



Connecticut's Largest Agricultural Fair

FINANCIAL REPORT

2017 and 2016



FINANCIAL REPORT OVERVIEW - 2017 and 2016

2017 and 2016 were successful years for the Durham Fair. These achievements were possible, in part, because throughout the Fair's history, its volunteers have successfully managed change. Arguably, the Durham Fair is the best fair around, and the volunteers of the Durham Fair Association continue to work hard to maintain that status.

General Information

The Durham Fair is owned and operated by the Durham Agricultural Fair Association, Inc., a private, not-for-profit organization incorporated under Connecticut laws without stockholders. The Durham Fair has no paid management or staff, a fact for which the Association is fiercely proud.

Membership in the Association is obtained by purchasing a membership ticket. Membership is limited to 300 persons, on a first come, first served basis. Tickets are available from the Association's Secretary from the conclusion of the annual meeting in December until the close of the annual Fair. A member is entitled to vote at the Association's annual meeting in December where officers, coordinators, directors, superintendents and assistant superintendents are elected as well as other business such as changes in the constitution and bylaws, review of the scholarship fund rules and setting dates of upcoming fairs.

The Association owns forty-six acres of land that includes four houses, one store with barn, eight exhibit barns, three restroom facilities, one pavilion, one large storage building and many smaller buildings. The Association has leases with the Town of Durham to use White's Farm for parking and with the Town of Middlefield to use Strickland Farm for parking. The Association rents additional land for parking from two Durham landowners. In addition, Regional District 13, allows use of their property free of charge.

In 2017, the Fair Association made purchases totaling \$118,327 from Durham businesses, \$83,746 from Middlefield and Rockfall businesses, and \$104,741 from businesses in bordering towns. In 2016, purchases totaled \$95,155 from Durham businesses, \$63,989 from Middlefield and Rockfall businesses, and \$114,610 from businesses in bordering towns.

It should be noted that the expenditures shown in this report are only the amounts actually paid. In many instances, the amounts would be significantly higher had it not been for people willing to work without pay or for the continued generosity of businesses in the local area who donated services and materials or made them available at very favorable prices.

During the Fair, Durham and Middlefield organizations greatly enhance the community spirit of the Fair with booths that have become known for high quality products and friendly workers. As a result of the efforts of their volunteers and the Fair's policy of providing their concession space at a 75% discount (value of \$32,220 in 2017, and \$36,960 in 2016), many groups are able to raise a major portion of their annual income at the Fair. Interestingly, the primary source of those funds (that are available for Durham and Middlefield needs) is fairgoers who do not live in Durham or Middlefield. Nonprofit groups outside of Durham and Middlefield are given a 25% discount on their concession space (value of \$4,745 in 2017, and \$3,375 in 2016). In addition, Connecticut DEEP and military recruiters received free space (value of \$6,300 in 2017 and \$6,300 in 2016).

Scholarship Fund

The Fair Association has maintained its own scholarship fund for local students since 1966. Scholarship awards totaled \$25,000 in both 2017 and 2016.

The following describes the present program:

How is the program funded?

The Association contributes to the program all money generated from the sale of student tickets to students who are or will be eligible for the awards, plus a matching contribution. A contribution of up to 10% of the Fair profit is made if necessary to bring the balance of the fund up to \$100,000.

Who is eligible to apply?

Any graduating senior or high school graduate from Durham or Middlefield who will be enrolled in a school of higher learning as a first year undergraduate student is eligible to apply. Application forms are available in early spring at local high schools.

What factors are considered in determining the recipients?

Community spirit and involvement, demonstrated willingness to work to help pay the cost of his/her own education, scholastic ability, and financial need are factors considered in determining the recipients of Durham Fair scholarships. Whether or not the student or the student's relatives have been involved in the Fair is not considered.

Who chooses the recipients?

The recipients are chosen by the Durham Fair Scholarship Committee that consists of five individuals who members of the Association.

Other Information

The Durham Fair Association contributed a total of \$203,952 in donations, discounts or public service activities to the community in 2017. That number was \$215,272 in 2016.

Durham Agricultural Fair Association, Inc.

