conditioning to the 4-H Centennial Hall and Oz Gallery (\$500,000), finish the Expo Center renovation (\$450,000), and install a public address system (\$1.0 million).



The **agency** submits a revised estimate of \$22.1 million, including \$14.6 million SGF, and 27.0 FTE positions in FY 2023. This is an all funds increase of \$1.1 million, or 5.5 percent, above the FY 2023 approved amount. The agency's SGF request is the same as the agency's approved amount. The all funds increase is primarily due to increased expenditures for entertainer contracts, advertising, and salaries and wages for both regular and temporary unclassified employees.

The **Governor** concurs with the agency's revised FY 2023 estimate.



The **agency** requests \$7.8 million, including \$135,000 SGF, in expenditures and 27.0 FTE positions for FY 2024. This is an all funds decrease of \$14.3 million, or 64.6 percent, including an SGF decrease of \$14.5 million, or 99.1 percent, below the FY 2023 revised estimate. The decrease is due to SGF appropriations for capital improvements in FY 2023 that do not reoccur for FY 2024. The all funds decrease is partially offset by an increase in expenditures for entertainer contracts and advertising.

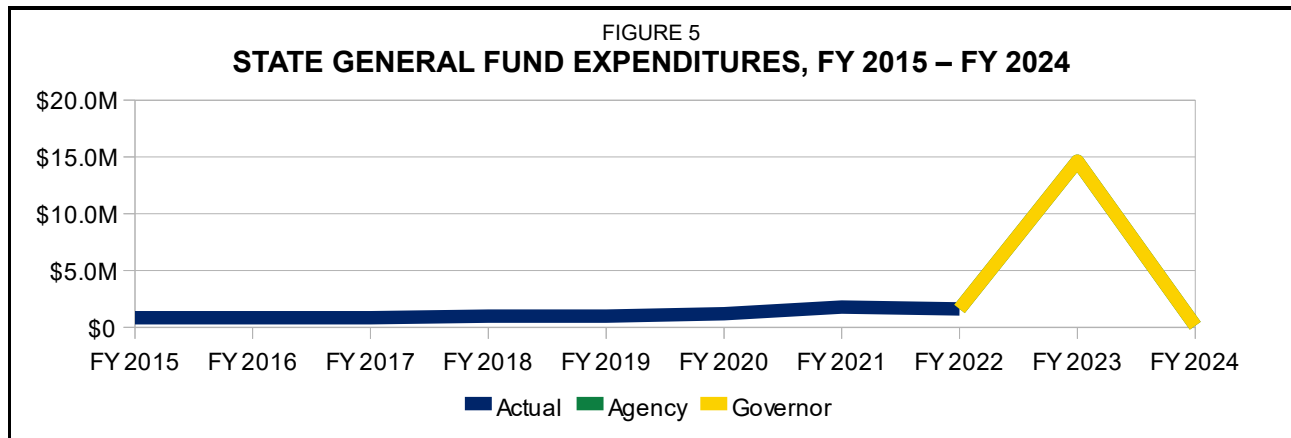
The **Governor** concurs with the agency's FY 2024 request.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2022 – FY 2024