Balance Sheet
At November 30, 2017 and 2016

	2017	2016
Assets		
Cash and cash equivalents	427,449	420,874
Accounts receivable	84	927
Prepaid expenses	6,015	5,678
Escrow cash held	4,568	4,269
Souvenir inventory	13,055	11,205
Share of stock in Haddam Neck Fair Association	100	100
Deferred financing costs	0	3,007
Investment in Farm Credit East	1,000	1,000
Investment in Museum Collection	8,000	8,000
Land	520,328	520,328
Depreciable assets	6,395,185	6,348,868
Accumulated depreciation	(4,877,679)	(4,641,241)
Total assets	2,498,105	2,683,015
Liabilities		
Accounts payable	32,877	22,383
Escrow payable	4,568	4,269
Unearned storage income	87,350	82,542
Unearned commemorative book advertising	0	5,075
Deferred midway income	6,000	8,000
Mortgage payable - Farm Credit East	284,000	570,000
Line of credit payable - Farm Credit East	100	100
Total liabilities	414,895	692,369
Net Assets		
Unrestricted	1,850,116	1,752,153
Designated for 100th Anniversary	6,218	1,323
Designated for Mortgage Payments	124,067	123,398
Designated for Scholarships	102,809	113,772
Total net assets	2,083,210	1,990,646
Total liabilities and net assets	2,498,105	2,683,015

Durham Agricultural Fair Association, Inc.

**Statement of Changes in Net Assets
For the Years Ended November 30, 2017 and 2016**

	2017	2016
<i>Unrestricted</i>		
<i>Balance at beginning of period</i>	1,752,153	1,591,430
<i>Results of operations:</i>		
Nonfairtime income and expenses (Schedule A)	(273,239)	(297,990)
Profit from Fair (Schedule B)	376,202	463,713
<i>Transfers:</i>		
To Net Assets Designated for 100th Anniversary	(5,000)	(5,000)
<i>Total Unrestricted Net Assets at end of period</i>	<u>1,850,116</u>	<u>1,752,153</u>

Designated for 100th Anniversary

<i>Balance at beginning of period</i>	<u>1,323</u>	<u>0</u>
<i>Additions:</i>		
Transfer from Undesignated Net Assets	<u>5,000</u>	<u>5,000</u>
<i>Income:</i>		
Donations received	150	100
Profit (loss) from sale of shirts	(255)	562
<i>Total Income</i>	<u>(105)</u>	<u>662</u>
<i>Expenditures:</i>		
2016 Commemoration event		(3,256)
Display booth at the Fair		(116)
Fiberglass calf		(849)
Loss on group trip		(118)
<i>Total Expenditures</i>	<u>0</u>	<u>(4,339)</u>
<i>Total Net Assets Designated for Capital Expenditures at end of period</i>	<u>6,218</u>	<u>1,323</u>

Designated for Mortgage Payments

<i>Balance at beginning of period</i>	123,398	122,684
<i>Income:</i>		
Interest earned	<u>669</u>	<u>714</u>
<i>Total Net Assets Designated for Mortgage Payments at end of period</i>	<u>124,067</u>	<u>123,398</u>

Designated for Scholarships

<i>Balance at beginning of period</i>	<u>113,772</u>	<u>123,198</u>
<i>Income:</i>		
Student ticket sales plus matching contribution	13,420	14,720
Interest earned	567	759
Donations	50	95
<i>Total Income</i>	<u>14,037</u>	<u>15,574</u>
<i>Expenditures:</i>		
Awards paid:	<u>(25,000)</u>	<u>(25,000)</u>
<i>Total Net Assets Designated for Scholarships at end of period</i>	<u>102,809</u>	<u>113,772</u>
<i>Total Net Assets at end of period</i>	<u><u>2,083,210</u></u>	<u><u>1,990,646</u></u>

Durham Agricultural Fair Association, Inc.