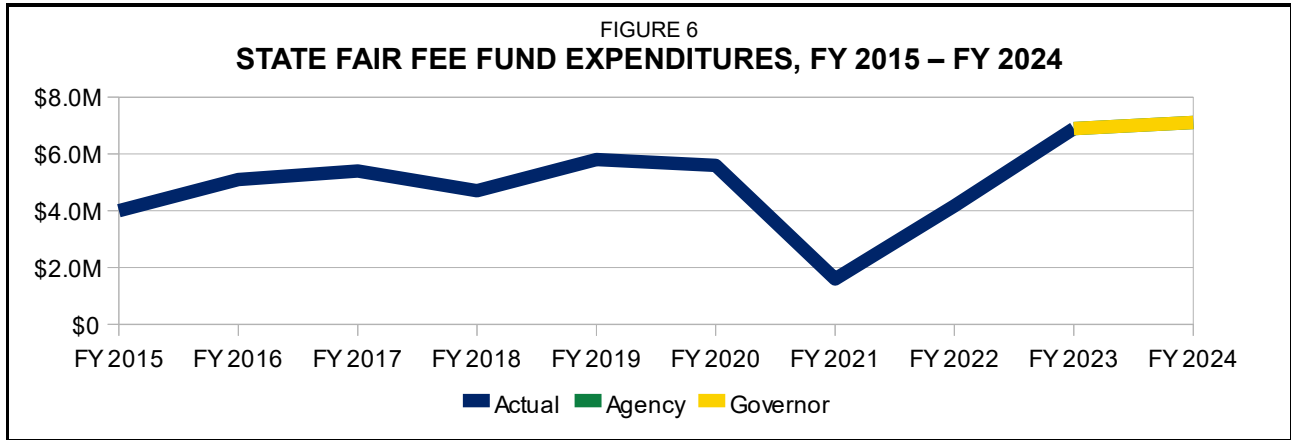
Category of Expenditure:	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024
Salaries and Wages	\$ 1,827,401	\$ 2,293,370	\$ 2,293,370	\$ 2,307,778	\$ 2,307,778
Contractual Services	3,489,709	4,090,950	4,090,950	4,288,450	4,288,450
Commodities	364,355	408,400	408,400	425,400	425,400
Capital Outlay	35,749	81,100	81,100	31,100	31,100
Debt Service Interest	7,831	18,524	18,524	15,569	15,569
<i>Subtotal</i>	<u>\$ 5,725,045</u>	<u>\$ 6,892,344</u>	<u>\$ 6,892,344</u>	<u>\$ 7,068,297</u>	<u>\$ 7,068,297</u>
Aid to Local Units	-	-	-	-	-
Other Assistance	-	-	-	-	-
<i>Subtotal—Operating</i>	<u>\$ 5,725,045</u>	<u>\$ 6,892,344</u>	<u>\$ 6,892,344</u>	<u>\$ 7,068,297</u>	<u>\$ 7,068,297</u>
Capital Improvements	620,806	15,036,500	15,036,500	586,500	586,500
Debt Service Principal	171,478	168,858	168,858	171,813	171,813
TOTAL	<u>\$ 6,517,329</u>	<u>\$ 22,097,702</u>	<u>\$ 22,097,702</u>	<u>\$ 7,826,610</u>	<u>\$ 7,826,610</u>
Financing:					
State General Fund	\$ 1,625,466	\$ 14,621,040	\$ 14,621,040	\$ 135,000	\$ 135,000
State Fair Fee Fund	4,174,959	6,890,162	6,890,162	7,105,110	7,105,110
Federal Funds					
State Fair Capital Improvements Fund	716,904	586,500	586,500	586,500	586,500
TOTAL	<u>\$ 6,517,329</u>	<u>\$ 22,097,702</u>	<u>\$ 22,097,702</u>	<u>\$ 7,826,610</u>	<u>\$ 7,826,610</u>
FTE Positions	27.0	27.0	27.0	27.0	27.0

STATE GENERAL FUND



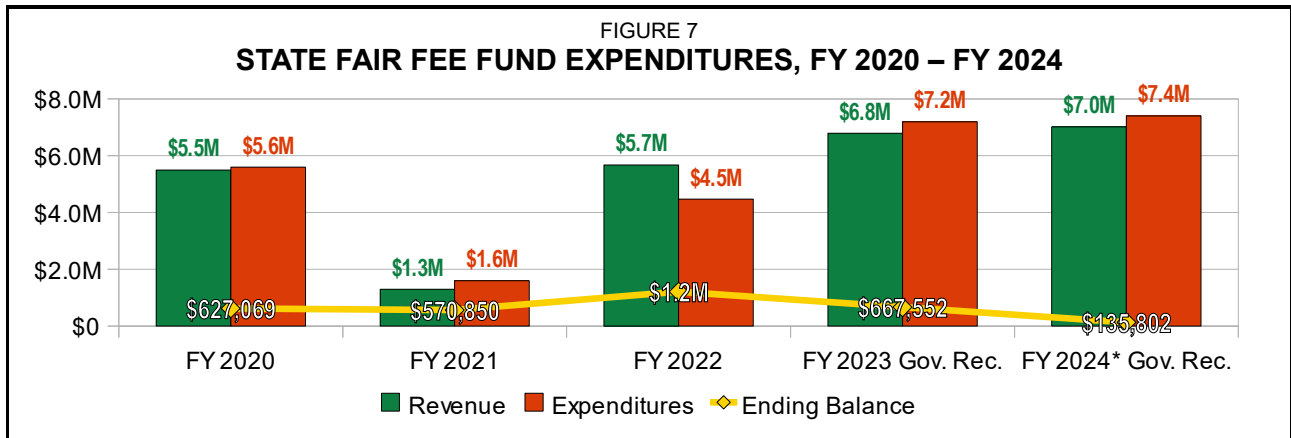
Prior to FY 2018, SGF moneys were used only for debt service expenditures for the Fair. Beginning in FY 2018, the agency also budgeted \$150,000 SGF for utilities costs. In FY 2020, the agency received \$205,000 from the Coronavirus Relief Account of the SGF to replace lost revenue from non-State Fair events and RV Park reservations that were canceled due to the COVID-19 pandemic. In FY 2021, the agency received \$2.3 million from the Coronavirus Relief Account of SGF to replace lost revenue due to the cancellation of the 2020 State Fair Event. Approximately half of those funds were expended in FY 2021, and the remainder reappropriated into FY 2022. The Legislature appropriated \$14,450,000 SGF for FY 2023 for the Fair’s capital improvement budget. For FY 2024, the agency anticipates decreased SGF expenditures.

STATE FAIR FEE FUND



The State Fair Fee Fund is funded from both State Fair and non-State Fair activities on the State Fairgrounds. Revenue sources include admission fees to the State Fair event and Grandstand entertainment, premium book advertising, building rentals, sales and concessions, and parking fees. The agency estimates total non-State Fair use of the State Fairgrounds to be nearly 600 events throughout the year.

STATE FAIR FEE FUND



*For FY 2024, the lowest month ending balance for the State Fair Fee Fund is estimated to occur in June, with a balance of \$135,802.

The State Fair Fee Fund experienced lower revenue and expenditures in FY 2021 due to the cancellation of the 2020 State Fair event. In FY 2022, reappropriated SGF moneys were available for use, decreasing the amount expended from the State Fair Fee Fund. Those SGF moneys are no longer available starting in FY 2023, therefore increasing the amount spent from the State Fair Fee Fund.

FY 2023 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2022 Legislature	\$ 14,585,000	\$ 6,327,909	\$ 20,912,909	25.0
1. Reappropriations	36,040	-	36,040	--
<i>Subtotal—Legislative Approved</i>	<u>\$ 14,621,040</u>	<u>\$ 6,327,909</u>	<u>\$ 20,948,949</u>	<u>25.0</u>
Agency Revised Estimate:				
2. Contractual Services	\$ -	\$ 931,250	\$ 931,250	--
3. Add 2.0 FTE and Funding	-	128,653	128,653	2.0
4. All Other Adjustments	-	88,850	88,850	--
<i>Subtotal—Agency Revised Estimate</i>	<u>\$ 14,621,040</u>	<u>\$ 7,476,662</u>	<u>\$ 22,097,702</u>	<u>27.0</u>
Governor's Recommendation:				
5. No Changes	\$ -	\$ -	\$ -	--
TOTAL	<u>\$ 14,621,040</u>	<u>\$ 7,476,662</u>	<u>\$ 22,097,702</u>	<u>27.0</u>

LEGISLATIVE APPROVED

Subsequent to the 2022 Session, one adjustment was made to the \$20.9 million appropriated to the Kansas State Fair for FY 2023. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **REAPPROPRIATIONS.** The agency carried over \$36,040 of unspent SGF moneys from FY 2022 into FY 2023.