**Schedule A: Nonfairtime Revenue and Expenses
For the Years Ended November 30, 2017 and 2016**

	2017	2016
Revenue		
<i>Rentals:</i>		
Grounds - General	12,700	13,290
Grounds - Storage	103,476	86,329
Profit from off season activities	150	16,198
House - 52 Main Street	19,200	19,200
Buildings - 58 Main Street	45,600	45,600
House - 62 Main Street	19,200	19,200
House - 68 Main Street	16,300	15,200
Total rentals	<u>216,626</u>	<u>215,017</u>
Membership dues	1,980	1,950
Interest Earned - Unrestricted	1,357	524
Patronage Dividend from Farm Credit East	7,863	10,761
Donations received	0	3,510
Miscellaneous	<u>6,260</u>	<u>6,619</u>
<i>Total Nonfairtime Revenue</i>	<u>234,086</u>	<u>238,381</u>
Operating Expenses		
<i>House - 52 Main Street:</i>		
Property taxes	7,559	7,845
Repairs and maintenance	2,216	807
Utilities	831	532
Total House - 52 Main Street	<u>10,606</u>	<u>9,184</u>
<i>Buildings - 58 Main Street:</i>		
Property taxes	7,302	6,792
Repairs and maintenance	2,816	1,645
Utilities	453	464
Total Buildings - 58 Main Street	<u>10,571</u>	<u>8,901</u>
<i>House - 62 Main Street:</i>		
Property taxes	4,620	4,297
Repairs and maintenance	2,450	2,722
Utilities	0	0
Total House - 62 Main Street	<u>7,070</u>	<u>7,019</u>
<i>House - 68 Main Street:</i>		
Property taxes	7,502	7,039
Repairs and maintenance	1,473	1,305
Utilities	0	0
Total House - 68 Main Street	<u>8,975</u>	<u>8,344</u>

House - 24 Town House Road (includes Resident State Trooper's office):

Property taxes	0	0
Repairs and maintenance	1,188	185
Utilities (does not include electricity)	2,326	1,577
Less: Expense reimbursement from Town of Durham	(2,400)	(2,400)
Total House - 24 Town House Road	<u>1,114</u>	<u>(638)</u>
Fairgrounds maintenance	26,792	27,311
Electricity (including 24 Town House Road and the Durham Green year round)	28,048	31,627
Telephone and internet	4,139	4,480
Postage	1,933	2,143
Postage meter lease	422	422
Copying	2,734	2,823
Insurance	55,325	54,848
Printing and office supplies	3,738	4,917
Public relations	214	349
Professional fees - audit	6,250	6,035
Professional fees - legal	14,400	14,400
Professional fees - technology	10,791	15,091
Professional fees - other	315	0
Donations made - cash and souvenirs	7,000	6,254
Sponsorships	1,054	1,000
Meetings attended	2,053	1,464
Meetings held	2,746	1,583
Expenses related to grounds rentals	1,447	5,584
Expenses related to storage	0	431
Other	12,614	12,770
Total Operating Expenses other than Fair	<u>220,351</u>	<u>226,342</u>
Excess of Nonfairtime Operating Expenses over Income (before Interest, Amortization, and Depreciation)	13,735	12,039
Interest paid	<u>23,999</u>	<u>31,983</u>
Excess of Nonfairtime Expenses over Income before Amortization and Depreciation	(10,264)	(19,944)
Amortization and depreciation	262,600	278,046
Book value of assets written off	<u>375</u>	<u>0</u>
Excess of Nonfairtime Expenses over Income	<u>(273,239)</u>	<u>(297,990)</u>

Durham Agricultural Fair Association, Inc.

Schedule B: Profit from 2017 and 2016 Fairs

<i>Revenue</i>	2017	2016
<i>Admissions:</i>		
One day tickets - gates	811,659	794,676
One day tickets - advance	108,809	119,928
Season tickets	52,406	53,667
<i>Total admissions</i>	<u>972,874</u>	<u>968,271</u>
Parking Fees	<u>61,105</u>	<u>66,856</u>
<i>Commercial rentals:</i>		
Midway	197,886	209,487
General commercial	328,645	328,905
Crafts	44,228	45,780
<i>Total commercial rentals</i>	<u>570,759</u>	<u>584,172</u>
Convenience fees from on-line ticket sales	8,838	9,741
Truck pull fees	1,320	1,350
Livestock entry fees	1,262	1,250
Net profit from sale of souvenirs	1,430	3,548
Net profit from sale of ice	20,601	21,760
Advertising in Commemorative Book	5,235	3,620
Cellular towers at fairtime	23,000	15,000
Sponsorships	10,218	12,118
ATM usage fees	11,262	13,166
Donations received	1,924	1,664
Rental of camper space	1,440	1,600
Miscellaneous	<u>2,814</u>	<u>3,141</u>
Total Fairtime Revenue	<u>1,694,082</u>	<u>1,707,257</u>
 <i>Direct Expenses</i>		
<i>Revenue-related expenses:</i>		
Crafts	24,160	23,299
General commercial	27,983	29,213
Gates	14,627	16,494
Midway	295	353
Parking fee collection	10,000	10,000
<i>Total revenue-related expenses</i>	<u>77,065</u>	<u>79,359</u>
<i>Exhibit expenses:</i>		
Premiums paid to exhibitors	105,533	95,422
Ribbons, trophies, and awards	15,738	15,123
Feed and bedding	2,612	2,374
Miscellaneous exhibit supplies	1,315	1,532
Judging expense	4,479	4,734
Instructional exhibit expenses	8,474	10,991
Wine Festival expenses	1,067	897
Rentals	4,865	3,125
Display improvements / exhibit development	1,263	1,669