AGENCY ESTIMATE

The **agency** submits a revised FY 2023 estimate of \$22.1 million, including \$14.6 million SGF. This is an all funds increase of \$1.1 million, or 5.5 percent, above the agency's approved amount. The agency requests \$14.6 million SGF, which is the same as the approved amount.

The **agency** estimate includes the following adjustments:

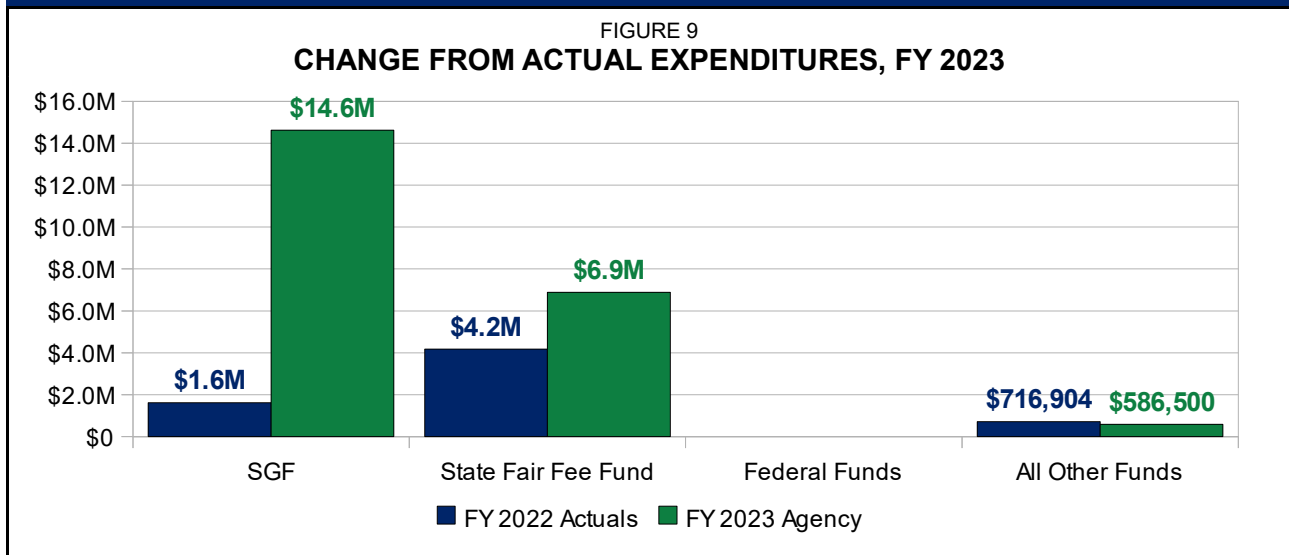
2. **CONTRACTUAL SERVICES.** In FY 2023, the agency estimates an increase in contractual service expenditures totaling \$931,250, all from special revenue funds, above the approved amount. The increase is primarily attributable to increased expenditures for advertising, building and grounds repairs, and entertainer contracts.
3. **ADDITION OF 2.0 FTE POSITIONS.** The agency indicates a fully staffed Kansas State Fair operates with 28.0 FTE positions, with one of those FTE positions being contracted out to the Kansas Department of Agriculture for accounting services. The Fair requests adding 2.0 FTE positions and the associated funding to bring the agency to full staffing. This request totals \$128,653, all from special revenue funds, and would increase the FTE count by 2.0 above the agency's approved number.
4. **ALL OTHER ADJUSTMENTS.** All other adjustments made by the agency total an increase of \$88,850, all from special revenue funds. This increase is primarily attributable to increased expenditures for materials and supplies for buildings and grounds, which is partially offset by reduced expenditure estimates for capital outlay such as vehicles and software.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised FY 2023 estimate.

5. **NO CHANGES.** The Governor recommends no changes to the agency's FY 2023 revised estimate.

FY 2023 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$22.1 million, including \$14.6 million SGF, in FY 2023. This is an all funds increase of \$15.6 million, or 239.1 percent, including an SGF increase of \$13.0 million, or 799.5 percent, above the FY 2022 actual expenditures. The SGF increase is primarily attributable to capital improvements at the the state fairgrounds and includes updates to the Bison Arena, road repairs, adding air condition units to certain buildings, renovations to the Expo Center, and costs to install a public address system. The remaining balance of the increase is mainly attributable to increased expenditures associated with fully staffing the Fair and increased expenditures for certain contractual services, including entertainers and advertising.

FY 2024 ANALYSIS

FIGURE 10
SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2023	\$ 14,621,040	\$ 7,476,662	\$ 22,097,702	27.0
Agency Request:				
1. Completed Capital Improvements	\$ (14,450,000)	\$ -	\$ (14,450,000)	--
2. SGF Reappropriations	(36,040)	-	(36,040)	--
3. All Other Adjustments	-	214,948	214,948	--
<i>Subtotal—Agency Estimate</i>	\$ 135,000	\$ 7,691,610	\$ 7,826,610	27.0
Governor’s Recommendation:				
4. No Changes	\$ -	\$ -	\$ -	--
TOTAL	\$ 135,000	\$ 7,691,610	\$ 7,826,610	27.0

AGENCY REQUEST

The **agency** requests \$7.8 million, including \$135,000 SGF, for FY 2024. This is an all funds decrease of \$14.3 million, or 64.6 percent, below the agency's revised FY 2023 estimate. This includes an SGF decrease of \$14.5 million, or 99.1 percent, below the agency's revised FY 2023 estimate.

The **agency** request includes the following adjustments:

1. **COMPLETED CAPITAL IMPROVEMENT PROJECTS.** The agency estimates completing a number of capital improvement projects in FY 2023, and those expenditures are not estimated to be carried over into FY 2024. The projects the agency anticipates being completed in FY 2023 include updates to the Bison Arena, road repairs, adding air conditioning units to certain buildings, renovations to the Expo Center, and installation of a public address system. Each of the projects being completed are funded, at least in part, by SGF moneys.
2. **SGF REAPPROPRIATIONS.** The agency experienced reappropriations from the SGF totaling \$36,040 in FY 2023. The agency anticipates those moneys to be expended in FY 2023 and not to be carried into FY 2024.
3. **ALL OTHER ADJUSTMENTS.** All other adjustments made by the agency total an increase of \$214,948, all from special revenue funds. The increase is primarily attributable to increased expenditures for entertainer contracts, marketing and advertising, and utilities in FY 2024. Increases in these expenditures are partially offset by reduced expenditures for vehicles and office furniture in FY 2024.

GOVERNOR’S RECOMMENDATION

The **Governor** concurs with the agency's FY 2024 request.

4. **NO CHANGES.** The Governor recommends no changes to the agency's FY 2024 request.