Miscellaneous	639	1,122
<i>Total exhibit expenses</i>	<u>145,985</u>	<u>136,989</u>
<i>Entertainment expenses:</i>		
Center Stage	14,859	15,873
Green Stage	9,911	11,644
Main Stage	258,695	240,032
Mechanized events	39,880	40,550
Children's and Novelty events	2,906	7,069
Roaming acts	400	400
Agriculturally-themed acts	6,408	9,900
<i>Total entertainment expenses</i>	<u>333,059</u>	<u>325,468</u>
<i>Maintenance expenses</i>	<u>145,859</u>	<u>148,139</u>
<i>Marketing expenses:</i>		
Advertising	60,431	43,511
Web site	117	18
Printing of Commemorative Book	10,794	12,519
Exhibit premiums processing	2,525	4,448
Printing of program	1,980	1,980
Public relations	1,364	1,201
<i>Total marketing expenses</i>	<u>77,211</u>	<u>63,677</u>
<i>Public safety expenses:</i>		
Police - State	182,328	154,968
Police - other	33,753	27,413
Parking lot attendants	22,700	15,700
Parking lot rentals	23,207	23,207
Parking lot maintenance	6,476	8,581
Equipment rentals	19,593	19,193
Bus service	111,056	108,390
Towing service	2,000	2,000
Fire service	10,000	7,500
Supplies	5,544	5,679
Miscellaneous	5,154	5,795
<i>Medical and health expenses:</i>		
Middlesex Hospital on-site facility	18,577	17,104
Ambulance services	15,520	14,946
<i>Total medical and health expenses</i>	<u>34,097</u>	<u>32,050</u>
<i>Total public safety expenses</i>	<u>455,908</u>	<u>410,476</u>
<i>Other fairtime direct expenses:</i>		
Electricity	32,239	28,930
Telephone service and usage	11,460	8,392
Insurance	5,703	5,825
Other	19,971	21,569
Scholarship Fund donation	13,420	14,720
<i>Total other fairtime direct expenses</i>	<u>82,793</u>	<u>79,436</u>
Total Fairtime Direct Expenses	<u>1,317,880</u>	<u>1,243,544</u>
Excess of Revenue over Direct Expenses	<u>376,202</u>	<u>463,713</u>

Durham Agricultural Fair Association, Inc.

Schedule C: Capital Improvements
For the Years Ended November 30, 2017 and 2016

	2017	2016
Exhibit Management - Computer		813
Cow Palace - Shower stall improvements	581	
Cow Palace - Sprinkler system, preliminary work		3,220
Electric poles	5,210	
Entertainment - Event fence		1,523
Fair House - Exterior repairs including chimney	1,048	
Farm Museum - Gas Caddy	634	
Farm Museum - Gutters and downspouts, paint roof	6,520	
Marketing - Laptop		1,012
Motorized Ring - Speaker mounts	4,361	
Public Safety - Communications equipment		4,013
Rental Property, 68 Main Street - Basement work		11,132
Rental Property, 68 Main Street - Exterior painting	8,200	
Rental Property, 68 Main Street - Exterior repairs	1,075	
Rental Property, 68 Main Street - Front door	382	
Sign Building - Painting	3,250	
Sign Building - Roof	3,200	
Ticketing equipment	22,816	14,244
Upper Electrical Building - Roof		3,200
Upper Restrooms - Renovation	11,018	
White's Gate changes	1,553	
<i>Total Capital Improvements</i>	<u>69,848</u>	<u>39,157</u>

Durham Agricultural Fair Association, Inc.