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 11
EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2022 – FY 2024

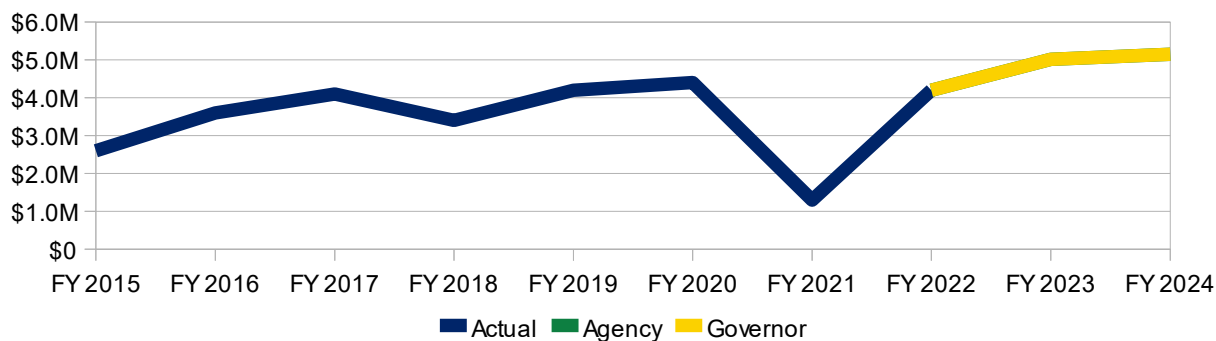
Programs	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024
Expenditures:					
Administration	\$ 4,196,416	\$ 5,012,433	\$ 5,012,433	\$ 5,151,578	\$ 5,151,578
Facilities Management	1,520,798	1,861,387	1,861,387	1,901,150	1,901,150
Debt Service	179,309	187,382	187,382	187,382	187,382
Capital Improvements	620,806	15,036,500	15,036,500	586,500	586,500
TOTAL	\$ 6,517,329	\$ 22,097,702	\$ 22,097,702	\$ 7,826,610	\$ 7,826,610
FTE Positions:					
Administration	15.0	15.0	15.0	15.0	15.0
Facilities Management	12.0	12.0	12.0	12.0	12.0
TOTAL	27.0	27.0	27.0	27.0	27.0

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION

FIGURE 12
ADMINISTRATION EXPENDITURES, FY 2015 – FY 2024



STATUTORY BASIS: • KSA 2-201 through 2-205

- PROGRAM GOALS:**
- Support the mission of the Kansas State Fair – to promote and showcase Kansas agriculture, industry, and culture; to create opportunity for commercial activity; and to provide an educational and entertaining experience that is the pride of all Kansans.
 - Enhance the professional development and retention with the Kansas State Fair Team.
 - Increase the efficiency and effectiveness of State Fair program implementation and administration.

The Administration program provides for the administration of the agency as well as the planning, marketing, and advertising of the

State Fair event. The Administration program also markets non-State Fair use of the State Fairgrounds in Hutchinson.

FIGURE 13
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2021	Actual FY 2022	Actual 3-Year Avg.	Target FY 2023	Target FY 2024
Outcome Measure:					
1. Increase Attendance at Fair*	281,000	315,273	230,318	325,000	325,000
2. New Reporting Method for Social Media Platforms – Facebook and Instagram reach – Paid Advertising (in Millions)*	N/A	4.9	N/A	5.5	5.5
3. Facebook and Instagram Organic Ad Reach (in Millions)*	N/A	1.8	N/A	2.0	2.0
4. Number of Full-time Employees Retained*	21	26	22	26	26
Output Measure:					
5. Increase Grandstand Entertainment Lineup*	450,000	675,000	450,000	800,000	900,000
6. Increase Sponsorships opportunities at Kansas State Fairgrounds*	\$ 598,675	\$ 624,594	\$ 613,817	\$ 674,000	\$ 674,000
7. Number of Non-Fair Events per year*	540	568	560	570	600
Financing	Actual FY 2021	Actual FY 2022		Governor FY 2023	Governor FY 2024
SGF	\$ 310,205	\$ 1,176,167		\$ -	\$ -
Federal Funds	-	-		-	-
All Other Funds	960,501	3,733,620		5,012,433	5,151,578
TOTAL	<u>\$ 1,270,706</u>	<u>\$ 4,909,787</u>		<u>\$ 5,012,433</u>	<u>\$ 5,151,578</u>
Percentage Change:					
SGF	55.1 %	279.2 %		(100.0) %	-- %
All Funds	(69.2) %	286.4 %		2.1 %	2.8 %
FTE Positions	15.0	15.0		15.0	15.0

*The Governor's Office does not utilize this measure for evaluation purposes.