**Payments to Governments
For the Years Ended November 30, 2017 and 2016**

		2017	2016
Municipal Governments:			
Town of Durham:	Property taxes on rental properties	26,982	25,973
	Building permit - 68 Main Street work		69
	Building permit - Fair tents	474	535
	Building permit - Upper restroom work	131	0
	Water for two rental properties	1,284	966
	State Police for off-season event	0	1,132
	Additional State Police for Fair	2,702	462
	Reimbursement for Public Works services provided	1,672	
	Fair building inspections - Paid directly to the inspector(s)	360	480
	Fair health inspections - Paid directly to the inspectors	899	840
	Total Town of Durham	34,504	30,457
Town of Middlefield:	Lease of Strickland Farm for parking	13,707	13,707
	Use of bleachers during Fair	2,500	2,500
	Reimbursement for Public Works services provided	961	
	Total Town of Middlefield	17,168	16,207
DMIAAB	Trash removal and disposal	3,093	6,313
	(Durham-Middlefield Transfer Station)		
Town of Vernon:	Use of stage on Green for Fair	3,000	3,291
State of Connecticut:			
Department of Public Safety	State Police	179,626	154,507
Department of Consumer Affairs	Annual filing fee	50	50
Secretary of State	Annual filing fee	50	50
	Total State of Connecticut	179,726	154,607
Total paid to governments		237,491	210,875
Note: Amounts paid to the Town of Middlefield for the Strickland property lease do not include the cost of fertilizing the property. Those amounts were:		6,476	7,635

**Summary of Donations and Public Service Activities
For the Years Ended November 30, 2017 and 2016**

			Value	
	2017	2016	2017	2016
Donation of Cash and Souvenirs:				
Durham Fair Foundation (restricted to making donations)	5,000	5,000		
U.S. Naval Sea Cadets	2,000	1,000		
Community Tennis Tournament (souvenirs)		220		
Durham Fair Foundation - Tractor Cruise-In (souvenirs)		34		
Donation-type advertising	186	175		
Memorial donations:				
American Heart Association	25	25		
Coginchaug Scholarship Fund		25		
Craftsbury Community Care	25			
Durham Fair Foundation		50		
Durham Fair Scholarship Fund		75		
Durham Lions Club		25		
Kevin Frank Scholarship Fund		25		
Lutheran Home of Southbury	50			
Middlesex Hospital Hospice	50			
St. Ann's Soup Kitchen	25			
United Churches of Durham		50		
VFW Post 10169	50			
Xavier Annual Fund	25			
Total donation of cash and souvenirs	7,436	6,704		
Scholarship awards paid	25,000	25,000		
Other cash payments shown in various expense categories of this report:				
<i>For ambulance services:</i>				
Durham Volunteer Ambulance Corps	6,500	6,500		
<i>For bus loading:</i>				
Knights of Columbus Council No. 14590	1,000	680		
Middletown Police Explorers	1,700	1,020		
<i>For cleanup:</i>				
Boy Scout Troop 27	3,500	3,500		
Boy Scout Troop 198 (Cheshire)	12,200	12,200		
<i>For the entertainment area:</i>				
Boy Scout Troop 270	250	1,000		
Coginchaug music groups	1,000	1,000		
<i>For fire services:</i>				
Durham Volunteer Fire Company	5,500	4,000		
Haddam Volunteer Fire Company	4,500	3,500		
<i>For ice distribution:</i>				
New Haven Raccoon Club	2,101	1,276		
<i>For parking fee collection:</i>				
New Haven Police Emerald Society	4,000	4,000		
Notre Dame Knights of Columbus	2,500	2,500		
Hamden Elks Lodge #224	3,500	3,500		
<i>For parking cars:</i>				
Babe Ruth Baseball	3,000	3,000		
Boy Scout Troop 270	3,000	3,000		
Civil Air Patrol	4,500	4,500		
Coginchaug Basketball Booster Club	3,500	3,500		
New Haven Police Emerald Society	3,000	3,000		
<i>For security work:</i>				
Southington Fire	1,000	1,000		
Wallingford Community Women's Club	700	700		
Total other cash payments	66,951	63,376		
Other:				
The Association has paid for improvements to the Town Green and provides all the electricity used on the Green throughout the year (including the Christmas tree and the monument area).				
Value of Green electricity	1,200	1,200		
Improvements to Green paid for by Fair Association	0	6,282		
Total Green	1,200	7,482		
Groups given discounted off-season use of Association property:				
Association of Connecticut Fairs			Meetings	400
Catalyst Church (Middletown)			Easter Egg drop	2,150
Coginchaug POPS			Movie night	2,950
CT Holstein Association / CT Jersey Cattle Club			Show	10,500
CT Poultry Breeders Society			Show	3,150
CT Tour De Cure (American Diabetes)			Event	625
Durham Co-op Nursery School			Movie night	2,900
Durham Fair Foundation			Meetings	2,000
Go Far, Go Fast			Event	2,200
Homeward Bound CT Dog Adoption			Event	5,500
Middlesex / New Haven County 4-H Fair			Fair	31,650
Relay for Life (American Cancer Society)			Event	5,150
Total value of rent free off-season use of grounds			60,100	66,075
Local groups given discounted concession space (75% off):				
Brewster - Korn PTA			1,200	1,200
Church of the Epiphany				840
Coginchaug Benchwarmers			2,880	2,880
Coginchaug Little League			1,800	1,800
Coginchaug POPS				1,680
Coginchaug Regional High School Scholarship Fund			1,440	1,440
Durham Democratic Town Committee			1,920	1,920
Durham Lions Club			1,800	1,800
Durham Republican Town Committee			1,440	1,440
Durham VFW - Post 10169				2,160
Durham Women's Club			1,260	1,260
Durham/Middlefield Exchange Club			1,200	1,200
Durham-Middlefield Youth Football			1,200	1,200
Durham/Middlefield Youth & Family Services			960	960
Help Willy's Friends				900
John Lyman Parents Association			960	960
Levi Coe Library			960	960
Memorial School P/T Council			900	900
Middlefield Democratic Town Committee			2,340	2,340
Middlefield Federated Church			840	
Middlefield Volunteer Fire Company			1,440	1,440
Middlefield Lions Club			2,160	2,160
Middlefield Republican Town Committee			1,200	1,200
Notre Dame Church			1,740	1,740
Strong School Parent/Teacher Organization			960	960
United Churches of Durham			1,620	1,620
Total value of local discounts			32,220	36,960
Out of town groups given discounted concession space (25% off):				
Best Friends for Life			210	210
Busty Brawlers (fight against breast cancer)				150
Church of Latter Day Saints			210	
Killingworth Lions Club			380	380
Knights of Columbus - St. Mary's			720	
Make-A-Wish Foundation of CT			510	510
Middletown Elks			560	560
Nine Line				210
New England Carousel Museum			210	210
Portland Fire Department			320	240
U. S. Veterans Affairs				465
VA New England			765	
Veterans Count			210	
VFW Post 7666 (Guilford)			440	440
Wolcott Lions Club			210	
Total value of out of town discounts			4,745	3,375
Groups given free concession space:				
Connecticut DEEP			1,740	1,740
Connecticut Army National Guard			1,200	1,200
U.S. Air Force			840	840
U.S. Army and Army Reserve				840
U.S. Army Recruiting			840	840
U.S. Marines - MA			840	
U.S. Marines - New Haven			840	840
Total value of free space			6,300	6,300

**Total monetary value of donations and
public service activities**

203,952 215,272

In addition to the above, the following groups were given free admission to the Fair:

- All children 11 and under
- All persons in wheelchairs plus one person with them.
- All active military personnel
- All veterans on Sunday



Durham Fair Foundation, Inc.

**Donations Made
For the Years Ended December 31, 2017 and 2016**

	2017	2016
Coginchaug Regional High School Project Graduation	1,500	1,500
Coginchaug Valley Education Foundation	250	250
Connecticut Agricultural Education Foundation	250	
Connecticut Trees of Honor Memorial		100
Durham Interchurch Assistance	250	250
Middlefield Community Services	250	250
Middlefield Old Home Days		500
Middlefield Volunteer Fire Company	350	350
Middletown Police Holiday Toy Drive		155
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Totals	2,850	3,355