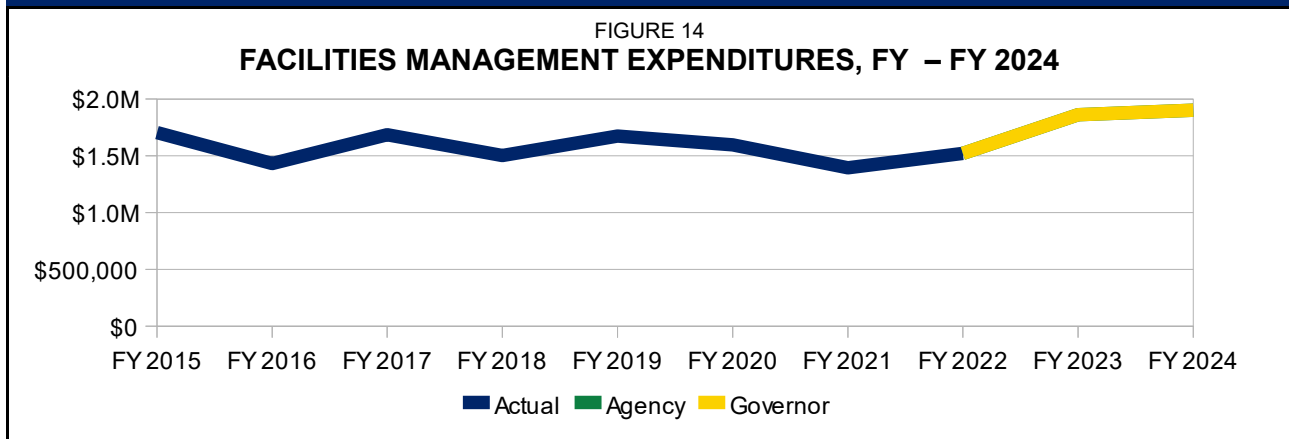
BUDGET ANALYSIS

The **agency** requests FY 2024 Administration program expenditures of \$5.2 million, all from special revenue funds. This is an all funds increase of \$139,145, or 2.7 percent, above the FY 2023 revised estimate. The increase is all in special revenue funds and is primarily attributable to increased expenditures for entertainers and advertising and marketing.

These increases are partially offset by decreased expenditures for vehicles and office furniture.

The **Governor** concurs with the agency's FY 2024 Administration program request.

FACILITIES MANAGEMENT



STATUTORY BASIS: • KSA 2-201 through 2-205

- PROGRAM GOALS:**
- Provide the Kansas State Fairgrounds, which encompasses approximately 280 acres with 75 buildings and nearly 24 acres under roof, as a safe and secure facility for all Kansans and guests to the state.
 - The State Fair is the state's largest single event and typically attracts more than 300,000 people annually, plus an estimated 200,000 people to the more than 600 non-fair events held throughout the year.

The Facilities Management program works to provide convenient, safe, and attractive buildings and grounds to patrons of the State Fair and non-State Fair activities on the State Fairgrounds. The Facilities Management program is staffed by 12.0 FTE positions, along

with contract plumbers and electricians and inmate labor from the Hutchinson Correctional Facility, whose work includes painting, cleaning, mowing, carpentry projects, and other maintenance jobs.

FIGURE 15
FACILITIES MANAGEMENT, PERFORMANCE MEASURES

	Actual	Actual	Actual	Target	Target
Outcome Measure:					
1.No loss of Life, Injury, or Property Damage due to Safety Issues*	-	-	-	-	-
2.Rentals from Fairgrounds Facilities- Fairtime and Non-Fairtime (in Millions)*	\$ 0.4	\$ 0.5	\$ 0.7	\$ 0.5	\$ 0.6
Output Measure:					
3.Conducting Risk Assessments for Facilities (Monthly)*	12	12	12	12	12
4.Major Facility Upgrades or remodels*	2	5	3	5	5
	Actual	Actual		Governor	Governor
Financing	FY 2021	FY 2022		FY 2023	FY 2024
SGF	\$ 613,293	\$ 449,300		\$ 171,040	\$ 135,000
Federal Funds	-	975,400		-	-
All Other Funds	781,299	96,098		1,690,347	1,766,150
TOTAL	<u>\$ 1,394,592</u>	<u>\$ 1,520,798</u>		<u>\$ 1,861,387</u>	<u>\$ 1,901,150</u>
Percentage Change:					
SGF	295.7 %	(26.7) %		(61.9) %	(21.1) %
All Funds	(12.6) %	9.0 %		22.4 %	2.1 %
FTE Positions	10.0	12.0		12.0	12.0

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

The **agency** requests FY 2024 Facilities Management expenditures of \$1.8 million, including \$135,000 SGF. This is an all funds increase of \$39,763, or 2.1 percent, above the FY 2023 revised estimate. The increase is

primarily attributable to increased expenditures for utilities.

The **Governor** concurs with the agency's FY 2024 Facilities Management program request.

CAPITAL IMPROVEMENTS

FIGURE 16
CAPITAL IMPROVEMENTS, FY 2022 – FY 2024

	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024
Capital Projects:					
Ongoing Maintenance	\$ 620,806	\$ 136,500	\$ 136,500	\$ 236,500	\$ 236,500
Road Resurface	-	2,500,000	2,500,000	50,000	50,000
Expo Center	-	450,000	450,000	-	-
Grandstand Repair	-	150,000	150,000	-	-
Air Conditioning Unit	-	500,000	500,000	-	-
Public Address System	-	1,000,000	1,000,000	-	-
Racetrack Removal	-	-	-	300,000	300,000
New Storage Building	-	300,000	300,000	-	-
Bison Arena	-	10,000,000	10,000,000	-	-
<i>Subtotal–Projects</i>	<u>\$ 620,806</u>	<u>\$ 15,036,500</u>	<u>\$ 15,036,500</u>	<u>\$ 586,500</u>	<u>\$ 586,500</u>
Debt Service Principal:					
State Fair Master Plan	\$ 171,478	\$ 168,858	\$ 168,858	\$ 171,813	\$ 171,813
TOTAL	<u>\$ 792,284</u>	<u>\$ 15,205,358</u>	<u>\$ 15,205,358</u>	<u>\$ 758,313</u>	<u>\$ 758,313</u>
Financing:					
SGF	\$ -	\$ 14,450,000	\$ 14,450,000	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	792,284	755,358	755,358	758,313	758,313
TOTAL	<u>\$ 792,284</u>	<u>\$ 15,205,358</u>	<u>\$ 15,205,358</u>	<u>\$ 758,313</u>	<u>\$ 758,313</u>

FY 2023 CAPITAL IMPROVEMENTS

The **agency** estimates revised capital improvement expenditures of \$15.2 million, including \$14.5 million SGF, in FY 2023. This is an all funds decrease of \$8,000, or less than 0.1 percent, below the agency's approved amount. The decrease is attributable to adjustments in agency estimates for various expenditure categories.

The **Governor** concurs with the agency's FY 2023 revised capital improvements.

FY 2024 CAPITAL IMPROVEMENTS

The **agency** requests capital improvement expenditures totaling \$758,313 for FY 2024. This is a decrease of \$14.5 million below the FY 2023 revised estimate. The decrease is entirely attributable to projects being completed in FY 2023 and not being carried over into FY 2024. Payments for debt service principal also increased when compared to the FY 2023 revised estimate.

The **Governor** concurs with the agency's FY 2024 request.